

1. Accounting Principles – Assessment and Classification – other conditions:

The financial statements consist of Revenues and Expenses Account, Balance Sheet, Cash Flow Statement and Notes, and are prepared in accordance with the Norwegian Foundation Act, the Norwegian Accounting Act and Norwegian generally accepted accounting principles as of 31 December 2016. The financial statements fully describe the foundation's assets, liabilities, financial position and results.

The financial statements are based on the basic principles of historical nominal balance, comparativeness, continuous business, congruence and due caution. Transactions are accounted for at nominal value. All costs are accounted for at the time of origin.

All Donor grants are accounted for as Donor Liabilities at the time of receipt. Upon conclusion of each programme activity the final amount is transferred from Donor Liabilities to the Income Statement and accounted for as Grant from Donors. Grant from the Office of the Auditor General (OAG), Norway is accounted for according to the same principles.

Current assets and liabilities include balances due within one year. All other values are classified as fixed assets. Current assets and liabilities are valued at the lower/higher of cost and net realisable value. Fixed assets are valued at cost, but written down to realisable value if the decline in value is expected to be permanent. Long-term debt is normally disclosed at the historical nominal value.

2. Foreign Currency - Exchange Rates Policy:

Revenues and expenses arising from a foreign currency transaction are converted into Norwegian kroner (NOK) using the exchange rate in effect at the date of the transaction. Current assets and liabilities arising from a foreign currency transaction and reflected in the balance sheet are converted into Norwegian kroner (NOK) using the exchange rate in effect at the date of the transaction, but are adjusted to reflect the net realisable value as of balance sheet date. Net exchange loss or gain arising from conversions or settlements of foreign currency items are debited or credited to the relevant financial expenses or income account.

3. Liquid Assets Policy:

Contributions from donors are deposited in the Nordea Bank as bank deposits. The IDI does not invest in securities or other financial instruments.

4. Grants in 2016 (NOK):

Only grants used in 2016 are accounted for as revenues. All excess funds are accounted for as Donor Liabilities and will be spent on program activities in 2017 and 2018 or be returned to the donors. Donor Grants contracted and which pertain to future years, but are not received, are not part of the financial statements.

The IDI has in 2016 received a grant amounting to NOK 21 900 000 from Office of Auditor General Norway, to cover the running expenses of the IDI Secretariat, INTOSAI-Donor Secretariat and for some of the capacity development programmes.

Grants are provided by OAG Norway, ADA, Austria, MFA Ireland and SECO, Switzerland to cover running expenses of the INTOSAI-Donor Secretariat, which was established in 2010. The IDI receives a yearly grant from INTOSAI amounting to 5% of the INTOSAI incomes from the membership fees.

Several donors provide grants to cover direct expenses related to the IDIs capacity development programmes.

Grants from USAID for 2016, received in January 2017 are included in the table and in the total current assets.

IDI Secretariat and Capacity Development Programmes					
Donor	Donor liability 01.01.2016	Funding received 2016	Accrued interest	Expenses 2016	Donor liability 31.12.2016
Norad, Norway	1 222 155	0	0	429 986	792 169
OAG, Norway	0	19 900 000	56 590	16 661 396	3 295 194
Sida, Sweden	0	11 116 725	0	9 846 546	1 270 179
IFAD	1 071 384	0	4 408	889 929	185 863
MFA, Finland	0	1 812 700	12 730	0	1 825 430
Global Affairs, Canada	6 205 987	13 157 756	25 319	7 413 620	11 975 442
MFA, Norway	2 193 147	0	0	912 502	1 280 645
World Bank	0	0	431	431	0
MFA, France	0	470 775	0	76 317	394 458
INTOSAI	402 766	148 069	1 092	0	551 927
DFID, United Kingdom	0	270 246	5 140	275 386	0
DFAT, Australia	642 558	1 043 944	2 112	631 713	1 056 901
GAB, Saudi Arabia	128 055	0	347	0	128 402
OAG, Zambia	0	851 741	1 540	853 281	0
State Audit Bureau, Kuwait	163 445	0	442	0	163 887
MFA, Hungary	0	3 860 092	0	475 153	3 384 939
USAID	2 074	1 740 366	0	1 742 440	0
Total	12 031 571	54 372 414	110 151	40 208 700	26 305 436

INTOSAI-Donor Secretariat					
Donor	Donor liability 01.01.2016	Funding received 2016	Accrued interest	Expenses 2016	Donor liability 31.12.2016
OAG, Norway	0	2 000 000	1 875	2 001 875	0
ADA, Austria	0	927 350	2 532	929 882	0
MFA, Ireland	662 899	2 223 024	11 477	2 571 687	325 713
SECO, Switzerland	662 899	1 749 727	6 233	2 418 859	0
DFID, United Kingdom	0	0	8 208	8 208	0
USAID	0	0	537	537	0
MFA, France	0	0	2 293	2 293	0
Total	1 325 798	6 900 101	33 155	7 933 341	325 713

5. Payroll and related costs (NOK):

	2016	2015
Direct salaries	17 552 662	17 763 504
Pension	1 256 534	1 271 208
Employers national insurance contribution	2 673 396	2 745 311
Other payroll related costs	265 366	704 521
Total payroll and related costs	21 747 958	22 484 544

Direct Salaries include, among others, housing expenses for foreign staff members amounting to NOK 1 286 120.

Payroll and related costs concerning the Director General amounted to NOK 1 431 061 in 2016.

The Director General does not have an early retirement pension agreement or agreement on separate remuneration in the case of discontinuance or change of the conditions of employment. The Director General is only included in the ordinary pension plan. Neither the Director General nor any Board member have loans in IDI. IDI has not guaranteed for loans to the Director General or any Board member.

Members of the IDI Board do not receive a salary or other fees.

As of 31.12.2016 the IDI had a complement of 27 members of staff, 24 at the secretariat in Oslo and 3 posted in the regions they come from. The staff members are either employed directly by the IDI or seconded by Supreme Audit Institutions (SAIs).

IDI employees with permanent residence in Norway are members of the Norwegian Public Service Pension Fund (Statens Pensjonskasse). The IDI pays a yearly fee for this membership, and has no future pension obligations.

The pension scheme for secondees to the IDI remains the responsibility of the seconding SAI or the secondees.

The IDI paid an audit fee amounting to NOK 127 025 exclusive of VAT, in the fiscal year 2016.

6. Travel and Accommodation Costs:

Travel and Accommodation Costs include all costs related to the transportation and accommodation of participants and staff attending the various IDI programme activities.

Travel and Accommodation costs amount to NOK 289 955 for the IDI Secretariat, NOK 1 328 225 for the INTOSAI-Donor Secretariat and NOK 16 662 334 for capacity development programme activities.

7. Restricted assets:

The balance on the tax deduction bank account in Nordea was NOK 992 359 at the end of the fiscal year.

8. Fixed assets:

In 2016 value of new IT equipment is posted as expenses.

9. Other Operating Expenses (NOK):

Other Operating Expenses include, among others:

	2016	2015
Consultants	2 798 825	5 416 996
IT services	818 189	640 122
Housing and meeting room costs	1 453 105	1 738 471
Stationary and printing costs	135 379	65 883
Phone and internet costs	438 945	536 334

10. Financial Transactions (NOK):

Financial transactions consist of the following:

	2016	2015
Net interest	-2 127	80 882
Net foreign currency exchange loss/gain	4 890	26 406
Net financial transactions	2 763	107 288

The interest received is earned on Basic Capital and Account for Tax Deductions.

Interest received on grants is to be paid back to the donors when agreed in contracts and is therefore accounted for as Donor Liabilities. Interest earned in 2016 for return to donors amounts to NOK 94 665.

11. The INTOSAI-Donor Secretariat (NOK):

The tables show revenues and costs for the INTOSAI-Donor Secretariat.

	2016	2015
Revenues		
Grant from World Bank	0	6 319
Grant from ADA, Austria	929 882	935 644
Grant from MFA, Ireland	2 571 688	3 571 181
Grant from SECO, Switzerland	2 418 859	1 638 998
Grant from DFID, United Kingdom	8 208	3 026 595
Grant from Norad, Norway	0	10 717
Grant from USAID	537	197 310
Grant from MFA, France	2 293	847 618
Grant from OAG, Norway	2 001 875	689 519
Grant from DFAT, Australia	0	134 191
Total revenues	7 933 342	11 058 092
Operating expenses		
Payroll and related costs	5 125 517	5 490 637
Travel and accommodation costs	1 328 225	2 253 612
Other operating expenses	1 479 600	3 313 843
Total operating expenses	7 933 342	11 058 092

Expenditure Type and Project Code	Payroll and Related Costs	Travel and Accommodation Costs	Other Operating Expenses	Total
A. Admin. Staff Cost	1 083 834		3 653	1 087 487
B. Overheads and Other Indirect Costs	118 617	7 784	734 466	860 867
Total Admin	1 202 451	7 784	738 119	1 948 354
Program Costs				
Program Staff Costs	3 405 667		141 566	3 547 233
1. Strategic Reviews	52 220			52 220
2. Funding Mechanisms				-
3. Research, Guidance and Training				-
4. Outreach and Communications	2 182	10 383	6 823	19 388
5. Data Collection and Management, <i>of which</i>	9 288		18 207	27 495
5.1 SAI Capacity Development Database			18 207	18 207
5.2 INTOSAI Global Survey				-
5.3 Other	9 288			9 288
6. SAI PMF, <i>of which</i>	345 038	1 162 598	520 192	2 027 828
6.1 Custodian of SAI PMF	104 247	79 685	14 121	198 053
6.2 Supporting Assessment Quality and Monitoring	57 891	599 396	27 930	685 217
6.3 Conduct Assessments	153 951	321 803	76 788	552 542
6.4 Facilitate Assessments and Usage of Results	13 158	129 735	9 560	152 453
6.5 Independent Reviews (formerly QA)	3 660		40 336	43 996
6.6 SAI PMF Regional Employee	12 131	31 980	351 456	395 567
7. Governance and Program Management	108 671	147 460	54 693	310 824
8. Monitoring and Evaluation				-
Total Program	3 923 066	1 320 441	741 481	5 984 988
Total INTOSAI Donor-Secretariat	5 125 517	1 328 225	1 479 600	7 933 342

12. Specification of capacity development programme costs (NOK):

The table shows the costs of the IDI capacity development programmes distributed by regions.

The costs of the Global programmes have for 2016 been distributed to the INTOSAI regions (and the AFROSAI sub-regions of AFROSAI-E and CREFIAF) based on the participation of the SAIs of different regions. The remaining costs classified as “Global” are mainly related to development and maintenance of global public goods.

	2016	2015
GLOBAL	1 971 614	2 483 372
AFROSAI E	1 625 710	2 998 521
CREFIAF	6 445 202	4 078 687
ARABOSAI	2 085 483	7 465 634
ASOSAI	1 593 980	3 200 778
CAROSAI	151 258	769 886
EUROSAI	326 210	1 311 424
OLACEFS	1 348 671	3 598 724
PASAI	2 441 257	2 778 307
Total	17 989 385	28 685 332

13. Total Value IDI Projects – In kind support:

Programme expenses transpiring from the IDI financial accounts do not give a full illustration of the total costs. IDI programme activities have a cost structure with several sources of funding and corresponding cost absorption.

A substantial part of the IDI Secretariat costs, mainly labour and travelling costs, can be identified as direct traceable costs to specific programme activities. The IDI has often used Secretariat staff to provide in-house services instead of buying services externally.

Numerous SAIs have provided valuable support to IDI in 2016. The IDI has benefitted from the pools of training specialists and subject matter experts who have been made available for IDI capacity development programmes by the respective SAI. The Office of the Auditor General of Norway has contributed and paid for one staff member to the INTOSAI-Donor Secretariat.