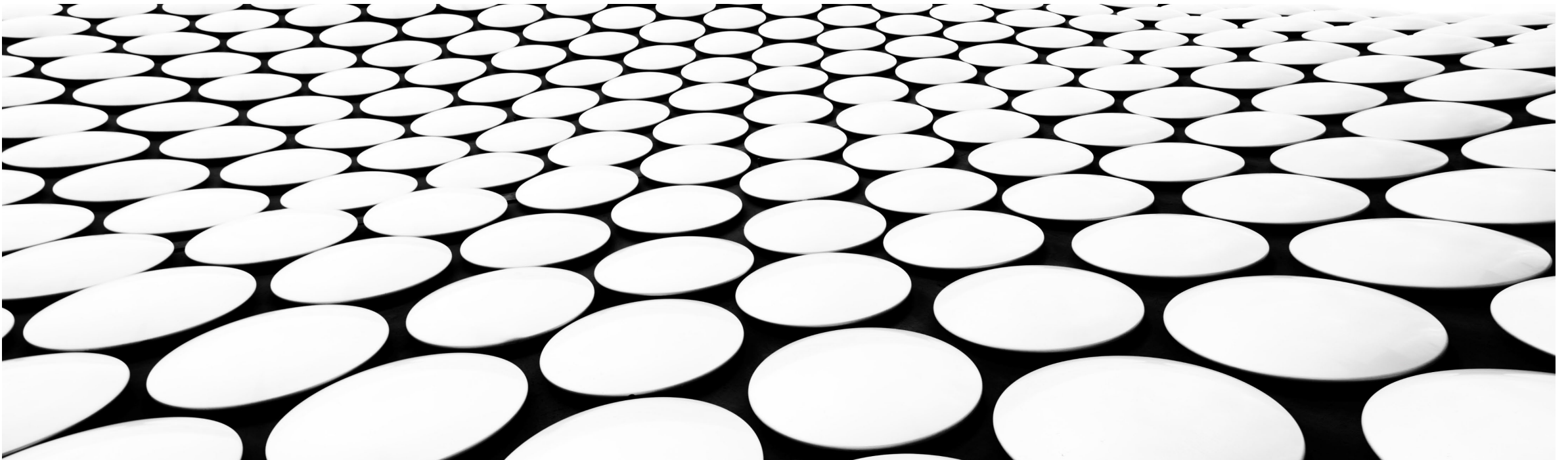

FINANCIAL STATEMENTS FOR 2024

EC– 79/DOC 8.3 AND INF 8.3(1)

45TH SESSION OF THE FINANCIAL ADVISORY COMMITTEE (FINAC – 45)

12 – 13 JUNE 2025



AGENDA

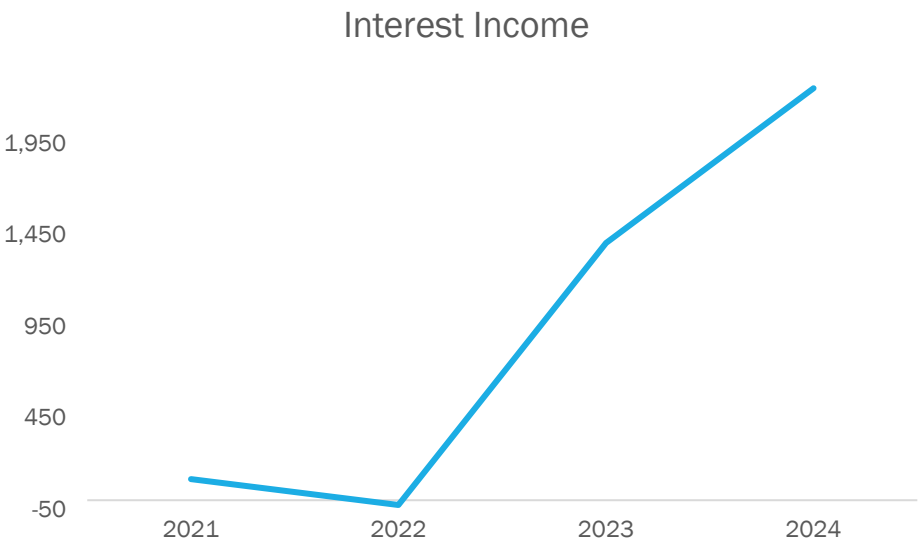
- Highlights of 2024
- 2024 Deep dive

HIGHLIGHTS OF 2024

- Revenue 2021 - 2024
- Receivables, Deferred Revenue 2021 - 2024
- Current Ratio 2021 – 2024
- Key highlights
 - Interest Rates
 - Exchange Rates
 - Salary Cost
 - Employee Benefits Liabilities
 - Funds in Trust

REVENUE 2021 - 2024

Revenue 2021 - 2024



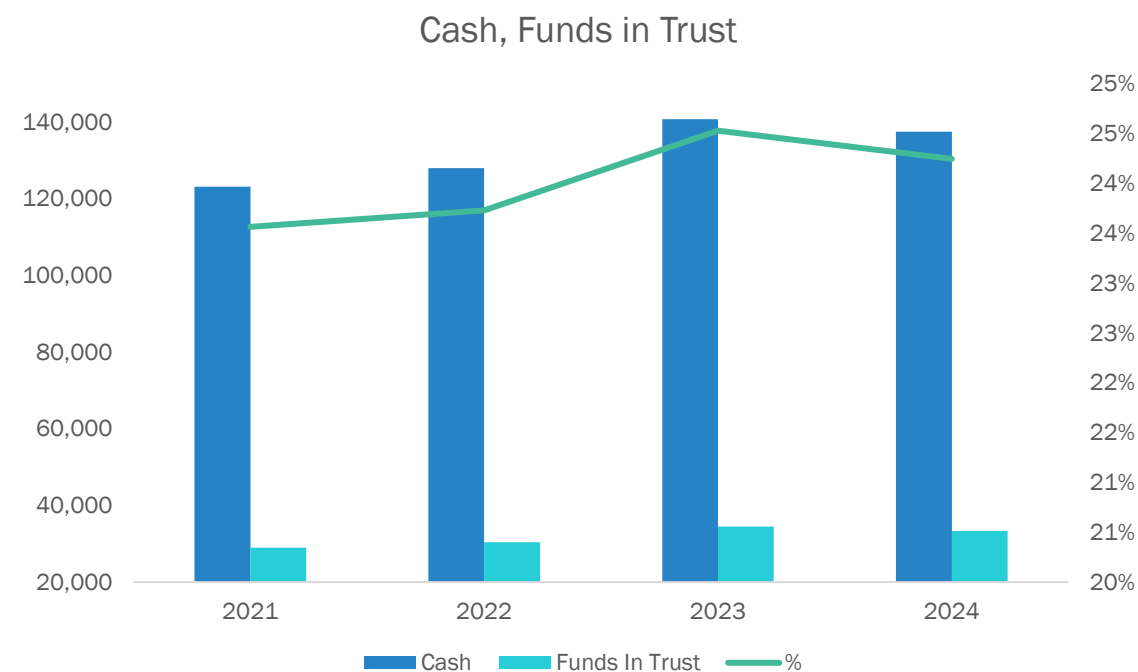
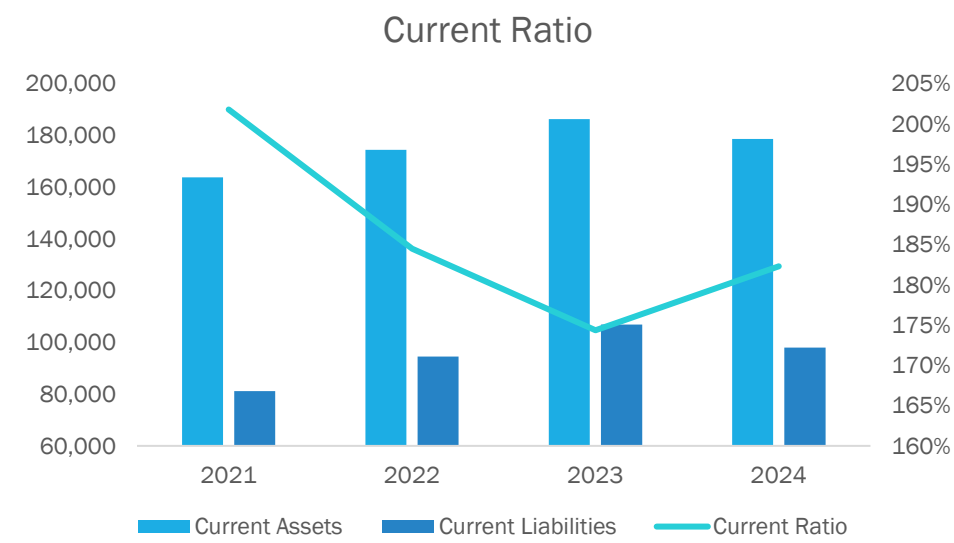
- Assessed Contributions stayed constant over the past 4 years with an increase of 3% for 2024, due to the increase in approved budget for the 2024-2025 biennium as approved by the 77th session of the Executive Council.
- Voluntary Contributions grew by 56% over the last 4 years, showing increased confidence in WMO by members to implement activities. Resource Mobilization efforts are expanding to ensure sustainability of this growth.
- Total Revenue for 2024 increased, in addition to the above, due to increased return on investments and realized and unrealized foreign exchange gains.

RECEIVABLES, DEFERRED REVENUE 2021 - 2024



- Assessed Contribution Receivables averages 45% of regular budget. 2024 receivables represent 43%. Timely payment is encouraged for implementing activities. US accounts for 52% of outstanding receivables
- Voluntary Contribution Receivables decreased due to collecting 2024 portion of multi-year agreement and fewer multi-year agreement signed in 2024.
- Decrease in deferred revenue due to increased rate of implementation in voluntary contribution.

CURRENT RATIO 2021 - 2024



- Strong current ratio indicating WMO’s ability to meet short term liquidity needs.
- Percentage of funds in trust vs total cash remained stable.
- IPCC and GEO account for 80% of funds in trust.

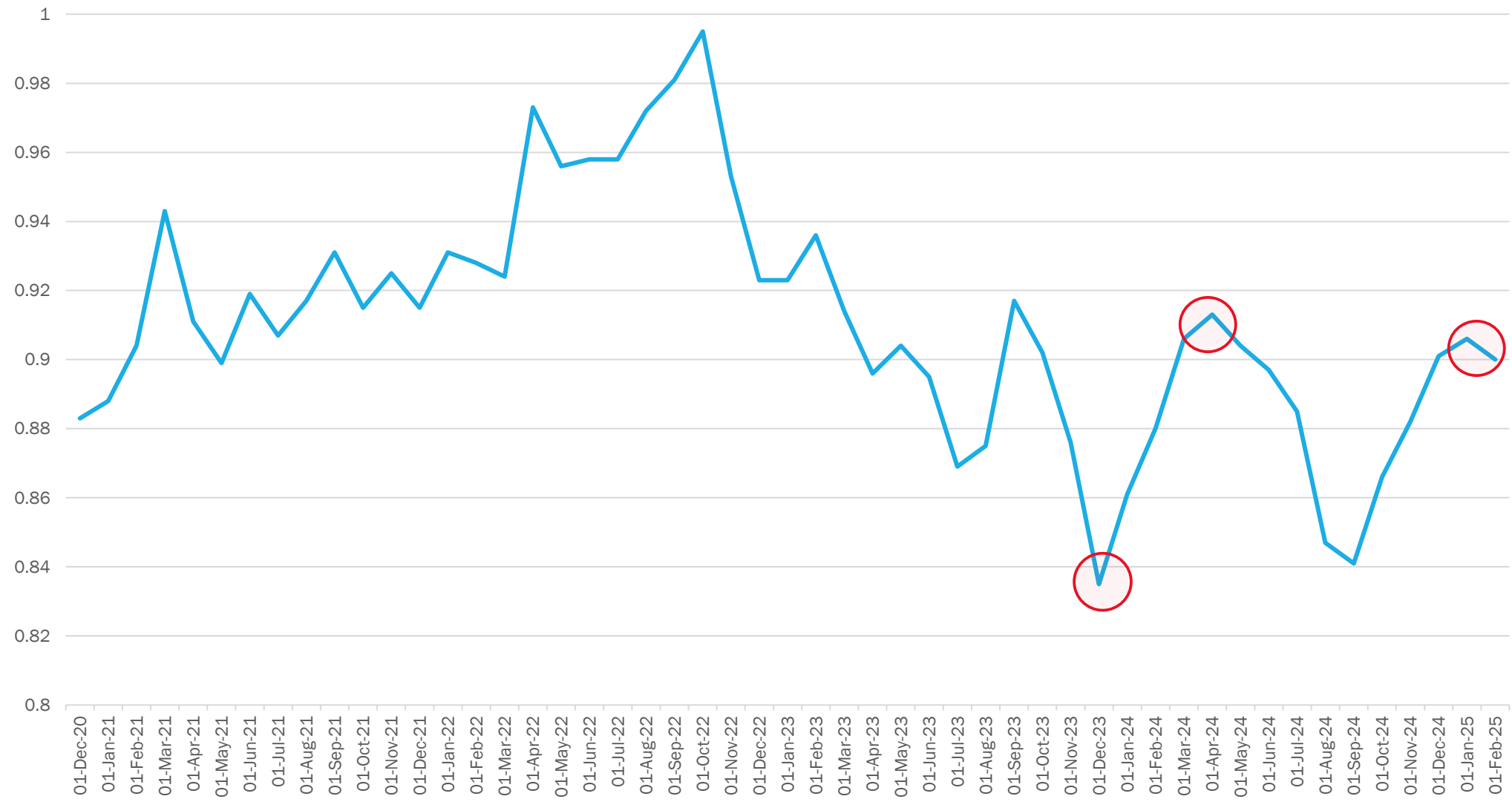
KEY HIGHLIGHTS 2024 VS 2023

ITEM	2024	2023
Interest rates	<p>Interest income almost doubled in 2024 to CHF 2.2 million due to global interest rate increases in main currencies held (CHF and USD)</p> <p>Fed is hawkish and favours higher interest rates where as SNB reduced their reference rate in March 2025.</p>	<p>Interest increased significantly in 2023 to CHF 1.4 million as a result of global interest rate increases in main currencies held (CHF and USD)</p> <p>Expect interest to maintain closer to 2023 levels than 2022 during 2024, although may be slightly lower (Swiss National Bank reduced their reference rate in March 2024).</p>

KEY HIGHLIGHTS 2024 VS 2023

ITEM	2024	2023
<p>Exchange rates:</p> <p>The foreign currency management policy aims to ensure holdings of funds in currencies are generally aligned with the currencies required for payments, while at the same time managing potential foreign exchange losses. For accounting purposes, however, exchange rates gains and losses will be experienced.</p>	<p>CHF 1.4 million of exchange rate gain resulting primarily from USD strengthen against CHF.</p>	<p>CHF 4.2 million of exchange rate losses resulting primarily from strengthening of CHF against the US dollar.</p>

USD CHF TREND 2021 – EARLY 2025



KEY HIGHLIGHTS 2024 VS 2023

ITEM	2024	2023
Salary Cost	<p>Increase of 3.4 million (5%):</p> <ol style="list-style-type: none">1. Increase in professional staff costs CHF 2.2 million resulting from increased staff positions funded by extrabudgetary contributions.2. Increase of CHF 1.5 million related to the actuarial liability calculation in 2024, primarily related to increased actuarial interest and service costs associated with the increase in long-term interest rates and other actuarial assumptions.3. Reduction of 0.3 million (7%) in consultancy cost with continued focus on reducing consultancy costs	<p>Overall increase of CHF 5.4 million:</p> <ol style="list-style-type: none">1. Increase in professional staff costs CHF 2.6 million resulting from increases in salary costs as determined by the ICSC, a lower level of vacancies, and increased project-based staff.2. Increase of CHF 2.9 million related to the post-employment benefits liability3. These increases were offset by a reduction in consultant costs of 0.4 million

KEY HIGHLIGHTS 2024 VS 2023

ITEM	2024	2023
Employee Benefit liabilities No changes in methodology or approach. Generally stable staffing levels; therefore, no significant impact on liability.	Increase in value of liability (CHF 9.9 million) was primarily driven by the CHF interest rates associated with demographic and financial assumptions. Turnover study was completed in 2024 in response to External Auditor recommendation.	Increase in value of liability (CHF 14.8 million) was primarily driven by the reduction in long-term CHF interest rates from December 2022 to December 2023.

KEY HIGHLIGHTS 2024 VS 2023

ITEM	2024	2023
Funds in Trust	CHF 2.6 million held with respect to pass-through mechansim at the end of 2024.	CHF 4.2 million held with respect to pass-through mechansim at the end of 2023.

2024 DEEP DIVE

- Revenues in 2024
- Expenses in 2024
- Fund Performance
- Overall Analysis
 - Assets
 - Liabilities
 - Net Assets

REVENUES

Revenue Category	2024	2023	Difference	Change (%)
Assessed Contributions	69,663	67,889	1,777	3%
Voluntary Contributions	29,512	24,929	4,583	18%
Revenue from Services	250	141	109	77%
Other Revenue	7,505	838	6,667	796%
In-Kind Contributions	1,870	1,870	0	0%
TOTAL REVENUE	108,800	95,664	13,136	14%

REVENUES

- Increase in Assessed Contribution relates to increase in level of regular budget approved at 77th session of the EC.
- Voluntary Contributions increased due to increased ability to implement activities including for key initiatives such EW4All, but also other core activities
- Other revenue increase was driven by:
 - Currency exchange difference: USD increased by 8% against CHF causing realized and unrealized gains.
 - Investment income: Interest rates in CHF, USD increased significantly in 2024.

EXPENSES

Expense Category	2024	2023	Difference	Change (%)
Salaries and employee benefits	71,487	68,049	3,438	5%
Meeting and Projects	12,797	9,904	2,863	29%
Travel	7,253	8,875	(1,622)	(18%)
Supplies and other running costs	10,851	6,452	4,399	68%
Depreciation and amortization	3,385	4,315	(930)	(22%)
In-Kind Expenditure	1,870	1,870	0	0%
Finance Costs	1,126	720	406	56%
Fellowships and trainings	1,668	2,419	(751)	(31%)
Other expenses	1,807	1,852	(45)	(2%)
Impact of joint-ventures	178	455	(277)	(61%)
TOTAL EXPENSES	112,422	104,911	7,511	7%

EXPENSES

- Salary and employee benefits increased by CHF 5 million. The main contributing factors are:
 - CHF 2.4 million increase in salary cost in extrabudgetary fund group to manage project related activities
 - CHF 0.3 million increase in consultancy costs for extrabudgetary and decrease of CHF 0.6 million in Regular Budget.
 - Increase of CHF 1.5 million related to actuarial liability due to increased interest and service cost.
- Meetings and projects increased due to increased implementation of activities primarily via implementing partners.
- Travel decreased due to hybrid and virtual meeting model adopted by the Secretariat staff travel. Extrabudgetary-funded travel in support of projects (43%), participant and expert travel funded by the regular budget (33%), and staff travel funded by the regular budget (24%).
- Increase in supplies, running cost is due to ERP implementation costs.
- Finance cost increased due to increased provision for Assessed Contributions and write-offs.

FUND PERFORMANCE

	Revenue	Expenses	2024 Net Deficit	2023 Net Deficit
General Fund Group	79,977	82,897	(2,920)	(7,872)
Regular Budget Support Funds	7,706	7,728	(552)	(561)
Development and Technical Assistance Funds	21,807	21,953	(146)	(863)
Event Funds	137	142	(4)	49
Eliminations	(298)	(298)	-	-
TOTAL REVENUE	108,800	112,422	(3,622)	(9,247)

- All fund groups experienced a Net Deficit in 2024.
- The reduction in deficit in fund groups from 2023 relates to foreign exchange impact on non-CHF holdings.

OVERALL ANALYSIS - ASSETS

Item	31 Dec 2024	31 Dec 2023	Change
Cash and Cash equivalents	137,483	140,760	(3,277)
Assessed Contribution receivable	18,389	18,849	(460)
Voluntary Contribution receivable	25,665	29,995	(4,330)
Advances for projects and meetings	7,273	6,114	1,159
Property, plant and equipment	52,220	54,676	(2,456)
All other assets	5,246	5,989	(743)
TOTAL ASSETS	246,276	256,383	(10,107)

- Decrease in receivables due to collection of prior multi-year receivables and fewer multi-year receivables entered into during 2024
- Decrease in Property, plant and equipment due to additional year of depreciation expense..

OVERALL ANALYSIS - LIABILITIES

Item	31 Dec 2024	31 Dec 2023	Change
Payables and accruals	3,066	4,586	(1,520)
Employee benefits	152,592	142,032	10,560
Contributions received in advance	7,852	9,485	(1,633)
Deferred Revenue	75,331	82,021	(6,690)
Borrowings	26,627	27,438	(811)
Funds held in Trust	33,335	34,526	(1,191)
Provisions & Other Liabilities	2,231	260	1,971
TOTAL ASSETS	301,034	300,348	686

- Increase in provision due to CHF 1.05 million relates to amounts to be refunded to donor.
- Decrease in payables due to finalization of many outstanding invoices at the end of 2024, in preparation for implementation of Quantum ERP.
- Decrease in deferred revenue due to increased rate of implementation in voluntary contribution.
- Increase in employee benefits due CHF interest rates associated with demographic and financial assumptions and remain largely unfunded. Further discussion with Members to fund will need to be taken up.

OVERALL ANALYSIS – NET ASSETS

Item	Assets	Liabilities	2024 Net Assets	2023 Net Assets
General Fund Group	148,596	219,047	(70,451)	(60,361)
Regular Budget Support Funds	18,434	8,806	9,628	10,180
Development and Technical Assistance Funds	79,057	73,091	5,966	6,113
Others	189	90	99	103
TOTAL	246,276	301,034	(54,758)	(43,965)

- Overall WMO and General Fund Group remained in net negative asset position due to:
 - Net deficit for 2024 and
 - Increase in net actuarial loss on employee benefit liabilities.