

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

The financial statements consist of Income Statement, Statement of Financial Position, Statement of Cash Flow 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 2018. The financial statements fully describe the foundation's assets, liabilities, financial position and results. All numbers are in Norwegian currency (NOK).

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 2018:

Only grants used in 2018 are accounted for as revenues. All excess funds are accounted for as Donor Liabilities and will be spent on activities in future years 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 2018 received a grant amounting to NOK 25 800 000 from Office of Auditor General Norway, to cover the running expenses of the IDI Secretariat and some capacity development programmes.

Grants are provided by Austrian Development Agency, 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 not yet received from USAID for 2018 is not included in funding received 2018. They are however accounted for as grant in 2018 as they pertain to 2018 costs and are included as a receivable in the total current assets.

<b>IDI Secretariat and Capacity Development Programmes</b>					
Donor	Donor liability 01.01.2018	Funding received 2018	Accrued interest	Expenses 2018	Donor liability 31.12.2018
OAG Norway	510 748	25 800 000	30 304	26 172 963	168 090
Sida, Sweden	14 101	10 371 977	40 477	10 371 977	54 578
MFA, Norway	225 000	-10 700	-39 579	174 722	-
MFA, Finland	1 163 829	-	1 956	1 165 785	-
IFAD, Italy	-	-	-	-465	465
State Audit Bureau, Kuwait	164 094	-	176	-	164 270
Global Affairs Canada	9 809 014	7 736 186	21 432	15 909 449	1 657 182
DFAT, Australia	-	-	1 133	1 133	-
MFA, France	294 537	-	423	246 436	48 524
GAB, Saudi Arabia	960 639	773 984	1 028	1 607 250	128 401
SAI Estonia for SYL	-	396 180	-	-	396 180
MFA, Estonia	289 245	291 195	309	580 749	-
MFA, Iceland	-	837 474	-	837 474	-
US AID	2 210	2 067 739	-	2 366 561	-296 612
MFA, Hungary	2 481 086	824 184	3 627	3 308 897	-
Norwegian Embassy South Sudan	-	1 000 000	1 070	1 000 000	1 070
ADA for PAP-APP, Austria	-	1 770 635	-	1 770 635	-
Norwegian Embassy Kenya	-	3 100 000	-	2 350 000	750 000
SECO, Switzerland for SPMR	-	8 288 000	-	2 781 799	5 506 201
INTOSAI	702 815	178 250	752	-	881 817
<b>Total</b>	<b>16 617 319</b>	<b>63 425 103</b>	<b>63 108</b>	<b>70 645 365</b>	<b>9 460 164</b>

<b>INTOSAI-Donor Secretariat</b>					
Donor	Donor liability 01.01.2018	Funding received 2018	Accrued interest	Expenses 2018	Donor liability 31.12.2018
ADA, Austria	187 593	949 880	1 003	1 117 205	21 272
MFA, Ireland	488 866	2 413 900	2 962	2 851 437	54 291
SECO, Switzerland	334 078	0	1 787	329 589	6 275
<b>Total</b>	<b>1 010 538</b>	<b>3 363 780</b>	<b>5 751</b>	<b>4 298 231</b>	<b>81 838</b>

## 5. Payroll and related costs:

	2018	2017
Direct salaries	20 349 650	18 406 050
Pension	1 483 745	1 410 886
Employers national insurance contribution	3 067 097	2 812 495
Other payroll related costs	2 101 746	1 039 944
<b>Total payroll and related costs</b>	<b>27 002 238</b>	<b>23 669 376</b>

Full time equivalents	27,0	23,5
-----------------------	------	------

Direct Salaries include, among others, housing expenses for foreign staff members amounting to NOK 1 665 821. Payroll and related costs concerning the Director General amounted to NOK 1 471 886 in 2018.

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 salary or any other fee.

As of 31.12.2018, the IDI had a complement of 33 members of staff, 27 at the secretariat in Oslo and 6 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 98 994 inclusive of VAT, in the fiscal year 2018.

**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.

IDI Secretariat	501 158
INTOSAI-Donor Secretariat	777 166
Capacity development programme activities	31 933 125

**7. Restricted assets:**

The balance on the tax deduction bank account in Nordea was NOK 1 109 609 at the end of the fiscal year.

**8. Other Operating Expenses:**

Other Operating Expenses include, among others:

	2018	2017
Consultants	7 729 012	6 510 049
IT services	927 305	826 012
Housing and meeting room costs	1 594 160	1 558 090
Stationary and printing costs	105 516	63 887
Phone and internet costs	689 808	722 882

**9. Financial Transactions:**

Financial transactions consist of the following:

	2018	2017
Net interest	5 900	-1 582
Net foreign currency exchange loss/gain	70 472	1 187
<b>Net financial transactions</b>	<b>76 372</b>	<b>-395</b>

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 2018 for return to donors amounts to NOK 42 993.

**10. The INTOSAI-Donor Secretariat:**

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

	2018	2017
<b>Revenues</b>		
Grant from ADA, Austria	-1 117 205	-749 533
Grant from MFA, Ireland	-2 851 437	-2 279 583
Grant from SECO, Switzerland	-329 589	-1 335 782
Grant from OAG, Norway	0	-2 537
<b>Total revenues</b>	<b>-4 298 231</b>	<b>-4 367 434</b>
<b>Operating expenses</b>		
Payroll and related costs	1 727 856	2 284 300
Travel and accommodation costs	777 166	389 647
Other operating expenses	1 793 209	1 693 487
<b>Total operating expenses</b>	<b>4 298 231</b>	<b>4 367 434</b>

	Payroll and Related Costs	Travel and Accommodation Costs	Other Operating Expenditure	Total
A. Admin. Staff Cost	675 632	-	4 115	679 747
B. Overheads and Other Indirect Costs	-39 137	221 330	459 606	641 798
<b>Total Admin and Overhead</b>	<b>636 494</b>	<b>221 330</b>	<b>463 721</b>	<b>1 321 545</b>
Program Staff Costs	1 070 908	-	673 383	1 744 291
1. Strategic Reviews				
2. Funding Mechanisms	10 443	470 178	94 192	574 813
3. Research, Guidance and Training	-	-	155	155
4. Outreach and Communications	1 769	9 967	161 507	173 242
5. Data Collection and Management	38	1 837	40 042	41 917
6. SAI PMF (moved to CD 2 in 2017)	-	-	-	-
7. Governance and Program Management	8 205	73 855	-44	82 016
8. Monitoring and Evaluation	-	-	360 252	360 252
<b>Total Program</b>	<b>1 091 362</b>	<b>555 836</b>	<b>1 329 487</b>	<b>2 976 685</b>
<b>Total INTOSAI Donor-Secretariat</b>	<b>1 727 856</b>	<b>777 166</b>	<b>1 793 209</b>	<b>4 298 231</b>

**11. Specification of capacity development programme costs:**

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

The costs of the Global programmes have for 2018 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.

	2018	2017
GLOBAL	4 787 932	4 916 641
AFROSAI E	9 695 907	3 807 960
CREFIAF	1 568 197	3 996 210
ARABOSAI	3 065 515	3 259 766
ASOSAI	2 588 069	1 631 539
CAROSAI	9 094 724	760 118
EUROSAI	1 524 677	1 704 640
OLACEFS	1 651 787	1 807 847
PASAI	5 331 565	4 798 215
<b>Total</b>	<b>39 308 372</b>	<b>26 682 935</b>

**12. 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 2018. 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.