



Inter-Parliamentary Union  
For democracy. For everyone.

# 152nd IPU Assembly

Istanbul, Türkiye  
15–19 April 2026



ISTANBUL, TÜRKİYE  
15-19 APRIL • 2026

Executive Committee  
Item 6  
Governing Council  
Item 6

EX/299/6(a)-R.1  
CL/217/6-R.1  
17 March 2026

## Financial results for 2025

### Financial report and audited financial statements

E

#IPU152

## Table of Contents

<b>1.</b>	<b>Introduction .....</b>	<b>- 3 -</b>
<b>2.</b>	<b>Revenue .....</b>	<b>- 4 -</b>
	2.1 Assessed contributions from Member Parliaments .....	- 4 -
	2.2 Voluntary contributions .....	- 4 -
	2.3 Staff assessment .....	- 4 -
	2.4 Investment income and other revenues .....	- 4 -
<b>3.</b>	<b>Expenditure.....</b>	<b>- 5 -</b>
	3.1 Strategic Objective 1: Building effective and empowered parliaments .....	- 5 -
	3.2 Strategic Objective 2: Promoting inclusive and representative parliaments .....	- 5 -
	3.3 Strategic Objective 3: Supporting resilient and innovative parliaments .....	- 5 -
	3.4 Strategic Objective 4: Catalysing collective parliamentary action .....	- 5 -
	3.5 Strategic Objective 5: Strengthening the IPU's accountability .....	- 6 -
	3.6 Other charges .....	- 6 -
<b>4.</b>	<b>Gender analysis.....</b>	<b>- 7 -</b>
<b>5.</b>	<b>Capital expenditures .....</b>	<b>- 7 -</b>
<b>6.</b>	<b>Staff Pension Fund.....</b>	<b>- 7 -</b>
<b>7.</b>	<b>Recommendations .....</b>	<b>- 7 -</b>
<b>8.</b>	<b>Management's responsibility for financial reporting.....</b>	<b>- 8 -</b>
<b>9.</b>	<b>External auditor's opinion .....</b>	<b>- 9 -</b>
	Opinion .....	- 10 -
	Basis for Opinion .....	- 10 -
	Other Information .....	- 10 -
	Responsibilities of management and those charged with governance for the financial statements .....	- 10 -
	Auditor's responsibilities for the audit of the financial statements.....	- 11 -
	Report on other legal and regulatory requirements .....	- 11 -
<b>10.</b>	<b>Statement of financial position .....</b>	<b>- 12 -</b>
<b>11.</b>	<b>Statement of financial performance .....</b>	<b>- 12 -</b>
<b>12.</b>	<b>Statement of changes in net assets .....</b>	<b>- 14 -</b>
<b>13.</b>	<b>Statement of cash flows .....</b>	<b>- 15 -</b>
<b>14.</b>	<b>Statement of comparison of budget and actual amounts.....</b>	<b>- 17 -</b>
	Note 1 Nature of the Organization.....	- 17 -
	Note 2 Accounting policies and basis of presentation.....	- 19 -
	Note 3 Cash and cash equivalents.....	- 19 -
	Note 4 Accounts receivable.....	- 25 -
	Note 5 Investments.....	- 27 -
	Note 6 Other assets.....	- 28 -
	Note 7 Property, plant and equipment.....	- 28 -
	Note 8 Intangible assets .....	- 30 -
	Note 9 Deferred revenue .....	- 31 -
	Note 10 Borrowings .....	- 32 -
	Note 11 Employee benefit liabilities .....	- 33 -
	Note 12 Leases .....	- 33 -
	Note 13 Restricted funds .....	- 36 -
	Note 14 Contingent liabilities .....	- 38 -
	Note 15 Reconciliation of budget to actual comparison and statement of financial performance .....	- 39 -
	Note 16 Related party transactions and key management personnel .....	- 39 -
	Note 17 Segment reporting .....	- 41 -
	Note 18 Revenue and Expense .....	- 41 -
	Note 19 Financial risks .....	- 46 -
<b>Annex I.....</b>		<b>- 49 -</b>

## 1. Introduction

The audited financial statements for 2025 are once again fully compliant with International Public Sector Accounting Standards (IPSAS). They reflect the changes effected during the past 13 years – consolidating the IPU Legacy Pension Fund with the IPU's own accounts, carrying out a regular full actuarial review of the Pension Fund, revaluing the IPU Headquarters building in Geneva at fair value and amortizing the 50-year loan that was offered by the Swiss Confederation in 2003 for the construction and renovation of the Headquarters building.

The content of the IPU Financial Report is derived from the body of the five audited financial statements and their comprehensive notes. A comparison of budget performance by category of expenditure and by strategic direction is found in Statement V: Statement of Comparison of Budget and Actual Amounts and in note 17 on segment reporting. Details of expenditure by line item are provided in note 18. This financial report therefore provides a summary of key information and a narrative explanation of budget variances and points out where further information can be located in the financial statements and notes.

The budget for 2025 was approved by the Governing Council with an increase of 3% in Members' assessed contributions compared with 2024. Members' assessed contributions still remain below their level of 2010. The IPU has continued the engagement with its various stakeholders and ensured that its risk assessment framework is tailored to the current environment.

In 2025, the IPU's investments in mutual funds totalled CHF 2,707,974 at the end of the year. No interest on term deposits was earned during the year due to the low interest rate environment. Overall, the IPU's net assets decreased by an operating deficit of CHF 306,037 in 2025 due primarily to an increase in the provision for expected credit losses on Members' assessed contributions and adoption of IPSAS 43 accounting for lease liabilities. The principal of the IPU's working capital portfolio remains safe, in line with its investment policy on working capital, as it holds high-quality assets aimed at preserving principal.

Swiss regulations required the windows of the IPU Headquarters building to be replaced in 2018-2019, improving both energy efficiency and security, and the amortized cost of this work continues to be charged to the IPU's reserve for major repairs. In accordance with the decision of the Governing Council in Geneva in 2007, an additional amount of CHF 22,500 has been set aside in a reserve for the purpose of offsetting CO<sub>2</sub> emissions and to mitigate the environmental impact of operations.

After the decrease in net assets, the liquid portion of the IPU's Working Capital Fund stands at 88% of its 2025 target level. The target level was set by the Executive Committee in 2006 at one half of the IPU's approved annual operating budget although the Working Capital Fund is composed not only of available cash, cash equivalents and investments but also of IPSAS-required accounting adjustments which cannot be realized in cash. The accumulated balance of the Fund at 31 December 2025 amounted to CHF 9,917,424, of which CHF 1,941,726 related to IPSAS accounting adjustments for the headquarters building revaluation and amortization of the FIPOI (*Fondation des immeubles pour les organisations internationales*) building loan.

The following sections provide a summary of the revenues and expenses of the IPU during 2025, in particular where these amounts have varied from the Consolidated Budget as identified in Statement V: Statement of Comparison of Budget and Actual Amounts.

## 2. Revenue

The principal sources of revenue for the IPU are the assessed contributions of Members and voluntary funds from donors. A small proportion of total revenue is earned from interest, investments and other sources, including meeting room rentals. In 2025, overall revenue saw a 1% rise over the previous year at CHF 15,168,297. Upon the decision of the Governing Council, Members' assessed contributions increased to CHF 11,911,400, still below the level of total assessed contributions in 2010. Interest and investment earnings remained positive, ending 2025 with an overall unrealized gain of CHF 112,023 across the combined IPU and closed Pension Fund portfolios. Other income of CHF 11,754 was received during the year from office rental and the sale of institutional gifts.

### 2.1 Assessed contributions from Member Parliaments

In all, 178 Members and 15 Associate Members were assessed for a total of CHF 11,911,400 in 2025. By the end of 2025, all but CHF 1,019,560 of the current year (2025) assessments had been collected, with total arrears of contributions increasing year-on-year due mainly to the global financial environment and to the situation of the Bolivarian Republic of Venezuela, which owes a total of CHF 736,700 in arrears. There were 73 Members and Associate Members with contributions outstanding. Of the Members in arrears at the year end, seven were liable for suspension of all membership rights under Article 5.3, and 10 were liable for loss of voting rights under Article 5.2. The arrears of contribution of three Member Parliaments (Afghanistan, Myanmar and Niger) and two Associate Members (Andean Parliament and CEMAC) were written off for a total of CHF 147,315.

### 2.2 Voluntary contributions

The 2025 budget for voluntary contributions was set at CHF 4.3 million. As a consequence of lower-than-expected programme expenditure and some grants not arriving when anticipated, actual expenditure of voluntary contributions was 72% of the budgeted amount.

At the start of 2025, the IPU had pledges from donors for future years totalling CHF 5.4 million. During the year, donors firmly committed an additional amount of CHF 3.0 million, subject to specific conditions set forth in agreements. Meanwhile, CHF 3.1 million was spent and the end-of-year balance of pledges from donors totalled CHF 5.3 million, most of which relates to multiyear agreements.

The total amount of voluntary contributions earned/spent in 2025 was CHF 3.1 million.

### 2.3 Staff assessment

Six per cent of budgeted revenue came from the internal taxation of staff salaries. The rates of staff assessment, which are set by the International Civil Service Commission, are based upon the average tax rates in Geneva, London, Montreal, New York, Paris, Rome and Vienna. In line with IPSAS requirements, the IPU no longer recognizes this staff assessment element as either income or expenditure in Statement II: Statement of Financial Performance.

The IPU is contractually obliged to reimburse certain staff members for any national income taxes which are imposed on their IPU incomes. In 2025, CHF 27,324 was reimbursed to staff members who paid taxes to France.

### 2.4 Investment income and other revenues

In 2006, the IPU placed a portion of its funds in a balanced mutual fund in order to increase returns on the Working Capital Fund through diversification. Markets performed well in 2025 and the year-end value of the IPU and Pension Fund portfolios reflected an overall gain of CHF 103,832 in 2025. The market value of the mutual fund units held has continued to rise slightly at the beginning of 2026. Since the end of 2024, the IPU has not been able to activate fixed-term deposit accounts due to the very low interest rate environment. The IPU maintains its prudent stance towards investments, and deposits cash in banks with credit ratings of A- or higher.

### 3. Expenditure

The Strategy for 2022-2026 gave the IPU a mandate to continue strengthening and connecting parliaments for peace, democracy and sustainable development in 2025. In line with the IPU's compliance with IPSAS, the IPU 2025 Consolidated Budget was organized according to the five objectives.

A total of 99.2% of the budget of the IPU is directly attributable to the activities planned to achieve the five objectives of the Strategy. The balance of 0.8% of expenditures comes from other charges, including grants and all contributions to reserves.

Further financial details can be found in Statement V: Statement of Comparison of Budget and Actual Amounts and in the segment reporting in note 17, while the Impact Report for 2025 contains operational information (<https://www.ipu.org/resources/publications>).

#### 3.1 Strategic Objective 1: Building effective and empowered parliaments

The IPU's Strategy has focused the Organization's efforts on building effective and empowered parliaments that are able to work autonomously and efficiently in the face of conflict, climate change, disinformation and economic turmoil that have continued to place exceptional pressure on parliaments around the world. The 2025 operating costs of activities towards achieving this objective were CHF 3,442,379 in total. Core budget expenditure was 9% under budget in total, with the savings made mainly in the areas of language services and travel. The voluntary budget included funds related to Parline as well as to programmes for peace, security and countering terrorism, and to country partnerships with UNDP.

#### 3.2 Strategic Objective 2: Promoting inclusive and representative parliaments

Parliaments continue to make slow but steady progress on gender equality and youth participation. Expenditure on representative and inclusive parliaments to produce more equal, stable and democratic societies ended the year with a total annual expenditure of CHF 1,122,508. Core expenditure reached 74% of its total budget. Voluntary funds from the Swedish International Development Cooperation Agency (Sida), the European Commission, Irish Aid and the Parliament of the United Arab Emirates were utilized towards this objective. A major new grant from the European Union WYDE programme increased voluntary expenditure to 124% of its originally budgeted amount.

#### 3.3 Strategic Objective 3: Supporting resilient and innovative parliaments

The turbulent global environment of the last few years has highlighted the need for parliaments to be forward-looking, resilient and adapt their working practices quickly. The IPU's Centre for Innovation in Parliament continued its work in 2025, providing a platform for parliaments to develop and share good practices in digital transformation strategies and practical methods for building capacity. Core expenditure ended the year under budget by 9% and delays in the agreement of expected voluntary funds led to fewer activities being undertaken than planned, leaving the strategic objective expenditure at 67% of budget overall.

#### 3.4 Strategic Objective 4: Catalysing collective parliamentary action

The IPU's role in converting the collective voice of the parliamentary community into national and international action is central to its mission and the personal relationships that it helps to build between parliamentarians are invaluable. In 2025, the IPU organized many in-person and virtual events, attended by thousands of parliamentarians, accounting for expenditures of CHF 7,650,147. Core expenditure on Objective 4 finished the year within budget by 2%, with the two Assemblies in Tashkent and Geneva both coming in below budget by a total of 14% thanks to extra costs being covered by each Host Parliament. The use of virtual meetings for selected sessions of the governing bodies also helped to reduce expenditure.

Comparative data on the core budget costs of each Assembly in 2025 is given in the tables below.

#### Comparative costs of the first Assembly (in CHF)

Item	Tashkent 2025	Geneva 2024	Manama 2023
Permanent staff overtime	31,337	30,511	28,615
Temp. staff/contractual services	435,468	542,025	498,158
Travel & related expenses	107,311	52,458	107,230
Freight/communication	70	10,220	14,710
Supplies/equipment/services	19,996	223,673	6,193
Publications/web	2,238	10,834	14,043
Gifts/hospitality	4,973	5,244	3,959
<b>Total expense</b>	<b>601,394</b>	<b>874,965</b>	<b>672,907</b>

#### Comparative costs of the second Assembly (in CHF)

Item	Geneva 2025	Geneva 2024	Luanda 2023
Permanent staff overtime	25,147	32,861	27,550
Temp. staff/contractual services	538,490	462,531	532,740
Travel & related expenses	29,864	37,931	137,155
Freight/communication	0	10,995	133
Supplies/equipment/services	76,351	251,073	2,657
Publications/web	29,536	20,896	9,227
Gifts/hospitality	3,915	1,629	9,407
<b>Total expense</b>	<b>703,301</b>	<b>817,916</b>	<b>718,870</b>

### 3.5 Strategic Objective 5: Strengthening the IPU's accountability

Accountability, transparency and efficient functioning at all levels of the IPU, for the Secretariat as well as for IPU Member Parliaments, is recognized as a critical factor for progress towards all the Strategic Objectives. This objective also includes expenditures on internal governance and oversight, the communications function, digital transformation, gender mainstreaming, work towards carbon neutrality and IPU support services (which include finance, administration and human resources services, office accommodation, asset depreciation, equipment rental, ICT and supplies). Total expenditure on this objective came in at CHF 3,782,315, exactly on budget.

### 3.6 Other charges

An allowance for doubtful accounts is set aside to cover the write-off of outstanding debts. In 2025, the Governing Council took active steps to address the trend of increasing arrears of contributions and wrote off the arrears of three Member Parliaments and two Associate Members. Further actions are expected in 2026 to tackle other longstanding arrears and encourage all Members to pay their contributions promptly. Following the adoption of IPSAS 41, provision is now required for the expected credit loss on all receivables and the provision was increased by CHF 216,389. After adjusting for the statutory write-off of arrears, the reserve was therefore increased to a net total of CHF 1,036,071 (42% of the total amount receivable from Members).

The annual grant to the Association of Secretaries General of Parliaments will be reflected in 2026 as the amount was still to be confirmed at the time of accounting cut-off.

No addition to the reserve for major building repairs to IPU Headquarters was budgeted in 2024 as the level of the reserve was assessed to be adequate. The reserve currently stands at CHF 350,373. The Headquarters' windows were renovated in 2018 and 2019 and the depreciation cost of this is being offset against the accumulated reserve funds until 2043, as foreseen.

In accordance with the decision of the Governing Council in Geneva in 2007, an amount of CHF 22,500 was set aside in a reserve for the purpose of offsetting CO<sub>2</sub> emissions and to mitigate the environmental impact of operations. The total accumulated reserve of CHF 56,234 will be used for climate-change-related activities in 2026 and beyond.

The Parliamentary Solidarity Fund stood at CHF 90,045 at the end of the year. No grants were made from the Fund during 2025.

## 4. Gender analysis

Under the IPSAS presentation of the Financial Statements, expenditure on the objective of advancing gender equality is shown directly in Statement V: Statement of Comparison of Budget and Actual Amounts. In 2025, gender-specific expenditure totalled CHF 1,572,794 which represents 9% of the IPU's total expenses.

Women are employed in the Secretariat in equal or greater numbers than men in both the professional and general service categories:

Representation in the Secretariat	2025		2024	
	No.	Per cent of total	No.	Per cent of total
Women on staff – general services	11	73%	12	80%
Women on staff – professional	16	50%	15	48%
Women on staff – total	27	57%	27	59%
Women recruited during year	2	67%	3	75%
Women promoted during year	4	57%	7	70%

## 5. Capital expenditures

In 2025, CHF 45,097 was spent on furniture, vehicles, equipment and premises, including the routine replacement of outdated IT and communications equipment. Overall, capital expenditures on fixed assets ended the year at 30% of budget. No new expenditure was made on capitalized intangible assets.

## 6. Staff Pension Fund

The closed legacy Pension Fund covers the pension commitments made to former employees of the IPU who have already retired. In compliance with IPSAS requirements, the accounts of the closed Pension Fund were consolidated into the IPU Financial Statements from 2012 onwards.

An actuarial study was carried out to calculate the valuation of the pension liabilities of the IPU as of 31 December 2025. The results of the study are set out in Note 11 to the Financial Statements, along with details of all of the IPU's other employee benefit liabilities.

## 7. Recommendations

In accordance with Rule 13.3 of the financial regulations, it is recommended that the Governing Council approve the financial administration of the IPU and the financial results for 2025.

## 8. Management's responsibility for financial reporting

The management of the IPU is responsible for the reliability, integrity and objectivity of the accompanying financial statements and annual financial report. The financial statements have been prepared in accordance with IPSAS. Where necessary, the statements include amounts that are based on judgements and estimates by management. To assist management in fulfilling its responsibilities, a system of internal accounting controls has been established to provide reasonable assurance that the financial statements are accurate and reliable and that assets are safeguarded.

The Governing Council is responsible for approving the annual financial statements. The Governing Council has delegated certain responsibilities to the Internal Auditors, including the responsibility for reviewing the annual financial statements and meeting with management and the External Auditor, as necessary, on matters relating to the financial reporting process.

These financial statements have been audited by the External Auditor appointed by the Executive Committee.



Martin Chungong  
Secretary General



Andrée Lorber  
Director  
Division of Support Services

## 9. External auditor's opinion

### **Letter from the External Auditor to the Secretary General of the Inter-Parliamentary Union**

Number: B/S/KETUA/POI.01/03/2026

Mr. Martin Chungong  
Secretary General of the Inter-Parliamentary Union  
5, Chemin du Pommier  
Case postale 330  
CH-1218 Le Grand-Saconnex  
Geneva  
Switzerland

Dear Secretary General,

In accordance with Rule 13 of the Inter-Parliamentary Union's Financial Regulations, I have the honour of presenting the Audit Board of the Republic of Indonesia's (Badan Pemeriksa Keuangan/BPK) report to you for onward transmission to the Executive Committee of the Inter-Parliamentary Union.

This report comprises the External Auditor's Opinion and External Auditor's Long-Form Report on the audited financial statements of the Inter-Parliamentary Union (the IPU) for the year ended 31 December 2025, prepared by the IPU.

Yours Sincerely,

*(Signed)*

Dr. Isma Yatun, CSFA, CFrA  
Chair of the Audit Board of the Republic of Indonesia  
External Auditor

Jakarta, Indonesia  
17 March 2026

## **AUDIT OPINION**

### **CERTIFICATE OF THE EXTERNAL AUDITOR ON THE FINANCIAL STATEMENTS OF THE INTER-PARLIAMENTARY UNION AS AT AND FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2025**

To the Executive Committee of the Inter-Parliamentary Union

#### **Opinion**

We have audited the financial statements of the Inter-Parliamentary Union (the IPU), which comprise the statement of financial position as at 31 December 2025; and the statement of financial performance, the statement of changes in net assets, the statement of cash flows, and the statement of comparison of budget and actual amounts for the year then ended; and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position as at 31 December 2025, and financial performance, and cash flows for the year then ended of the IPU in accordance with International Public Sector Accounting Standards (IPSAS).

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those 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 IPU, in accordance with the ethical requirements that are relevant to our audit of the financial statements, 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**

Management is responsible for the other information. The other information comprises the Secretary General's Statement, contained below, 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

#### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS, and for such internal control as Management 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, Management is responsible for assessing the IPU'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 Management either intends to liquidate the IPU or to cease operations, or has no realistic alternative but to do so.

The Governing Council and the Executive Committee, in particular the Sub-Committee on Finance, as those charged with governance, are responsible for overseeing the IPU's financial reporting process.

### **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 it is not a guarantee that an audit conducted in accordance with ISA 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.

A further description of our responsibilities for the audit of the financial statements is included in the annex of the auditor's report. This description is part of our auditor's report.

We communicate with those charged with governance 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**

Furthermore, in our opinion, the transactions of the IPU that have come to our notice or which we have tested as part of our audit have, in all significant respects, been in accordance with the IPU's Financial Regulations.

In accordance with Rule 13 of the IPU's Financial Regulations and Chapter 16.2 of the IPU's Accounting Policy and Procedures Manual, we have also issued a long-form report on our audit of the IPU.

*(Signed)*

**Dr. Isma Yatun, CSFA, CFrA**  
**Chair of the Audit Board of the Republic of Indonesia**  
**External Auditor**

**Jakarta, Indonesia**  
**17 March 2026**

## 10. Statement of financial position

INTER-PARLIAMENTARY UNION

### Statement I:

### Statement of Financial Position

at 31 December 2025

In CHF (Swiss francs)

	2025	2024
<b>ASSETS</b>		
<b>Current assets</b>		
Cash on Hand	48,208	23,127
Cash in current accounts	9,832,219	3,996,184
Cash held by investment fund manager	45,719	373,681
Term deposits and savings accounts	<u>40</u>	<u>5,400,046</u>
Subtotal cash and cash equivalents (Note 3)	9,926,186	9,793,038
Accounts Receivable		
from Members (Note 4)	1,413,938	2,210,908
from Donors (Note 4)	2,555,882	1,572,964
from Tax Reimbursements & accrued interest (Note 4)	44,265	45,894
Observers and other receivables (Note 4)	<u>139,866</u>	<u>12,026</u>
Subtotal accounts receivable	4,153,951	3,841,793
Investments (Note 5)	2,849,672	3,280,500
Other current assets (Note 6)	<u>206,149</u>	<u>232,717</u>
Subtotal current assets	17,135,958	17,148,048
<b>Non-current assets</b>		
Property, Plant and Equipment (Note 7)		
Building and Grounds	6,483,220	6,740,939
Furnishings	25,130	29,077
General Equipment	8,723	12,127
ITC and Equipment	61,935	62,691
Vehicles	<u>-</u>	<u>-</u>
Subtotal Property, Plant and Equipment	6,579,008	6,844,835
Intangible assets (Note 8)	-	-
Right of Use Assets (Note 12)	626,092	-
Accounts receivable from donors (Note 4)	1,043,575	2,363,012
Guarantee Deposit (Note 6)	<u>7,342</u>	<u>8,385</u>
Subtotal non-current assets	8,256,017	9,216,232
<b>Total Assets</b>	<u>25,391,975</u>	<u>26,364,280</u>

**LIABILITIES**

Accounts Payable and Accrued Payables	315,832	317,368
Advances from Members	135,329	282,453
Deferred revenue (Note 9)	4,216,637	3,074,263
Loans (Note 10)	<u>189,600</u>	<u>189,600</u>
Subtotal current liabilities	4,857,399	3,863,684
Borrowings Long Term (Note 10)	4,189,660	4,327,315
Deferred Revenue (Note 9)	1,043,575	2,363,012
Lease liabilities (Note 12)	639,487	-
Legacy Pension Fund (Note 11)	7,144,445	7,852,727
Other Employee benefits (Note 11)	<u>1,653,760</u>	<u>1,737,600</u>
Subtotal non-current liabilities	14,670,927	16,280,654
<b>Total Liabilities</b>	<b>19,528,325</b>	<b>20,144,338</b>
<b>NET ASSETS</b>		
Restricted Funds (Note 13)	406,607	412,404
Actuarial Gain (loss) recognized in net assets	-4,460,366	-4,410,122
Accumulated fund balance (Working Capital Fund after contribution)	<u>9,917,424</u>	<u>10,217,663</u>
<b>Net Assets</b>	<b><u>5,863,665</u></b>	<b><u>6,219,945</u></b>

## 11. Statement of financial performance

INTER-PARLIAMENTARY UNION

### Statement II:

### Statement of Financial Performance

for the year ended 31 December 2025

In CHF (Swiss francs)

	2025	2024
<b>Revenue</b> (Note 18)		
Assessed Contributions	11,911,400	11,610,550
Voluntary Contributions	3,133,121	3,069,506
Investment Revenue	112,023	347,091
Other Revenue	11,754	12,449
<b>Total Revenue</b>	<b>15,168,297</b>	<b>15,039,596</b>
<b>Expenses</b> (Note 18)		
Personnel Expenditure – permanent staff	9,058,113	9,261,838
Personnel Expenditure – temporary staff	3,362,382	3,044,830
Change in Legacy Pension Fund Provision	-758,526	-908,268
Travel Expenditure	931,806	671,560
Contractual Services	1,389,258	1,637,332
Operating Expenses	460,339	743,340
Supplies, Materials and Equipment	219,571	173,097
Allowance for Doubtful Accounts	69,074	202,575
Grants and Honoraria	30,000	34,600
Depreciation and amortization of assets (Note 7,8 and 12)	420,204	321,037
Amortization of loan (Note 10)	51,945	53,510
Interest on lease liability	45,303	-
Statutory Write-off of Member Contributions	147,315	220,568
Loss on Foreign Exchange	47,552	3,275
<b>Total Expenses</b>	<b>15,474,335</b>	<b>15,459,293</b>
<b>Operating Surplus/(Deficit)</b>	<b>-306,037</b>	<b>-419,697</b>

## 12. Statement of changes in net assets

INTER-PARLIAMENTARY UNION

### Statement III:

### Statement of Changes in Net Assets

for the year ended 31 December 2025

In CHF (Swiss francs)

	Accumulated Fund Balance	Actuarial Gain (loss)	Reserves	Total
Closing balance 31 December 2023	10,598,724	-3,841,874	424,461	7,181,311
Transfer to reserves ( <u>Note 13</u> )	-17,100	-	17,100	-
Adjustment to Working Capital Fund	26,584	-	-	26,584
Recognition of actuarial gain (loss)	-	-568,248	-	-568,248
Net result 2024	<u>-390,541</u>	<u>-</u>	<u>-29,156</u>	<u>-419,697</u>
Closing balance 31 December 2024	10,217,663	-4,410,122	412,404	6,219,945
Transfer to reserves ( <u>Note 13</u> )	-22,500	-	22,500	-
Adjustment to Pension Fund Liability	-	-	-	-
Recognition of actuarial gain (loss)	-	-50,244	-	-50,244
Net result 2025	<u>-277,740</u>	<u>-</u>	<u>-28,297</u>	<u>-306,037</u>
Closing balance 31 December 2025	9,917,423	-4,460,366	406,607	5,863,664

### 13. Statement of cash flows

INTER-PARLIAMENTARY UNION

#### Statement IV:

#### Statement of Cash Flows

for the year ended 31 December 2025

In CHF (Swiss francs)

	2025	2024
<b>Cash flows from Operating Activities</b>		
Operating surplus (deficit)	-306,037	-419,697
Less investment income included in net result	<u>-112,023</u>	<u>-347,091</u>
Net result excluding income from investing activities	<b>-418,060</b>	<b>-766,788</b>
Depreciation	420,204	321,037
Amortization of loan and lease liability	97,248	53,510
Adjustment to Working Capital Fund	-	26,584
(Increase) decrease in receivables	1,007,280	-2,527,189
(Increase) decrease in other current and non-current assets	27,610	29,059
Increase (decrease) in payables, deferred revenue & other liabilities	-325,722	1,191,361
(increase) decrease in lease liability	-141,500	-
Increase (decrease) in pension fund liability recognized on Statement II	-758,526	-908,268
Increase (decrease) in other employee benefit liabilities	<u>-83,840</u>	<u>129,622</u>
<b>Net cash flows from Operating Activities</b>	<b>-175,307</b>	<b>-2,451,072</b>
<b>Cash flows from Investing Activities</b>		
(Increase) decrease in Investments	430,828	125,171
Investment income included in net result	112,023	347,091
(increase) decrease in Intangible assets	-	-
(increase) decrease in Property, plant and equipment	<u>-44,798</u>	<u>-28,000</u>
<b>Net cash flows from Investing Activities</b>	<b>498,053</b>	<b>444,262</b>
<b>Cash flows from Financing Activities</b>		
Loan repayment to Swiss Federal Government	<u>-189,600</u>	<u>-189,600</u>
<b>Net cash flows from Financing Activities</b>	<b>-189,600</b>	<b>-189,600</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents</b>	<b>133,146</b>	<b>-2,196,410</b>
<b>Cash and Cash Equivalents at beginning of period</b>	<b>9,793,038</b>	<b>11,989,450</b>
<b>Cash and Cash Equivalents at end of period</b>	<b>9,926,184</b>	<b>9,793,038</b>

## 14. Statement of comparison of budget and actual amounts

INTER-PARLIAMENTARY UNION

### Statement V: Statement of Comparison of Budget and Actual Amounts

for the year ended 31 December 2025  
In CHF (Swiss francs)

	Original Budget	Final Budget	Actual on comparable basis	Difference
<b>Revenue</b>				
Assessed contributions	11,937,000	11,937,000	11,911,400	25,600
Working Capital Fund	665,700	665,700	270,247	395,043
Staff assessment	1,162,100	1,162,100	1,178,694	-16,594
Voluntary contributions	4,323,300	4,323,300	3,133,121	1,190,179
Interest	100,000	100,000	92,175	7,825
Other income	<u>16,000</u>	<u>16,000</u>	<u>11,754</u>	<u>4,246</u>
<b>Total revenue</b>	18,204,100	18,204,100	16,597,391	1,606,709
<b>Expenses</b>				
Building effective and empowered parliaments	4,016,800	4,016,800	3,442,379	574,421
Promoting inclusive and representative parliaments	1,178,900	1,178,900	1,122,508	56,392
Supporting resilient and innovative parliaments	916,800	916,800	611,106	305,694
Catalysing collective parliamentary action	8,496,800	8,496,800	7,650,147	846,653
Strengthening the IPU's accountability	3,770,400	3,770,400	3,782,315	-11,915
Other charges	144,600	144,600	216,389	-71,789
Eliminations	<u>-320,200</u>	<u>-320,200</u>	<u>-227,452</u>	<u>-92,748</u>
<b>Total expenses</b>	18,204,100	18,204,100	16,597,391	1,606,709
Operating Surplus (Note 15)	-	-	-	-

Statement V: Comparison of Budget and Actual Amounts compares the final budget to actual amounts calculated on the same basis as the corresponding budgetary amounts. The budget is prepared on an accrual basis.

Note 15 provides a reconciliation between the actual amounts presented in Statement V and the actual amounts presented in Statement II: Financial Performance.

## **NOTE 1 NATURE OF THE ORGANIZATION**

1. The Inter-Parliamentary Union (IPU) is the international organization of parliaments and has a unique inter-State character. It is the focal point for worldwide parliamentary dialogue. Since 1889, the IPU has worked for peace and cooperation among peoples and for the firm establishment of representative institutions. The IPU shares the objectives of, and works in close cooperation with, the United Nations, where it has official Observer status at the UN General Assembly. It also cooperates with regional inter-parliamentary organizations, as well as with international, intergovernmental and non-governmental organizations which are motivated by the same ideals.
2. The IPU is an international parliamentary political organization and possesses international legal personality. It is representative in character and structure, subject to the rule of law, and governed by its Statutes. States and international organizations dealing with the IPU have recognized its standing, authority and capacity to act in the international arena, within the area of its functional responsibilities, as the international organization of parliaments.
3. The IPU's main decision-making body is its Governing Council, established by the IPU Statutes and consisting of three delegates of all of the Members of the IPU. It normally holds two sessions per year. The Governing Council elects the President of the IPU, elects the Secretary General, sets the policy, guides the activities of the IPU and monitors their implementation. The Council adopts the work programme and budget, establishes the scale of assessed contributions, authorizes the acceptance of donations and legacies and approves the accounts. An Executive Committee composed of the President of the IPU and 15 members elected by the Governing Council proposes the annual work programme and budget to the Governing Council, oversees the administration of the IPU Secretariat, including establishing the scales of salaries and allowances of staff members, and appoints the External Auditor.
4. The IPU is funded by assessed contributions paid by its Members and voluntary contributions from Members and donors. The IPU operates within the framework of an annual work programme and budget, which provides the appropriations that constitute the expenditure authorizations approved by the Governing Council for each financial year. The approval of the appropriations provides the Secretary General with the authority to commit and authorize expenses and to make payments for the purposes assigned within the limits of the appropriations.
5. Since 1 January 2005, the IPU has been affiliated to the United Nations Joint Staff Pension Fund (UNJSPF). The IPU has a Legacy Pension Fund which is governed by the Regulations of the Pension Fund for members of staff of the IPU. In accordance with these Regulations, the assets of the Pension Fund are administered separately from those of the IPU. The Pension Fund is administered by a Management Board comprising a representative of the IPU's Executive Committee, who serves as President of the Board, the Secretary General, an expert in financial administration appointed by the Executive Committee, a representative of the staff of the IPU and a representative of the current retirees who are beneficiaries of the Fund. The Regulations of the Fund provide that the IPU is fully responsible for the benefits owed to existing pensioners and their survivors.
6. The Financial Regulations of the Inter-Parliamentary Union is the overall instrument governing the IPU's financial administration.

## **NOTE 2 ACCOUNTING POLICIES AND BASIS OF PRESENTATION**

The Financial Statements have been prepared on a full accrual and going-concern basis and the accounting policies have been applied consistently throughout the period. The Statements comply with the requirements of International Public Sector Accounting Standards (IPSAS) including IPSAS 43, related to changes in accounting for Leases, IPSAS 44 including accounting for Non-current Assets held for sale and Discontinued Operation, IPSAS 45 Plant, Property and Equipment and IPSAS 46 Measurement, all of which became effective on 1 January 2025.

The following Standards which have been issued by the IPSAS Board will be adopted on their effective dates as shown in the table below.

Standard	Effective Date
IPSAS-1 Amendment Presentation of Financial Statements	01 January 2027
IPSAS-3 Amendment to Accounting Policies, Changes in Accounting Estimates and Errors	01 January 2027
IPSAS-10 Hyperinflationary Economies Amendment for IFRIC Interpretations	01 January 2026
IPSAS-19 Provisions, Contingent Liabilities and Contingent Assets Amendment for IFRIC Interpretations	01 January 2026
IPSAS-39 Employee Benefits Amendment for IFRIC Interpretations	01 January 2026
IPSAS-43 Leases Amendment for Concessionary Leases	01 January 2027
Amendment for IFRIC Interpretations	01 January 2026
IPSAS-47 Revenue Amendment for Right-of-use-Assets in-kind	01 January 2027
IPSAS-48 Transfer Expense Amendment for Right-of-use-Assets in-kind	01 January 2026
Amendment for Right-of-use-Assets in-kind	01 January 2027
IPSAS-49 Retirement Benefit Plans	01 January 2026
IPSAS-50 Exploration for and Evaluation of Mineral Resources	01 January 2027
IPSAS-51 Tangible Natural Resources Held for Conservation	01 January 2028
IPSASB-SRS-1 Climate Related Disclosures	01 January 2028

The implementation of IPSAS 47 and IPSAS 48 in 2026 will result in changes in accounting for accounts receivable for voluntary contributions. Recognition will be as of 1 January 2026. The implementation of amendments to IPSAS 10, 19 and 39 and the initial implementation of IPSAS 49 in 2026 will have no impact on the IPU's financial statements. The impact of the implementation of the remaining IPSAS and IPSAS amendments including the IPSASB Sustainability Reporting Standard SRS-1 will be evaluated prior to the implementation date.

The Financial Statements include the accounts of the IPU and the accounts of the closed Pension Fund. All internal transactions and balances are eliminated on consolidation.

### **Advances from Members**

Advances from Members represent advance payment of assessed contributions for future financial periods received during the current reporting period.

### **Borrowing**

Borrowing includes an interest-free loan from the Swiss Confederation, which is valued at amortized cost using the effective interest rate methodology.

### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, savings deposits without term limit and term deposits held up to 90 days. Investments include shares in mutual funds valued at market value. All investments are publicly traded, readily convertible to cash and subject to limited risk of change in value.

### **Closed Legacy Pension Fund**

Prior to becoming a participating organization in the UNJSPF, the IPU had its own pension fund, established in 1965. The Pension Fund was closed to new members on 1 January 2005 and continues for those who were pensioners (including survivors) at the time of closure under the management of a Board. The IPU's representative on the Pension Board provides a report to the Executive Committee each year on the activities and status of the Pension Fund. In accordance with the requirements of IPSAS, the assets, liabilities, revenue and expense of the Pension Fund have been consolidated into the IPU's Financial Statements. The unfunded liability of the Legacy Pension Fund is a liability of the IPU.

### **Employee benefits**

Provisions are established for the liabilities for separation benefits payable (repatriation grants and travel) as determined by an independent actuary using the projected unit credit actuarial methodology and encashment of accumulated leave calculated by the IPU at nominal value. In addition, provisions are established for home leave deferred, overtime earned but not paid at the reporting date and education grants payable at the reporting date that have not been included in current expenditure.

Active employees participate in the UNJSPF, of which the IPU is a member organization. The UNJSPF was established by the United Nations General Assembly to provide retirement, death, disability and related benefits to employees. The Pension Fund is a funded, multi-employer defined benefit plan. As specified by Article 3(b) of the Regulations of the Fund, membership in the Fund shall be open to the specialized agencies and to any other international, intergovernmental organization which participates in the common system of salaries, allowances and other conditions of service of the United Nations and its specialized agencies.

The plan exposes participating organizations to actuarial risks associated with the current and former employees of other organizations participating in the Fund, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets, and costs to individual organizations participating in the plan. The IPU, in line with the other participating organizations in the Fund, is not in a position to identify its share of the underlying financial position and performance of the plan with sufficient reliability for accounting purposes and hence has treated this plan as if it were a defined contribution plan in line with the requirements of IPSAS 39 *Employee Benefits*. The IPU's contributions to the plan during the financial period are recognized as expenses in the Statement of Financial Performance.

### **Expected Credit Loss**

An expected credit loss (ECL) provision is calculated in accordance with the requirement of IPSAS 41 *Financial Instruments* and applied to possible future losses in connection with receivables related to assessed contributions. The ECL is calculated as a percentage of total assessed contributions receivable for the previous five financial periods divided by total assessed contributions approved by the IPU's governing bodies for the previous five financial periods. The ECL is determined by multiplying the resulting percentage by the total assessed contributions for the previous five financial periods.

Contributions receivable for periods earlier than the previous five financial periods are provisioned at 100% pending final action by the IPU's governing bodies in accordance with the IPU's Statutes and Rules.

Accounts receivable for voluntary contributions are fully provisioned by a liability for deferred revenue and no ECL is applied. Other receivables related to arrears of charges payable by observer organizations are provisioned at 100% after two years. An ECL will be calculated for other receivables should material amounts be outstanding for more than one year.

### **Expense recognition**

Expenses are recognized as goods are received and services rendered.

### **Financial Instruments**

Financial instruments are recognized when the IPU becomes a party to the contractual provisions of the instrument and are derecognized when the right to receive cash flow from another entity in connection with a financial asset or the obligation to deliver cash to another entity in connection with a financial liability has expired.

Investments are non-derivative financial assets designated as held for trading and are valued at fair value through surplus and deficit based on quoted active market prices at the reporting date. Cash and cash equivalents represent financial assets held for short-term periods and are valued at nominal value at the reporting date. Cash deposits held for periods longer than 12 months are valued at fair value through surplus and deficit.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on active markets comprising assessed contributions and other amounts receivable in cash. Short-term receivables are valued at amortized cost. Longer-term receivables covering arrears for Members are valued at amortized cost less allowances for estimated irrecoverable amounts. Voluntary contributions receivable in currencies other than Swiss francs are revalued to reflect the value in Swiss francs at the reporting date.

Accounts payable and borrowings are non-derivative financial liabilities with fixed payments not quoted on an active market that are payable in cash. Accounts payable, due to their short-term nature, are valued at nominal value, which is the equivalent of amortized cost. Borrowings (loans) are valued at amortized cost using the effective interest rate method.

### **Foreign currency transactions**

The functional currency of the IPU is the Swiss franc (CHF) and these Financial Statements are presented in that currency. The transactions occurring in other currencies are translated into Swiss francs using the United Nations official rate of exchange. Both realized and unrealized gains and losses resulting from the settlement of such transactions and from the translation at the reporting date of assets and liabilities denominated in currencies other than Swiss francs are recognized in the Statement of Financial Performance.

### **Intangible assets**

Costs associated with the development of software and the IPU's website are capitalized at historic cost and depreciated over a useful life of four years if they exceed a threshold of CHF 2,000.

### **Inventories**

Stocks of publications for future distribution are written down to a net realizable value of zero in each reporting period.

### **Investments**

Investments in long-term bonds held to maturity are valued at fair value at the reporting date. Investments in shares in money market funds available for trading are valued at fair value at the reporting date.

### **Leases**

Leases with non-cancellable terms of twelve months or more with a total value of remaining lease payments exceeding CHF 10,000 are recognized as right of use assets and lease liabilities. The lease liabilities are discounted to reflect the time value of money using the Swiss National Bank published interest at the date of recognition for Swiss franc (CHF) valued leases and using the US Federal Reserve Bank Prime borrowing rate at the date of recognition for United States dollar (USD) valued leases. The right of use asset values are depreciated and the lease liability amortized over the remaining lease term.

### **Net assets**

Net assets include the unrestricted accumulated surplus and deficit of the IPU, which comprise its Working Capital Fund, revaluation surplus reflecting the difference between historic cost and current value of the Headquarters building and reserves established by the IPU Governing Council for Headquarters building maintenance and for carbon emissions offset.

## Payables and accruals

Accounts payable include invoices received from suppliers not yet settled, including the revaluation of invoices payable in currencies other than Swiss francs. Accounts payable are valued at fair value through surplus and deficit. Accruals are liabilities for the cost of goods and services that have been received by or provided to the IPU during the year and which have not been invoiced by suppliers at the reporting date.

## Property, plant and equipment

Equipment is valued at historic cost less accumulated depreciation and impairment. Equipment or sets of equipment and other fixed assets costing in excess of CHF 2,000 are capitalized as an asset. The IPU Headquarters building is valued at fair value as determined by an independent valuation in accordance with International Valuation Standards as at 31 December 2012. No further revaluation will be undertaken. The IPU reviews the value of its property and equipment at the end of each reporting period to determine whether carrying values are recoverable and to determine the extent of any impairment loss with any resulting impairment charged as an expense.

The fair value of buildings and the historic cost of each item of equipment in its class of equipment are depreciated on a straight-line basis so as to write off the full cost of fixed assets over their estimated useful lives, which are estimated as follows:

Category	Useful Life
Buildings – original structure	100 years
Buildings – new structure	75 years
Buildings – technical installations and equipment	30 years
Buildings – interior works	40 years
Buildings – windows	25 years
Furnishings	10 years
Vehicles	5 years
General equipment	4 years
IT hardware and software	4 years

The initial recognition of the difference between historical cost and fair value of the Headquarters building has been recognized directly in revaluation surplus, which forms part of the net assets. Accumulated depreciation is eliminated against the gross carrying amount of the building and the net amount restated to the revalued amount.

The land on which the Headquarters building sits has been made available to the IPU by the Canton of Geneva, which has granted, through the *Fondation des immeubles pour les organisations internationales* (FIPOI), surface rights, including the right to construct buildings for a period of 50 years with an option of an extension for an additional period. These surface rights were acquired by the IPU at no cost and no value has been recognized in the Statement of Financial Position as the IPU has only limited authority to dispose of the rights which revert to the Republic and Canton of Geneva unless renewed.

Official gifts are considered heritage items and no value has been recognized in the Statement of Financial Position.

## Provisions

Provisions are recognized when the IPU has a legal or constructive obligation as a result of a past event, whereby it is probable that an outflow of resources will be required to settle the obligation and where a reliable estimate of the amount of the obligation can be made. The IPU calculates the provision for expected credit loss based on the best estimate of the collectability of the assessed contributions.

## Receivables

Receivables from assessed contributions are recognized when they become due. An expected lifetime credit loss allowance for doubtful receivables is recorded at the end of each fiscal period. For all other receivables an allowance for non-recovery representing an expected lifetime credit loss is established based on a review of the outstanding amounts at the reporting date. Recoverable taxes paid in the jurisdictions in which the IPU is located are recognized as receivables when they become due in accordance with the agreements with each jurisdiction. Donor contributions receivable in currencies other than Swiss francs are revalued at the reporting date.

### **Revenue Recognition**

Assessed contributions are recognized as revenue at the beginning of each year. Voluntary contributions supported by enforceable agreements are recognized as revenue at the time the agreement becomes binding unless the agreement includes conditions related to specific performance or the return of unexpended balances. If the agreements contain conditions, revenue recognition is deferred until the liability is discharged through performance of the specific conditions contained in the agreement.

Revenue from investments is recognized when earned. Other revenues are recognized when services are performed or when products are shipped.

### **Segment reporting**

Segment reporting reflects the strategic directions of the Organization as established by the Governing Council.

### **Statement of Cash Flows**

The statement of cash flows is prepared using the indirect method.

### **Taxes**

The IPU has been expressly recognized by the two countries in which it is physically located, Switzerland and the United States of America, as an international organization entitled to the appropriate privileges and immunities. It enjoys a special international organization tax-exempt status in both countries. In Switzerland, under the terms of a 1971 Accord, the IPU is exempted from direct and indirect federal, cantonal and community taxes and is subject to the same duties as other international organizations. In the United States, the IPU is exempted from direct federal taxes and duties under the terms of the International Organizations Immunities Act and is exempted from the payment of New York State and local sales and use taxes.

### **Use of Estimates**

The preparation of the Financial Statements in conformity with IPSAS requires management to make estimates and assumptions that affect the amounts reported in the Financial Statements and accompanying notes. These estimates are based on management's best knowledge of current events and actions that the IPU may undertake in the future. Actual results could differ from these estimates. Estimates include, but are not limited to, separation benefit obligations, financial risk on accounts receivable, degree of impairment of fixed assets and valuation of the Headquarters building. Changes in estimates are reflected in the Statement of Financial Performance in the period in which they become known. All balances are presented in whole number Swiss francs, as a result small rounding differences may occur and details may not add to totals due to rounding. A maximum tolerance of CHF 100 is applied.

### NOTE 3 CASH AND CASH EQUIVALENTS

Cash deposits are held in instant-access bank accounts, interest-bearing accounts and short-term deposits of 90 days or fewer. The average rate of interest earned on interest-bearing accounts and investments was 0% (1.30% in 2024).

Restricted funds included funds held on behalf of donors for use in carrying out specific performance required by binding agreements, funds allocated for repairs and renovation of the IPU headquarters building and cash held on behalf of the Pension Fund, which must be held separately from those of the IPU in accordance with the Pension Fund Regulations.

The Organization minimizes the credit risk involved by holding all of its funds in banks with high Fitch, Moody's or Standard and Poor's credit ratings as follows:

	31 December 2025	31 December 2024
Cash on hand	48,208	23,127
Current accounts with banks - Swiss francs	8,404,793	3,021,163
Current accounts with banks - Other currencies	<u>807,857</u>	<u>395,962</u>
Total unrestricted cash and current accounts	9,212,650	3,417,125
Current accounts with banks restricted reserve funds		
- Swiss francs	350,373	361,163
Current accounts with banks - Other currencies	-	-
Current accounts with banks pension fund - Swiss francs	<u>269,196</u>	<u>217,895</u>
Total restricted cash and current accounts	619,569	579,059
Subtotal cash in current accounts	9,832,219	3,996,184
Cash held by investment fund manager	34,867	356,745
Pension fund cash held by investment fund manager	<u>10,852</u>	<u>16,936</u>
- Swiss francs		
Subtotal cash held by investment fund managers	45,719	373,681
Term deposit USD	40	46
Term deposit CHF	-	2,400,000
Savings account CHF	<u>-</u>	<u>3,000,000</u>
Subtotal term deposits and savings accounts	40	5,400,046
<b>Total current cash and cash equivalents</b>	<b>9,926,186</b>	<b>9,793,038</b>

Cash and cash equivalents	AA	A	Not rated	Total
Amount	162,249	9,715,729	48,208	9,926,186
Per cent	6%	94%	0%	100%

The Organization has no confirmed credit lines but does maintain limited and informal overdraft arrangements with banks in which it has funds on deposit. These arrangements may be withdrawn by the banks at any time. No overdraft facilities were required in 2025 or 2024.

## NOTE 4 ACCOUNTS RECEIVABLE

	31 December 2025	31 December 2024
Receivables from Members	2,450,009	3,177,907
Less provision for doubtful debts	<u>-1,036,071</u>	<u>-966,997</u>
Net receivable from Members	1,413,938	2,210,910
Receivables from Donors	2,555,882	1,572,964
Withholding taxes reimbursable	43,026	37,530
Withholding taxes reimbursable - Pension Fund	1,239	4,137
Accrued interest receivable	<u>-</u>	<u>4,227</u>
Subtotal	44,265	45,894
Receivable from Observer Organizations	-	12,000
Less provision for doubtful debts	<u>-</u>	<u>-</u>
Net receivable from Observer Organizations	-	12,000
Other receivables	<u>139,866</u>	<u>26</u>
Subtotal	139,866	12,026
Subtotal Current Receivables	4,153,951	3,841,794
Receivables from Donors non-current	<u>1,043,575</u>	<u>2,363,012</u>
Subtotal non-current Receivables	1,043,575	2,363,012
<b>Total accounts receivable</b>	<b>5,197,526</b>	<b>6,204,807</b>

At 31 December 2025, there were 73 Members and Associate Members with accounts in arrears (79 at 31 December 2024). Seven Members or Associate Members were liable for suspension of membership rights under Article 5.3 of the IPU Statutes (13 at 31 December 2024) and 10 Members were liable to lose their voting rights under Article 5.2 (19 at 31 December 2024).

Arrears of IPU contributions are shown in detail by Member Parliament and Associate Member in [Annex I](#).

The amount of other receivables includes a receivable of CHF 138,212 from the *Fondation des Immeubles pour les organisations internationales* (FIPOI) to reimburse the IPU for fees paid to the *Centre International de Conférences de Genève* for the IPU Assembly in October 2025.

Under Rule 10.2 of the Financial Regulations, the Secretary General may, after full investigation, write off losses of assets, provided that a statement of all such amounts written off shall be submitted to the Auditors with the annual accounts.

Member	Total
Afghanistan	37,200
Myanmar	25,100
Niger	56,452
Andean Parliament	17,400
CEMAC	<u>11,163</u>
<b>TOTAL</b>	<b>147,315</b>

**Allowance for Doubtful Accounts (contributions)**

The IPU has calculated a provision for expected credit losses. This allowance is the best estimate of accounts, based on assessed contributions from Members, that have been recorded as income and set up as accounts receivable, but which may never be received. The percentage used to calculate the provision in 2025 is 1.2%.

After an increase of the provision of CHF 216,389 (increase of CHF 423,145 in 2024) and the statutory write-off of CHF 147,315 in arrears (CHF 220,569 in 2024), the total provision for 2025 stood at CHF 1,036,071 representing 42.3% (CHF 996,997 representing 30% in 2024) of the outstanding arrears.

Amount in CHF	31 December 2025	31 December 2024
Opening Balance	966,997	764,421
Change in provision for expected credit loss	216,389	423,145
Statutory Write-Offs	-147,315	-220,568
<b>Closing Balance</b>	<b>1,036,071</b>	<b>966,997</b>

**Allowance for Doubtful Accounts (Observer organizations)**

The accounts receivable amount remaining due at 31 December 2025 represents the amount due from observer organizations which was reduced to zero in 2025 by a payment toward the outstanding balance. An expected credit loss provision will be established should it be determined that a credit loss is expected.

**Receivables from donors**

The IPU receives funds from several donors for the implementation of various activities.

Accounts receivable from donors	31 December 2025	31 December 2024
China Counter Terrorism	157,800	180,200
UN Development Programme	-	49,412
UN Women	626,567	733,847
WHO MNCH	19,919	-
Global Methane Hub	165,630	-
King Hamad Global Center	-	270,300
IDEA InterPares	101,053	122,718
SIDA	1,288,380	-
United Arab Emirates	157,800	180,200
PMNCH	-	20,520
WHO Health Taxes	38,732	-
ASU/Wrigley	-	15,768
Sub total current	2,555,882	1,572,964
King Hamad Global Center	-	810,900
UN Women	412,375	470,912
United Arab Emirates	315,600	540,600
China Counter Terrorism	315,600	540,600
Sub total non-current	1,043,575	2,363,012
<b>Total</b>	<b>3,599,457</b>	<b>3,935,977</b>

**Tax reimbursements**

The IPU is entitled to reimbursement by the Swiss Confederation under the terms of its headquarters agreement of VAT and withholding taxes paid and taxes withheld on Pension Fund investments. The amount represents the amount receivable for taxes paid in 2025 (CHF 43,206 for the IPU and CHF 1,239 for the Pension Fund).

## NOTE 5 INVESTMENTS

In accordance with the financial regulations and the investment policy approved by the Executive Committee, monies not needed for immediate requirements are invested in mutual funds held by an external investment manager which was paid a fee of CHF 1,465 in 2025. Total return on investments in 2025 was a net gain of CHF 103,832 (gain of CHF 252,246 in 2024).

Amount in CHF	31 December 2025	31 December 2024
<b>Current assets</b>		
Mutual funds	<u>2,707,974</u>	<u>2,802,168</u>
Subtotal IPU Investments	2,707,974	2,802,168
Mutual funds - flexible fund CHF	<u>141,698</u>	<u>478,332</u>
Subtotal Pension Fund Investments	141,698	478,332
<b>Total Investments</b>	<b>2,849,672</b>	<b>3,280,500</b>

The presentation of the IPU investments recognizes on the Statement of Financial Performance the gross investment revenue including the amount of taxes withheld by Swiss authorities. These taxes are reimbursed in subsequent financial periods.

**NOTE 6 OTHER ASSETS**

The IPU has already paid some expenses that relate to 2026 for items such as insurance, subscriptions and postage meter deposits. These disbursements have been reported as current assets and also include staff benefit and travel advances. The guarantee deposit on leased facilities in New York City is classified as a non-current asset as the lease on this facility expires in 2027.

<b>Amount in CHF</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Project and travel advances	26,814	24,657
Prepaid expenses	179,335	208,060
<b>Total other current assets</b>	<b>206,149</b>	<b>232,717</b>
Guarantee deposit	7,342	8,385
<b>Total other non-current assets</b>	<b>7,342</b>	<b>8,385</b>
<b>Total other assets</b>	<b>213,492</b>	<b>241,102</b>

## NOTE 7 PROPERTY, PLANT AND EQUIPMENT

The IPU has a Headquarters building and annex in Geneva, Switzerland. The building's original structure was completely renovated in 2002 and a new section built to extend and develop the basement area. The building is located on land owned by the Canton of Geneva, which has been set aside for the use of the IPU for a period of 50 years from 2003 to 2052, with an option to extend. The terms of a lease agreement were finalized during 2009 between the Canton of Geneva, the Federal Government of Switzerland and the IPU, and the agreement was signed at the end of 2010 (see Note 2 – Fixed assets).

At 31 December 2011, the value of the building was determined by an independent external valuation consultant as the fair value of the building at that date in accordance with International Valuation Standards. Depreciation has been computed and included in the fair value recognized as the deemed cost as of the date of implementation of IPSAS. In 2018 and 2019 the windows were replaced, and the building value adjusted and depreciation commenced.

Depreciation is recorded in accordance with the policy described in Note 2. A detailed inventory is kept for all computer-related hardware and software as this is routinely replaced and upgraded and represents a significant investment. The depreciation adjustment for disposals takes into account one computer that was scrapped before full depreciation.

Amount in CHF	Buildings and Grounds		Furnishings		Information Technology Communications and Equipment		General Equipment		Vehicles		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Historic cost at 01 January	10,017,551	10,017,551	596,348	593,360	502,611	501,879	118,642	105,026	69,981	69,981	11,305,133	11,287,796
Additions	-	-	-	2,989	45,097	12,031	-	13,616	-	-	45,097	28,636
Disposals	-	-	-	-	-103,687	-11,299	-	-	-	-	-103,687	-11,299
Historic cost at 31 December	10,017,551	10,017,551	596,348	596,348	444,021	502,611	118,642	118,642	69,981	69,981	11,246,543	11,305,133
Accumulated depreciation	-3,276,612	-3,018,892	-567,271	-563,295	-439,919	-395,598	-106,515	-105,026	-69,981	-69,981	-4,460,298	-4,152,791
Adjust depreciation for disposals	-	-	-	-	103,388	10,663	-	-	-	-	103,388	10,663
Depreciation current period	-257,719	-257,719	-3,948	-3,976	-45,554	-54,985	-3,404	-1,489	-	-	-310,625	-318,169
Total accumulated depreciation	-3,534,331	-3,276,612	-571,219	-567,271	-382,086	-439,919	-109,919	-106,515	-69,981	-69,981	-4,667,535	-4,460,298
Net carrying value at 01 January	6,740,939	6,998,658	29,077	30,065	62,691	106,281	12,127	-	-	-	6,844,835	7,135,005
<b>Net carrying value at 31 December</b>	<b>6,483,220</b>	<b>6,740,939</b>	<b>25,130</b>	<b>29,077</b>	<b>61,935</b>	<b>62,691</b>	<b>8,723</b>	<b>12,127</b>	<b>-</b>	<b>-</b>	<b>6,579,008</b>	<b>6,844,835</b>

## NOTE 8 INTANGIBLE ASSETS

In 2018 the IPU completed work on an extensive revision to its public website and open data platform. The development included a complete redesign of the site and the data platform making information accessible and including a greater depth of parliamentary data. The site became live and active in 2018. Depreciation commenced when the site became fully functional. Additional work was completed in 2019 and 2020 to make the site more interactive for use by Members.

Amount in CHF	Website development	
	2025	2024
Historic cost at 01 January	406,267	406,267
Additions	-	-
Disposals	-	-
Historic cost at 31 December	406,267	406,267
Accumulated amortization	-406,267	-403,399
Amortization current period	-	-2,867
Net carrying amount	-406,267	-406,267
Net carrying value at 01 January	-	2,867
<b>Net carrying value at 31 December</b>	<b>-</b>	<b>-</b>

**NOTE 9 DEFERRED REVENUE**

The IPU receives funds from several donors for the implementation of various activities. Total disbursements from voluntary funds in 2025 were CHF 3,133,121 (CHF 3,069,506 in 2024). At 31 December 2025 the net advance of voluntary contributions was CHF 5,260,212 (CHF 5,437,275 in 2024).

Project	Funder	Unexpended Balance of Prior Commitments	New/Expired Commitment in 2025	Funds used in 2025	Deferred Revenue
(Amount in CHF)					
Gender	Irish Aid	-155,444	-138,555	189,326	104,673
Global Funding	SIDA	-166,337	-2,579,998	1,273,174	1,473,160
Archives	Hans Wildorf Foundation	-	-1,000,000	292	999,708
Development Funding	China	-638,085	-	265,735	372,350
Parliamentary Solidarity Fund	IPU Members	-90,045	-	-	90,045
Climate	ASU/Wrigley Foundation	-2,163	-	2,163	-
InterPares	IDEA	-16,788	-77,213	94,001	-
Peace	King Hamad Global Center	-1,290,394	1,081,200	195,611	13,584
Health Taxes	WHO	-	-80,018	29,032	50,985
WYDE	UN WOMEN	-1,347,408	51,262	441,136	855,010
PMNCH	MNCH	-	-37,919	37,919	-
Migration	Micronesia	-11,826	-	11,826	-
Peace	Micronesia	-54,600	-	54,600	-
Governance	Micronesia	-16,774	-	16,774	-
Global Methane Hub	Windward Foundation	-	-336,508	145,580	190,928
Human Rights	OHCHR	-9,290	9,290	-	-
Counter Terrorism	China	-786,679	86,200	167,134	533,345
Peace	Arab Parliament	-2,069	-	2,069	-
Peace	United Arab Emirates	-780,466	66,200	143,209	571,057
Peace	Qatar	-68,906	-	63,538	5,368
<b>Total</b>	<b>CHF</b>	<b>-5,437,275</b>	<b>-2,956,058</b>	<b>3,133,121</b>	<b>5,260,212</b>
<i>Comparative Figures 2024</i>		<b>-3,864,778</b>	<b>-4,642,002</b>	<b>3,069,506</b>	<b>-5,437,275</b>

Note -

CHF 1,043,575 of the deferred revenue will be expended in 2027 and later years and is classified as a non-current liability.

## NOTE 10 BORROWINGS

The IPU borrowed CHF 9,480,000 from the Swiss Confederation for the construction and renovation of its Headquarters building in Geneva, Switzerland. The loan is valued at amortized cost using the effective interest rate method based on the Swiss franc Swiss Confederation Bond (fixed 30 years) in effect at 1 January 2012 of 1.15%.

The loan was interest-free and currently requires reimbursement of the principal only. The value of the interest with a rate of 1.15% waived in 2025 was CHF 51,945 (CHF 53,510 in 2024) and the value of interest to be waived until the final payment on the loans due in 2052 is CHF 739,940 (CHF 791,885 in 2024). The value of the waiver of interest is equal to the future value of the loan discount.

The total borrowing and amounts outstanding shown as current and non-current liabilities at the reporting date are as follows:

<b>Amount in CHF</b>	<b>2025</b>	<b>2024</b>
Current liabilities		
FIPOI loan payable - current	189,600	189,600
Non-current liabilities		
FIPOI loan payable - 1-5 years	948,000	948,000
FIPOI loan payable - after 5 years	<u>3,981,600</u>	<u>4,171,200</u>
Subtotal non-current liabilities	4,929,600	5,119,200
Less discounting of non-current at effective interest rate	<u>739,940</u>	<u>791,885</u>
Subtotal non-current liabilities at amortized cost	4,189,660	4,327,315
<b>Total borrowings</b>	<b>4,379,260</b>	<b>4,516,915</b>

## NOTE 11 EMPLOYEE BENEFIT LIABILITIES

### United Nations Joint Staff Pension Fund (UNJSPF)

(a) The IPU is a member organization participating in the United Nations Joint Staff Pension Fund (the "Fund"), which was established by the United Nations General Assembly to provide retirement, death, disability and related benefits to employees. The Fund is a funded, multi-employer defined benefit plan. As specified in Article 3(b) of the Regulations of the Fund, membership in the Fund shall be open to the specialized agencies and to any other international, intergovernmental organization which participates in the common system of salaries, allowances and other conditions of service of the United Nations and the specialized agencies.

The Fund collectively exposes participating organizations to actuarial risks associated with the current and former employees of other organizations participating in the Fund, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and costs to individual organizations participating in the Fund. The IPU and the Fund, in line with the other participating organizations in the Fund, are not in a position to identify the IPU's proportionate share of the defined benefit obligation, the plan assets and the costs associated with the plan with sufficient reliability for accounting purposes. Hence, the IPU has treated contributions to the Fund as if they were to a defined contribution plan in line with the requirements of IPSAS 39, Employee Benefits. The IPU's contributions to the Fund during the financial period are recognized as expenses in the Statement of Financial Performance.

The Fund's Regulations state that the Pension Board shall have an actuarial valuation made of the Fund at least once every three years by the Fund's Consulting Actuary. The practice of the Pension Board has usually been to carry out an actuarial valuation every two years. The primary purpose of the actuarial valuation is to determine whether the current and estimated future assets of the Fund will be sufficient to meet its liabilities into perpetuity. The Fund's published funding policy (available on the Fund's website) sets out the methods, processes and targets that are used to monitor the funding position and associated risks. This also includes the practice of utilizing an actuarial value of assets, which smooths short-term investment gains and losses for the purpose of reporting long-term solvency.

The IPU's financial obligation to the Fund consists of its mandated contribution, at the rate established by the United Nations General Assembly (currently at 7.9% of pensionable remuneration for participants and 15.8% for member organizations) together with any share of any actuarial deficiency payments under Article 26 of the Regulations of the Pension Fund. Such deficiency payments are only payable if and when the United Nations General Assembly has invoked the provision of Article 26, following determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Fund as of the valuation date. Each member organization shall contribute to this deficiency an amount proportionate to the total contributions which each paid during the three years preceding the valuation date. It has never been necessary to invoke Article 26, and no deficiency payments have ever been requested.

The latest actuarial valuation for the Fund was completed as at 31 December 2023, and the valuation as of 31 December 2025 is currently being performed. A roll forward of the participation data as of 31 December 2023 to 31 December 2024 was used by the Fund for its 2024 financial statements.

The actuarial valuation as at 31 December 2023 reported a funded ratio of actuarial assets to actuarial liabilities of 111.0% when future expected pension adjustments (cost-of-living indexation on benefits) were taken into account. The reported funded ratio was 152.0% when the current system of pension adjustments was not taken into account and would be the measure by which actuarial sufficiency is established under Article 26.

After assessing the actuarial sufficiency of the Fund, the Consulting Actuary concluded that there was no requirement, as at 31 December 2023, for deficiency payments under Article 26 of the Regulations of the Fund as the actuarial value of assets exceeded the actuarial value of all accrued liabilities under the plan. At the time of this report, the General Assembly has not invoked the provision of Article 26.

Should Article 26 be invoked due to an actuarial deficiency, either during the ongoing operation or due to the termination of the Fund, deficiency payments required from each member organization would be based upon the proportion of that member organization's contributions to the total contributions paid to the Fund during the three years preceding the valuation date. Total contributions paid to the Fund during the preceding three years (2022, 2023 and 2024) amounted to USD 10,191.93 million.

During 2025, contributions paid to the Fund by the IPU amounted to CHF 1,208,041 (CHF 1,217,819 in 2024). Expected contributions due in 2026 are approximately CHF 1.2 million.

Membership of the Fund may be terminated by decision of the United Nations General Assembly, upon the affirmative recommendation of the Pension Board. A proportionate share of the total assets of the Fund at the date of termination shall be paid to the former member organization for the exclusive benefit of its staff who were participants in the Fund at that date, pursuant to an arrangement mutually agreed between the organization and the Fund. The amount is determined by the United Nations Joint Staff Pension Board based on an actuarial valuation of the assets and liabilities of the Fund on the date of termination; no part of the assets which are in excess of the liabilities are included in the amount.

The United Nations Board of Auditors carries out an annual audit of the Fund and reports to the Pension Board and to the United Nations General Assembly on the audit every year. The Fund provides weekly information on its investments, and it can be viewed by visiting the Fund at [www.unjspf.org](http://www.unjspf.org).

(b) The IPU guarantees a legacy Pension Fund that will pay pensions to former employees and some current employees of the IPU based on various factors, including the number of years of service and salary at retirement. The legacy Pension Fund was closed to new members in 2005. The Pension Fund is governed directly by the IPU and has no independent governance structure. Under the terms of the IPU's Headquarters agreement with the Swiss Federal Council the Pension Fund is not subject to any Swiss Federal or Cantonal regulatory authority. Since the Pension Fund is closed to new members and one-fifth of the actuarial determined liability is funded by investments, the Pension Fund began to have an impact on the cash flow of the Organization starting in 2025 necessitating a cash transfer of CHF 500,000 from the IPU investments to the pension investments. The pension liability has been calculated by an independent actuary utilizing the projected unit credit methodology. Each year, the IPU reviews and selects assumptions that will be used in the valuation. For the 2025 valuation, the assumptions utilized are as follows:

	31-Dec-25	31-Dec-24
Actuarial assumptions		
Discount rate	0.83%	0.72%
Salary increases		-
Pension increase	0.70%	1.00%

The net liability to the IPU, which is the difference between the adjusted market value of the assets of the pension fund and the present value of the accrued pension liability, is as follows:

Amount in CHF	2025	2024
Accrued Pension Liability	-7,144,445	-7,852,727
Pension Fund Assets	422,985	717,301
<b>Net Liability</b>	<b>-6,721,460</b>	<b>-7,135,426</b>

	31-Dec-25	31-Dec-24
<b>Change in benefit obligation</b>		
Benefit obligation at 01 January	7,852,727	8,192,747
Current service cost	-	38
Interest cost	53,616	109,048
Employee contributions	-	2,732
Pension paid by plan	-812,142	-898,515
Plan Amendment	-	-121,571
Actuarial gain/loss	<u>50,244</u>	<u>568,248</u>
Benefit obligation at 31 December	7,144,445	7,852,727

**Amounts recognized in the Net Assets**

Amount recognized at beginning of period	-4,410,122	-3,841,874
Actuarial gain (loss) - Financial	188,854	-247,203
Actuarial gain (loss) - Demographic and experience	<u>-239,098</u>	<u>-321,045</u>
Cumulative amount recognized in net assets	-4,460,366	-4,410,122

**Summary of membership data**

Number of retirees	9	9
Present value of unfunded obligation	7,144,445	7,852,727
Actuarial gain (loss) unrecognized		
Amount in the statement of financial position	7,144,445	7,852,727
Current service cost	-	38
Interest cost	<u>53,616</u>	<u>109,048</u>
Total pension cost recognized on statement of financial performance	53,616	109,086

The calculation of the net liability to the IPU is made as a defined benefit obligation which requires the immediate recognition of actuarial gains and losses in a separate component of net assets in accordance with IPSAS 39 which became effective on 1 January 2018.

**Sensitivity analysis**

- **Discount rate**

Increasing the discount rate by 0.5% (from 0.83% to 1.33%) would reduce the present benefit obligation for the pensions by CHF 220,348.

- **Pension increase rate**

Increasing the pension increase rate by 0.5% (from 1.0% to 1.5%) would increase the present benefit obligation for the pensions by CHF 231,008.

- **Salary increase rate**

As the bridge pension providing coverage for active staff ended at 31 December 2024, the salary increase rate by 0.5% has no impact on the pension fund liabilities.

- **Life Expectancy**

An increase in life expectancy by one year would increase the present benefit obligation for the pensions by CHF 806,180.

(c) Post-employment benefits include separation benefits consisting of grants upon repatriation, repatriation travel and shipping of personal effects for certain internationally recruited personnel which are considered other long-term benefits, and the liability has been calculated using the projected unit credit actuarial methodology.

(d) Other short-term benefits concern the policy providing that staff members earn 30 days of annual leave credit each year, which may be taken or accumulated with up to 60 days paid on separation or retirement. A liability has been established equal to the nominal value of leave accumulated at the reporting date. At 31 December, the total liability of benefits payable to staff was:

Amount in CHF	2025	2024
<b>Post employment benefits</b>		
Reinstallation premiums	666,904	717,348
Grants for removal expenses	245,265	263,817
<b>Sub Total</b>	<b>912,169</b>	<b>981,165</b>
<b>Other accumulated leave benefits</b>		
Encashment of unused leave	741,591	756,435
<b>Sub Total</b>	<b>741,591</b>	<b>756,435</b>
<b>TOTAL</b>	<b>1,653,760</b>	<b>1,737,600</b>

## NOTE 12 LEASES

The IPU has a five-year lease expiring in 2027 for office accommodation at 336 East 45th Street, New York, United States of America. The annual lease payment for 2025 was CHF 106,894 (CHF 119,104 in 2024). It is anticipated it will be renewed for an additional period of five years ending in 2032. The lease is cancellable with six months' notice by the IPU, which the IPU does not anticipate exercising.

IPU also has leases covering printer and copier equipment located at the headquarters in Geneva, Switzerland which are determined to be non-cancellable. The leases are scheduled to end in 2029 and in 2030. The IPU does not anticipate renewing the leases at the end of the lease period.

In accordance with IPSAS 43 Leases, the space in New York and the printer/copier equipment are considered to be right-of-use assets. A right-of-use asset value and a lease liability value have been recognized at 1 January 2025. The lease liability was established at the discounted value of the remaining lease payments at 1 January 2025. The right-of-use asset value was established as equal to the lease liability in accordance with the transition provisions in the Standard.

### Right-of-use asset valuation

Amount in CHF	New York Office	HQ Printer/Copier	Total	2024
Historic cost at 01 January 2025	-	-	-	-
Additions	679,055	141,026	820,081	-
Discount	-	-	-	-
Disposals	-	-	-	-
Historic cost at 31 December	679,055	141,026	820,081	-
Accumulated depreciation	-	-	-	-
Adjust depreciation for disposals	-	-	-	-
Revaluation	84,411	-	84,411	-
Depreciation current period	83,931	25,648	109,578	-
Total accumulated depreciation	168,342	25,648	193,989	-
Net carrying value at 01 January	-	-	-	-
<b>Net carrying value at 31 December</b>	<b>510,713</b>	<b>115,379</b>	<b>626,092</b>	

### Lease Liability valuation

Amount in CHF	New York Office	HQ Printer/Copier	Total	2024
Historic cost at 01 January	900,850	143,190	1,044,039	-
Additions	-	-	-	-
Discount	-221,788	-2,158	-223,946	-
Historic cost at 31 December	679,062	141,032	820,094	-
Accumulated Amortization	-	-	-	-
Revaluation	-77,553	-	-77,553	-
Accumulated Lease Payments	-116,219	-32,139	-148,357	-
Accumulated Interest Expense	44,598	705	45,303	-
Total accumulated depreciation	-149,174	-31,433	-180,607	-
Net carrying value at 01 January	-	-	-	-
<b>Net carrying value at 31 December</b>	<b>529,888</b>	<b>109,599</b>	<b>639,487</b>	

## NOTE 13 RESTRICTED FUNDS

(a) The IPU has established a reserve to pay for major repairs to the Headquarters building at some later date. In September 2001, the Governing Council resolved to contribute CHF 55,000 per annum to this reserve beginning in 2008 until 2014. Beginning in 2018, the depreciation of the windows replaced in 2018 and 2019 (at a cost of CHF 269,750) has been charged to the reserve. The windows are depreciated on a straight-line basis with an estimated useful life of 25 years. Accumulated depreciation amounted to CHF 77,321 at 31 December 2025.

Amount in CHF	2025	2024
<b>Opening Balance</b>	361,163	371,953
Contributions	-	-
Expenditures	10,790	10,790
<b>Closing Balance</b>	<b>350,373</b>	<b>361,163</b>

(b) The IPU has established a reserve for offsetting carbon emissions from IPU activities, especially those involving travel. In 2025, an amount of CHF 22,500 (CHF 17,100 in 2024) was contributed to the reserve to compensate for emissions of CO2 from regular activities. Expenditures of CHF 17,508 in 2025 (expenditures of CHF 18,366 in 2024) were made on climate change-related activities using funds from the reserve.

Amount in CHF	2025	2024
<b>Opening Balance</b>	51,241	52,507
Contributions	22,500	17,100
Expenditures	17,508	18,366
<b>Closing Balance</b>	<b>56,234</b>	<b>51,241</b>
<b>Total reserves</b>	<b>406,607</b>	<b>412,404</b>

## **NOTE 14 CONTINGENT LIABILITIES**

During the course of 2025, several staff members received notices of tax assessment from the Ministry of Economy, Finance and Industry of France. The IPU is contractually obligated to reimburse to staff members any national taxes paid in respect to income earned from the IPU and it believes that all amounts for prior years were settled during 2025.

## NOTE 15 RECONCILIATION OF STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS AND STATEMENT OF FINANCIAL PERFORMANCE

	Operating	Financing	Investing	Total
Revenue on budgetary basis	16,598,366	-	-	16,598,366
Less staff assessment included in revenue	<u>-1,178,694</u>	<u>-</u>	<u>-</u>	<u>-1,178,694</u>
Revenue net of staff assessment	15,419,672	-	-	15,419,672
Expense on budgetary basis	16,598,366	-	-	16,598,366
Less staff assessment included in expense	<u>-1,178,694</u>	<u>-</u>	<u>-</u>	<u>-1,178,694</u>
Expense net of staff assessment	15,419,672	-	-	15,419,672
Net result on budgetary basis	-	-	-	-
Presentation differences				
Less income from Working Capital Fund	-270,248	-	-	-270,248
Recognition of net right of use asset	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal presentation differences	-270,248	-	-	-270,248
Entity difference - Pension Fund net result	-35,790	-	-	-35,790
<b>Surplus per Statement of Financial Performance</b>	<b>-306,037</b>	<b>-</b>	<b>-</b>	<b>-306,037</b>

In the budgetary comparison, transfers to the reserves are reported as expenses as they are charged to the revenue received from assessed contributions. On the Statement of Financial Performance, transfers from accumulated fund balance to reserves are reported as an adjustment to net assets and not included in current expense.

In the presentation of revenue and expense on a budgetary basis, staff costs are presented on a gross basis as established by the International Civil Service Commission (ICSC). The amount of the staff assessment less the amount of any reimbursement paid to staff members to cover national income taxes is presented as revenue. On the Statement of Financial Performance, staff costs are presented net of the staff assessment plus the amount of reimbursement paid to staff members. The difference in presentation has no impact on the presentation of the net result.

Amount in CHF	2025	2024
<b>Gross Staff Assessment</b>	<b>1,206,019</b>	<b>1,136,400</b>
<b>Reimbursements</b>	<b>2025</b>	<b>2024</b>
- France	27,324	31,409
<b>Total</b>	<b>27,324</b>	<b>31,409</b>
<b>Net Staff Assessment</b>	<b>1,178,694</b>	<b>1,104,991</b>

## NOTE 16 RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT PERSONNEL

The IPU's main statutory bodies are the Assembly, the Governing Council and the Executive Committee, which are composed of representatives of Member Parliaments. The representatives do not receive remuneration from the IPU.

### Key management personnel

The IPU is managed by a Secretary General, appointed by the Governing Council, and senior officers (Directors) appointed by the Secretary General and considered key management personnel. All are remunerated by the IPU. The aggregate remuneration paid to key management personnel includes salaries, allowances, statutory travel, pension contributions, medical and accident insurance, education grants, home leave and other entitlements paid in accordance with the Staff Rules and Regulations and applicable to all staff. All key management personnel are members of the UNJSPF and are eligible for participation in the Staff Health Insurance plan.

Key management personnel and their aggregate remuneration were as follows:

#### Related party transactions and disclosure of key management personnel remuneration Note 16

	2025	2025	2024	2024
	Number of individuals	Aggregate remuneration cost	Number of individuals	Aggregate remuneration cost
	(as an average)	(in CHF)	(as an average)	(in CHF)
<b>Senior officers:</b>	<b>5.0</b>		<b>5.0</b>	
Net salary and post adjustment		1,061,490		1,043,345
Employer medical and pension contributions		265,609		265,503
Other allowances		<u>71,802</u>		<u>80,993</u>
Subtotal		1,398,900		1,389,841
Separation benefits paid		-		-
<b>Total</b>		<b>1,398,900</b>		<b>1,389,841</b>

There were no loans to key management personnel or to their close family members that were not available to other categories of staff. There was no other remuneration or compensation paid to key management personnel or their close family members.

### Related party transactions

The IPU has no ownership interest in associations or joint ventures and no controlled entities. The IPU's agreement with the UNJSPF requires that its salaries be established in accordance with those of the United Nations Common System. The policies are promulgated by the International Civil Service Commission (ICSC), which is an entity established by the UN General Assembly. The methodology for determining general service staff salaries in accordance with salary surveys are determined by the ICSC. Salaries for professional staff, levels of dependency allowance and education grants are recommended by the ICSC to the UN General Assembly, which makes a decision for the entire UN Common System, and the final decision rests with the governing bodies of the IPU.

## NOTE 17 SEGMENT REPORTING

Segment information is presented in a format based upon the strategic objectives and other charges approved by the Governing Council in the 2025 budget. Only revenue and expense are presented by segment. All assets and liabilities belong to the IPU as a whole and there is no reasonable basis for allocation of individual assets, liabilities and net assets to individual segments.

	<b>Strategic Objectives</b>	<b>Other charges</b>	<b>Pension Fund</b>	<b>Eliminations</b>	<b>Total</b>
<b>Revenue</b>					
Assessed Contributions	11,911,400	0	0	0	<b>11,911,400</b>
Voluntary Contributions	3,133,121	0	0	0	<b>3,133,121</b>
Investment income	92,175	0	19,848	0	<b>112,023</b>
Other Income	239,206	0	0	-227,452	<b>11,754</b>
<b>Total revenue</b>	<b>15,375,901</b>	<b>0</b>	<b>19,848</b>	<b>-227,452</b>	<b>15,168,297</b>
<b>Expense</b>					
Personnel Expenditure – permanent staff	8,245,972	0	812,141	0	<b>9,058,113</b>
Personnel Expenditure – temporary staff	3,362,382	0	0	0	<b>3,362,382</b>
Actuarial Gain/(Loss) on Pension Fund	0	35,790	-794,315	0	<b>-758,526</b>
Travel Expenditure	931,806	0	0	0	<b>931,806</b>
Contractual Services	1,614,687	0	2,023	-227,452	<b>1,389,258</b>
Operating Expenses	460,339	0	0	0	<b>460,339</b>
Supplies, Materials and Equipment	219,571	0	0	0	<b>219,571</b>
Allowance for Doubtful Accounts	0	69,074	0	0	<b>69,074</b>
Grants and Honoraria	30,000	0	0	0	<b>30,000</b>
Depreciation	420,204	0	0	0	<b>420,204</b>
Amortization of loan	51,945	0	0	0	<b>51,945</b>
Interest on lease liability	45,303	0	0	0	<b>45,303</b>
Write-off of Member Contributions	0	147,315	0	0	<b>147,315</b>
(Gain)/Loss on Foreign Exchange	47,552	0	0	0	<b>47,552</b>
<b>Total expense</b>	<b>15,429,760</b>	<b>252,179</b>	<b>19,848</b>	<b>-227,452</b>	<b>15,474,334</b>

Personnel expenditure for permanent staff is reflected for each segment at gross value (including staff assessment). The staff assessment (revenue and expense) and the IPU contribution to the legacy pension fund are eliminated prior to consolidation.

## NOTE 18 REVENUE AND EXPENSE

### Assessed contributions

Members and Associate Members of the Organization pay an annual contribution to the IPU to finance its activities in accordance with the work programme and budget and scale of contributions adopted by the Governing Council in accordance with Article 21 of the IPU Statutes. Assessed contributions are due at the beginning of the budget year and payable by 31 March of each year in accordance with Financial Rule 5.4. Total revenue from assessed contributions amounted to CHF 11,911,400 in 2025 (CHF 11,610,550 in 2024).

### Voluntary contributions

Members and other donors contribute funds to the Organization for the purpose of financing specific projects and activities. Funds are accepted by the Secretariat with the approval of the Governing Council. Total revenue from voluntary contributions amounted to CHF 3,133,121 in 2025 (CHF 3,069,506 in 2024) - see Note 9 for details by donor.

### Programme support costs

The IPU charges programme support costs for the projects it implements with funding from other agencies. The IPU collected fees in the amount of CHF 227,452 on project direct costs of CHF 3,133,121 (CHF 226,210 on project direct costs of CHF 3,070,727 in 2024).

### Other revenue

Other revenue includes as follows:

Amount in CHF	2025	2024
Staff contributions to pension fund	-	2,732
Other	11,754	9,717
<b>Total Other Revenue</b>	<b>11,754</b>	<b>12,449</b>

“Other” includes sales of institutional gifts, asset disposals and extraordinary income.

### Investment income

Total returns on investments were:

Amount in CHF	2025	2024
Interest	8,191	94,846
Capital Gains (Losses)	103,832	252,246
<b>Total Investment Revenue</b>	<b>112,023</b>	<b>347,091</b>

**Expense**

Expenses are reported on an accrual basis, recognizing expense when goods are received and services are rendered. All inter-fund charges for services have been eliminated prior to consolidation on the Statement of Financial Performance.

Personnel Expenditure – permanent staff includes short-term employee benefits such as base salary, post adjustment, dependency allowance, pension contribution, health and other insurance contributions, home leave and other entitlements for permanent staff. The pension contribution from the IPU to the legacy Pension Fund has been eliminated on consolidation.

Amount in CHF	2025	2024
Salaries and allowances - regular staff	6,093,504	5,957,698
Dependent allowance	241,835	262,644
Pension contribution UNJSPF	1,208,041	1,217,819
Health insurance	463,781	429,118
Education allowance	135,731	175,442
Other allowances	36,289	27,980
Separation benefits	-83,840	187,498
Pension and survivor benefits	812,141	860,188
Other benefits	150,632	148,914
Less eliminations	-	-5,464
<b>Total personnel expense - permanent staff</b>	<b>9,058,113</b>	<b>9,261,838</b>

Personnel expenditure – temporary staff includes costs of short-term staff and consultants.

Amount in CHF	2025	2024
Temporary Staff	313,240	306,262
Interpreters	741,625	607,120
Translators	157,182	142,895
Consultants	2,150,335	1,988,552
<b>Total personnel expense - temporary staff</b>	<b>3,362,382</b>	<b>3,044,830</b>

Change in Legacy Pension Fund provision reflects the net impact of actuarial adjustments on the defined benefit obligation.

Amount in CHF	2025	2024
Current service cost	-	38
Interest cost	53,616	109,048
Employee contributions	-	2,732
Pension paid by plan	-812,142	-898,515
Refunds of contributions of participants in bridge pension	-	-121,571
<b>Net credit to employee benefits recognized on statement of Financial Performance</b>	<b>-758,526</b>	<b>-908,268</b>

Travel expenditure includes the costs of airfare, daily subsistence allowances, terminal allowances and other travel costs for staff on official business, travel for delegates and travel for participants and experts in connection with training activities.

Amount in CHF	2025	2024
Transportation	347,250	330,269
Allowances	581,960	339,561
Incidentals	2,596	1,730
<b>Total travel expenditure</b>	<b>931,806</b>	<b>671,560</b>

Contractual services include costs of translation and editing, printing and publishing, conference services and software and database maintenance. The management fees charged for project support costs are eliminated on consolidation. "Other" services are predominantly digital and media/communications-related services supporting the IPU's digital transformation as highlighted in the IPU strategy and the budget.

Amount in CHF	2025	2024
Translating/editing	494,069	429,050
Printing and publishing	20,708	26,283
Conference Venue Services	418,431	598,891
Computer maintenance and on line databases	40,511	50,895
Audit costs	12,700	16,700
Pension fund investment management and banking	2,023	2,899
Management services	-	226,120
Other	400,817	512,614
Eliminations	-	-226,120
<b>Total contractual services</b>	<b>1,389,258</b>	<b>1,637,332</b>

Operating expenses include the costs of maintenance and cleaning of the Headquarters building, communications (postage and telephone), meeting costs and bank charges. Rental of the New York Office space and printing equipment is charged to the lease liability beginning in 2025 as required by IPSAS 43 Leases.

Amount in CHF	2025	2024
Rent	-	119,104
Heating	35,320	40,823
Electricity	30,667	44,155
Water	2,444	2,480
Premises and grounds maintenance	74,570	94,831
Cleaning	104,549	102,092
Security	70,223	100,014
Insurance	6,828	5,563
Vehicles	5,775	10,485
GE Maintenance, insurance & rental	21,005	81,134
Communications	53,577	74,839
Internet connectivity	19,945	22,332
Website	-	-
Press and publicity costs	-	-
Hospitality	10,313	17,593
Institutional gifts	15,210	17,169
Bank charges	9,913	10,727
Over/Under		
<b>Total Operating expenses</b>	<b>460,339</b>	<b>743,340</b>

Supplies, materials and equipment include office equipment that does not meet the threshold in Note 2.

Amount in CHF	2025	2024
Paper	3,760	1,767
Stationery	1,040	261
Miscellaneous office supplies	51,816	35,396
Coffee/tea/drinking water	2,719	3,672
Sundry	533	1,316
IT maintenance and repair	61,668	45,911
Software and supplies	97,735	84,505
Books	299	269
<b>Total supplies, materials and equipment</b>	<b>219,571</b>	<b>173,097</b>

Expenses related to depreciation of plant and equipment are explained in Note 7 and amortization of intangible assets in Note 8 above.

The expense related to the increase in the **provision for doubtful debts** is explained in Note 4 to the Financial Statements above.

<b>Amount in CHF</b>	<b>2025</b>	<b>2024</b>
Change in provision for assessed contributions receivable	69,074	202,575
Write-off of doubtful debt - voluntary contribution	147,315	-
<b>Total change in provisions</b>	<b>216,389</b>	<b>202,575</b>

Expenses for grants and honoraria include grants to the Association of Secretaries General of Parliaments (ASGP) and the honorariums for the President of the IPU.

<b>Amount in CHF</b>	<b>2025</b>	<b>2024</b>
Grants	-	4,179
Honoraria	30,000	30,420
<b>Total grants and honoraria</b>	<b>30,000</b>	<b>34,600</b>

## NOTE 19 FINANCIAL RISKS

The IPU's financial position includes the following financial instruments:

Amount in CHF	2025	2024
Cash and cash equivalents	9,926,146	4,392,992
Deposits	40	5,400,046
Accounts receivable - assessed contributions	1,413,937	2,210,908
Accounts receivable - voluntary contributions	3,621,121	3,935,977
Accounts receivable - other	184,131	57,920
Investments	2,849,672	3,280,500
Borrowing	-4,379,260	-4,516,915
Accounts Payable & other current liabilities	-315,832	-317,368
<b>Net financial assets less financial liabilities</b>	<b>13,299,956</b>	<b>14,444,060</b>

The IPU is exposed to certain market, credit and liquidity risks as follows:

### Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices, including currency risk, interest rate risk and other price risk. The IPU is exposed to foreign currency exchange and interest rate risk. It receives revenue from fees and voluntary contributions and incurs expenses in currencies other than its presentation currency (CHF). The IPU is exposed to foreign exchange risk arising from fluctuations of currency exchange rates. It does not use derivative financial instruments to hedge exchange risk.

A change in the currency exchange rate between the Swiss franc and other currencies (US dollar and euro) in which financial instruments are held or revenue or expense transactions recognized of +/-5% would have had the following impact on the financial statements:

Amount in CHF	Impact on surplus/deficit	Impact on Net Assets
Impact +5%	174,514	337,191
Impact -5%	-192,884	-337,191

The IPU also has a limited exposure to the risk of changes in interest rates. Its operating budget is financed primarily from revenue from Members' contributions and the sale of goods and services. Though only 0.5% of its operating budget is financed from revenue derived from investment income, the investments by the Pension Fund are held in a mutual fund, which is exposed to the risk of changes in market conditions. Should investment revenue decrease or increase the funds available to finance the closed Pension Fund, the contribution from the operating budget would increase or decrease accordingly. The IPU does not utilize financial instruments to hedge interest rate risk.

### Liquidity risk

Liquidity risk is the risk that the IPU will encounter difficulties in meeting obligations associated with financial liabilities. The IPU has limited exposure to liquidity risk, owing to its substantial unrestricted cash reserves, which are replenished from the results of its operations. The IPU's investment policy has been developed to ensure that its investments are held primarily in liquid short-term deposits.

The IPU's total of cash and cash equivalents at 31 December 2025 of CHF 9.9 million is sufficient to meet its current liabilities at that date of CHF 5.0 million. On an ongoing basis, it is anticipated that the IPU will have sufficient liquidity to pay all of its debts due. The maturity of the financial liabilities is reflected in Statement I – Statement of Financial Position.

**Credit risk**

Credit risk is the risk that a counter party of the IPU's financial assets will fail to discharge its obligations. The IPU's accounts receivable derive almost exclusively from its Member Parliaments; the IPU therefore considers its credit risks to be limited to a small selection of cases. Credit risk is re-evaluated annually, and changes are reflected in the calculation of the provision for doubtful debts. Cash and cash equivalents are held in banks with sovereign risk or with credit ratings of A- or higher, based on ratings by Fitch and Standard and Poor's (S&P). The asset value of accounts receivable has been reduced through the use of a provision for doubtful debts to reflect receivables for which payment is not anticipated in the short term.





<b>Member or Associate Member (amount in CHF)</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>Total</b>
MERCOSUR Parliament (PARLASUR)	4,700										4,700
Pan-African Parliament	2,400	2,300	2,200	-	-	-	-	-	-	-	6,900
Parliament of the Economic Community of West African States	1,511										1,511
<b>Total</b>	<b>1,019,560</b>	<b>447,540</b>	<b>189,862</b>	<b>159,732</b>	<b>132,700</b>	<b>132,700</b>	<b>112,314</b>	<b>91,700</b>	<b>79,700</b>	<b>84,200</b>	<b>2,450,008</b>
<i>Comparative Figures 2024</i>		914,490	347,749	168,931	136,828	115,377	93,500	79,700	84,200	-	
Less expected credit loss											-1,036,071
<b>Total</b>	<b>1,019,560</b>	<b>447,540</b>	<b>189,862</b>	<b>159,732</b>	<b>132,700</b>	<b>132,700</b>	<b>112,314</b>	<b>91,700</b>	<b>79,700</b>	<b>84,200</b>	<b>1,413,937</b>