



# Financial Statements 2017



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# Secretary-General's Report

## Statement of Activities

The Secretary-General submits his report together with the audited financial statements for the year ended 31 December 2017.

### Principal Activity

Created in 1995, the International Institute for Democracy and Electoral Assistance (International IDEA) is an intergovernmental organization with a mandate to: *support sustainable democratic change*. International IDEA does this through: analyses of global and regional democratic trends; produces comparative knowledge on good international democratic practices; offers technical assistance and capacity-building on democratic reform to actors engaged in democratic processes; and convenes dialogue

on issues relevant to the public debate on democracy and democracy building.

International IDEA brings together those who analyze and monitor trends in democracy with those who engage directly in political reform or act in support of democracy. International IDEA works with new and with long-established democracies, helping to develop and strengthen the institutions and culture of democracy. It operates at international, regional and national levels, working in partnership with a range of institutions.

A full report on the Activities of International IDEA is published annually as a separate document incorporating schedules drawn from the annual financial statements.

## Legal status

International IDEA was established as an international inter-governmental organization by 14 founding Member States at a conference held in Stockholm on 27 February 1995. International IDEA was registered

in accordance with Article 102 of the United Nations Charter and has observer status in the UN General Assembly since 2003.

## Member States of International IDEA

 Australia, since 1995	 Chile, since 1995	 Mauritius, since 1999	 Portugal, since 1995
 Barbados, since 1995	 Costa Rica, since 1995	 Mexico, since 2003	 South Africa, since 1995
 Belgium, since 1995	 Dominican Republic, since 2011	 Mongolia, since 2011	 Spain, since 1995
 Benin, since 2016	 Finland, since 1995	 Namibia, since 1997	 Sweden, since 1995
 Botswana, since 1997	 Germany, since 2002	 The Netherlands, since 1995	 Switzerland, since 2006
 Brazil, since 2016	 Ghana, since 2008	 Norway, since 1995	 Uruguay, since 2003
 Canada, since 1997	 India, since 1995	 Peru, since 2004	<b>Observer State</b>
 Cabo Verde, since 2003	 Indonesia, since 2013	 The Philippines, since 2013	
		 Japan	

## Offices

International IDEA has a Headquarters' Agreement with Sweden and Host-country Agreements with the Governments of Australia, Belgium, Bolivia, Chile, Costa Rica, Ethiopia, Haiti, Nepal, The Netherlands, South Africa, South Sudan and Tunisia. Negotiations for

Host-country Agreements continue in Kenya, Mexico and Myanmar. International IDEA also has permanent observer status at the United Nations in New York.

At its Headquarters and in those states with which International IDEA has a Host-country Agreement, the organization has been granted privileges and immunities notably that of being exempt from most forms of taxation.

International IDEA is headquartered in Stockholm, Sweden and has offices in Australia, Belgium, Bhutan, Bolivia, Chile, Ethiopia, Haiti, Kenya, Myanmar, Nepal, The Netherlands, Paraguay (opened in 2017) Peru and Tunisia and a UN liaison office in New York.

## Governance matters

Overall governance of International IDEA is provided by a Council of Member States. The Council meets at least twice a year and has delegated the management of the organization to the Secretary-General. The Secretary-General is assisted by a Management Committee composed of Directors. The Council

monitors the operations and performance of the organization via a Steering Committee and a Finance and Audit Committee. International IDEA also has a Board of Advisors the members of which provide expert and technical advice on programmes.

## Secretary-General

The Honourable Mr Yves Leterme

## Directors

During 2017 there were eight (2016: eight) Director-level positions. Incumbents during the year are detailed below: *(During the year, the position of the Director of External Relations was disestablished after the directorate was merged into the Secretary-General's Office.)*

Name and Position	Gender
Mr Adam M B Boys, Director for Corporate Services (resigned 31 October 2017)	M
Mr Gideon Nhundu, Acting Director of Corporate Services (appointed 30 October 2017)	M
Mr Andrew Bradley, Director of the office of International IDEA to the European Union	M
Ms Karin Gardes, Director for External Relations and Governance Support (resigned 31 May 2017)	F
Ms Keboitse Machangana, Director for Global Programmes	F
Professor Adebayo Olukoshi, Director for Africa and Western Asia	M
Ms Leena Rikkilä Tamang, Director for Asia and the Pacific	F
Dr Massimo Tommasoli, Director – Permanent Observer to the United Nations	M
Dr Daniel Zovatto, Director for Latin America and the Caribbean	M

## Steering Committee

Member States held the following offices on the Council in 2017:

- Peru Chair
- Mongolia First Vice Chair
- Namibia Second Vice Chair
- Sweden Host Country
- Finland Additional Council members
- Brazil Additional Council members

## Finance and Audit Committee (FAC)

Members of the FAC serve in their individual capacities.

Name	Gender	Meetings attended (out of three, including one virtual meeting)
Mr Johannes Heller (Chair)	M	3
Mr Alejandro Garofali (second term expired 26 October 2017)	M	2
Mr Anders Nyström (resigned 25 October 2017)	M	3
Mr Leo van der Tang	M	3

During 2017, the Chair of the Council, in inviting Member States to nominate new members of the Finance and Audit Committee, drew attention to the lack of female representation on the Committee.

## Board of Advisors

Name	Gender	Meetings attended (out of two)
H.E. Dr Surin Pitsuwan (Chair) (left 30 November 2017)	M	2
Ms Burmaa Radnaa (Vice Chair)	F	1
Dr Shahabuddin Yaqoob Quraishi	M	2
Ambassador Antonio Núñez García-Sauco	M	2
Dr Bassma Kodmani	F	1
Mr Nicholas Haysom	M	1
Professor Christine Bell	F	1
Ms Emine Bozkurt	F	1
Professor Hoda Elsadda (left 10 July 2017)	F	—
Dr Cheik Modibo Diarra	M	2
Professor Pippa Norris (left 31 October 2017)	F	1
Mr Pierre Schori (left 31 October 2017)	M	2
Ms Njeri Kabeberi	F	2
Mr Sergio Bitar	M	1
Daw Aung San Suu Kyi ( <i>Honorary Board Member</i> )	F	nil—not required to attend

## Results

The results of International IDEA are set out in the statement of financial performance on page 9 of the financial statements.



Yves Leterme  
*Secretary-General*

18 May 2018  
Strömsborg  
103 34 Stockholm  
Sweden

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# Statement of Responsibilities

The Secretary-General is required to prepare financial statements for each financial year which give a true and fair view of the financial position of International IDEA and of the results of its operations and cash flows, in accordance with applicable accounting policies, and is responsible for maintaining proper accounting records to enable the preparation of such financial statements at any time. He/she has a general responsibility for taking such steps as are reasonably available to him/her to safeguard the assets of International IDEA and to prevent and detect fraud and other irregularities.

The Secretary-General is responsible for selecting suitable accounting policies to conform to applicable accounting standards and then apply them consistently; make judgments and estimates that are reasonable and prudent; and prepare the financial statements on a going concern basis unless it is inappropriate to presume that International IDEA will continue in operations.

The Secretary-General is responsible for the submission to the Council of an annual report on activities together with the annual financial statements for their adoption. The financial statements set out on pages to were authorized by the Secretary-General on 18 May 2018 for issue to the Council and are signed below to signify this.



Yves Leterme  
*Secretary-General*



# Audit Opinion



## Auditor's Report

To the Council of Member States of International Institute for Democracy and Electoral Assistance, corp. id 902000-0098.

### Report on the financial statements

#### Opinion

We have audited the International Institute for Democracy and Electoral Assistance's (International IDEA) financial statements for the year ending 31 December 2017.

In our opinion, the financial statements have been prepared in accordance with the International Public Sector Accounting Standards, and present fairly, in all material respects, the financial position of International IDEA as of 31 December 2017 and its financial performance and cash flow for the year then ended, 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 section. We are independent of International IDEA in accordance with International Standards on Auditing (ISA) and have otherwise fulfilled our 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 opinions.

#### Responsibilities of the Secretary General and Management

The Secretary General and Management are responsible for the preparation of the financial statements and that they give a fair presentation in accordance with the International Public Sector Accounting Standards (IPSAS). The Secretary General and Management are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements the Secretary General and Management are responsible for the assessment of the Institute's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting.

The Audit Committee shall, without prejudice to the Secretary General and the Management's responsibilities and tasks in general, among other things oversee International IDEA's financial reporting process.

#### Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the Institute's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Secretary General and Management.
- Conclude on the appropriateness of the Secretary General and Management's use of the going concern basis of accounting in preparing the financial statements. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion about the financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause International IDEA to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Secretary General and Management of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Stockholm, 18 May 2018

KPMG AB

Birgitta Johansson Vogensen

Authorized Public Accountant



# Statement of Financial Performance

For the year ended 31 December 2017

(Thousands of Euros)

Income and Operating Costs	Note	2017	2016
<b>Income</b>			
Donor Contributions	9(a)	24,115	22,128
Other Income	9(b)	6	11
<b>Total Income</b>		<b>24,121</b>	<b>22,139</b>
<b>Operating Costs</b>			
Contractors	10	6,181	6,181
Operating Costs	10	4,847	4,226
Personnel costs	10&11&12	10,688	10,937
Travel	10	3,321	2,806
<b>Total Operating Costs</b>		<b>25,037</b>	<b>24,150</b>
<b>(Deficit) for the Year</b>		<b>(916)</b>	<b>(2,011)</b>

# Statement of Financial Position

As of 31 December 2017 and 2016

(Thousands of Euros)

Assets	Note	2017	2016
<b>Current Assets</b>			
Cash and cash equivalents	3	9,399	11,871
Receivable Contributions	4	1,401	482
Prepayments		484	687
Recoverable staff income tax and social security payments		1,139	1,111
Recoverable value-added tax		60	136
Other receivables		19	21
<b>Total current assets</b>		<b>12,502</b>	<b>14,308</b>
<b>Non-current assets</b>			
Fixed Assets	5	45	74
<b>Total non-current assets</b>		<b>45</b>	<b>74</b>
<b>Total Assets</b>		<b>12,547</b>	<b>14,382</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade Payables and Accruals	6	1,820	1,380
Deferred Income	6	2,104	3,406
Personnel Accruals	7	1,473	1,530
<b>Total current liabilities</b>		<b>5,397</b>	<b>6,316</b>
<b>Total Liabilities</b>		<b>5,397</b>	<b>6,316</b>
<b>Net Assets</b>			
General Reserve		7,066	9,077
Currency Reserve	8	1,000	1,000
(Deficit)/Surplus for the period		(916)	(2,011)
<b>Net Assets</b>		<b>7,150</b>	<b>8,066</b>
<b>Total Liabilities and Reserves</b>		<b>12,547</b>	<b>14,382</b>



Yves Leterme  
Secretary-General



Gideon Nhundu, B.Acc (Hons); FCIS; Dip IPSAS  
Acting Director of Corporate Services

The accounting policies and other notes form an integral part of these financial statements.

# Statement of Cash flows

As of 31 December 2017 and 2016

(Thousands of Euros)

	Note	2017	2016
<b>Cash flow from operating activities</b>			
(Deficit)/Surplus from ordinary activities		(916)	(2,011)
Depreciation	5	29	70
(Increase)/decrease in receivables and prepayments		1,806	(918)
Increase/(decrease) in payables		(919)	791
<b><i>Net cash flow from operating activities</i></b>		<b>–</b>	<b>(2,068)</b>
<b>Cash flow from investing activities</b>			
Capitalization of fixed assets	5	–	–
Purchase of fixed assets	5	–	(102)
<b>Net cash flow from investing activities</b>		<b>–</b>	<b>(102)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(2,472)</b>	<b>(2,170)</b>
Cash and cash equivalents at beginning of period		11,871	14,041
<b><i>Cash and cash equivalents at end of period</i></b>	<b>3</b>	<b>9,399</b>	<b>11,871</b>

# Statement of Changes in Net Assets

(Thousands of Euros)

	General Reserve	Currency Reserve	Total
<b>Balance at 1 January 2016</b>	<b>9,077</b>	<b>1,000</b>	<b>10,077</b>
Transfer (to)/from Currency	–	(217)	(217)
Transfer from Currency to Operating Reserve	–	217	217
<b><i>Net deficit for the period</i></b>	<b><i>(2,011)</i></b>	<b><i>–</i></b>	<b><i>(2,011)</i></b>
<b>Balance, 31 December 2016</b>	<b>7,066</b>	<b>1,000</b>	<b>8,066</b>
Transfer (to)/from Currency	-	(567)	(567)
Transfer from Currency to Operating Reserve	-	567	567
<b><i>Net deficit for the period</i></b>	<b><i>(916)</i></b>	<b><i>-</i></b>	<b><i>(916)</i></b>
<b>Balance, 31 December 2017</b>	<b>6,150</b>	<b>1,000</b>	<b>7,150</b>

The accounting policies and other notes form an integral part of these financial statements.

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# Notes

## (forming part of the financial statements)

### 1. Reporting Entity

Created in 1995, the International Institute for Democracy and Electoral Assistance (International IDEA) is an Intergovernmental Organization.

International IDEA has a mandate to support sustainable democracy worldwide. International IDEA brings together those who analyze and monitor trends in democracy with those who engage directly in political reform or act in support of democracy at home and abroad. International IDEA works with new and long-established democracies, helping to develop and strengthen the institutions and culture of democracy. It operates at international, regional and national levels, working in partnership with a range of institutions.

International IDEA is funded through voluntary contributions within the framework of an Annual Programme and Budget. Approval of the Programme

and Budget by the Council of Member States accords the Secretary-General with the necessary commitment authorizations for the functioning of the organization and the carrying out of its activities. Income received subsequent to the approval of the Programme and Budget, by way of grants and donations (restricted income) made for purposes that accord with the organization's mandate are included within the Programme and Budget as they are received and such changes are subject to formal approval by the Council during the financial year.

The following accounting policies have been applied consistently in dealing with items, which are considered material in relation to the financial statements of the organization.

### 2A. Basis of preparation

A summary of the significant policies adopted in the preparation of the accompanying combined financial statements are as follows:

**a. Basis of accounting** – The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSASs) issued by the International Public Sector Accounting Standards Board (IPSASB), based on International Accounting Standards (IASs) and International Financial Reporting (IFRSs) issued by the International Accounting Standards Board (IASB).

In the event that IPSASB does not prescribe any specific standard, IFRSs and IASs shall be applied.

The accounting policies have been applied consistently throughout the period.

**b. Basis of measurement** – The financial statements have been prepared in accordance with the historical cost convention.

**c. Use of estimates** – The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although management believes the estimates and assumptions used in the preparation of these combined financial statements were appropriate in the circumstances, actual results could differ from those estimates and assumptions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

**d. Accruals Accounting** – The financial statements have been prepared using the accruals basis of accounting.

**e. Going concern** – The financial statements have been prepared under the assumption that International IDEA will continue to operate as a going concern.

**f. Revenue recognition** – Restricted contributions are recognized as revenues when the grant conditions have been substantially met or the donor has explicitly waived such conditions. Unrestricted contributions for the year are recognized following formal approval of the Programme and Budget for the year by the Council of Member State Representatives. The rate of exchange used for the conversion of foreign currency commitments or pledges is the average rate of exchange for the month in which the Programme and Budget is approved (December of the prior year).

For individual Member-State contributions of Unrestricted Income: In the event that the exchange rate prevailing on the date of the receipt of funds varies substantially from the rate of the initial recording of the income, then an adjustment to Unrestricted Income will be made. For such an adjustment to be made, the cumulative adjustments for an individual donor must exceed 100,000 Euros. In all other cases, such differences will be recorded within Exchange Rate gains and losses.

**g. Contributions-in-kind** – Should contributions-in-kind be received, they are described and reported within the notes to the financial statements but are not included as income within the financial accounting records. Such contributions-in-kind are primarily received in the form of office rental and staff members seconded by Member States and others.

**h. Contributions receivable** – Contributions receivable represent amounts recoverable from donors for restricted grants promised or pledged for which the conditions have been met, and for core contributions received after the end of the calendar year but before the accounting records for that year have been closed. Where necessary, these amounts are reduced by appropriate amounts for estimated irrecoverable amounts based on a review at the reporting date.

**i. Cash and cash equivalents** – Cash and cash equivalents comprise cash on hand, bank current accounts and interest bearing bank deposits.

**j. Fixed Assets** – Tangible Assets purchased with unrestricted funds and with a cost exceeding 2,000 Euros are capitalised and depreciation is charged so as to write off the cost over their estimated useful lives,

using the straight-line method on the following basis:

i. Furniture, fixtures and equipment	4 years
ii. IT Equipment	3 years
iii. Motor vehicles	4 years

Occasionally, International IDEA purchases assets with a cost exceeding 2,000 Euros from restricted funds/grant funds which have been received for specific short term projects. In such cases—and consistent with the manner of reporting within the grant within which the assets have been purchased—the full cost of the assets is capitalized and this cost is then depreciated in full in the year of acquisition with the charge being recognized in the Statement of Financial Performance.

The gain or loss on the disposal, or withdrawal from use, of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Financial Performance.

The carrying value of fixed assets are reviewed for impairment if changes in circumstances indicate that they may not be recoverable. If such cases exist, the recoverable amount of the asset is estimated in order to determine the extent of the impairment. Any provision for impairment is charged against the Statement of Financial Performance in the year concerned.

**k. Finance leases** – International IDEA does not have any obligations under finance leases and has no lease agreements of this nature.

**l. Operating leases** – Operating lease rentals are recognized on a straight-line basis over the term of the relevant lease, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign and operating lease are similarly spread on a straight-line basis over the lease term.

**m. Income taxes** – International IDEA is tax-exempt; accordingly, no provision for income taxes has been made in the accompanying combined financial statements.

**n. Accounts payable to donors** – These represent funds received in advance from donors for either unrestricted and restricted purposes, for which the grant conditions have not yet been met. Also included are amounts payable to donors where donors require reimbursement of unexpended grant balances.

**o. Other accounts payable and accruals** – These represent amounts to be paid in the future for goods or services received, whether or not they have been billed by the supplier.

**p. Provisions** – Provisions are recognized for current obligations that (i) result from a past event, (ii) are expected to result in the use of economic resources, and (iii) can be reasonably estimated. Provisions are based on management's best estimate of the expenditure required to settle the obligation at the date of the Statement of Financial Position.

**q. Functional and presentation currency** – The currency of the report is the Euro. Assets and liabilities in other currencies are translated to Euro at rates of exchange ruling at the end of the financial year as published by the European Central Bank.

Transactions in other currencies are translated to Euro at the average rate of exchange as published by the European Central Bank for the month in which the transaction took place.

Significant exchange gains and losses are transferred to or from the Currency Reserve.

**r. Foreign currencies** – Contributions, donations and grant income are received in Euros and in other currencies. Assets and liabilities denominated in foreign currencies are translated into Euros at the exchange rates prevailing on the date of the Statement of Financial Position.

Foreign currency transactions are recorded at the exchange rates prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Both realised and unrealised gains and losses resulting from the settlement of such transactions, and from the retranslation at the reporting date of assets and liabilities denominated in foreign currencies, are recognized in the Statement of Financial Performance.

## 2B. Accounting judgements and estimates

In the application of the Organization's accounting policies, which are described in Note 2A, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the estimate affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Estimates include, but are not limited to: accounts receivables, accrued charges, contingent assets and liabilities, and the degree of impairment of fixed assets.

### Provisions

International IDEA enters into numerous agreements under which donors and other grant-making bodies provide funds for activities, institutional costs or programmes. The requirements of such grants may include conditions for reporting and the submission of original documentation and evidence in order to support that work was undertaken in accordance with an agreed plan. In the normal course of operational,

grant-making bodies may consider certain expenses to be eligible or not to be eligible on the grounds that they do not accord with the agreed work plan. International IDEA does not believe that the results of any such ineligible expense claims will have a material effect on the statement of financial performance or statement of financial position.



### 3. Cash and cash equivalents

31 December

(Thousands of Euros)

	2017	2016
Cash on hand	48	24
Cash at Bank	9,351	11,847
<b>Total</b>	<b>9,399</b>	<b>11,871</b>

International IDEA has the equivalent of 8,6 Million Euros (2016: 11,1 Million Euros) deposited with a well-established bank—Svenska Handelsbanken AB—in Sweden while deposits outside Sweden are sufficient for one month's operational requirements for the country in question.

### 4. Receivable Contributions (Schedule 1, note 9(a))

31 December

(Thousands of Euros)

	2017	2016
Unrestricted contributions (schedule 1 (a))	152	2
Restricted Projects (schedule 1 (b))	1,249	480
<b>Total</b>	<b>1,401</b>	<b>482</b>

## 5. Fixed Assets

Changes in furniture, fixtures and equipment for the period

(Thousands of Euros)

	31 December 2016	Acquisitions	Depreciation	31 December 2017
<b>Cost</b>				
Furniture, fixtures and equipment	388	–	–	388
IT equipment	55	–	–	55
Motor vehicles	57	–	–	57
<b>Total cost</b>	<b>500</b>	<b>–</b>	<b>–</b>	<b>500</b>
<b>Depreciation</b>				
Furniture, fixtures and equipment	(319)	–	(27)	(346)
IT equipment	(50)	–	(2)	(52)
Motor vehicles	(57)	–	–	(57)
<b>Total Depreciation</b>	<b>(426)</b>	<b>–</b>	<b>(29)</b>	<b>(455)</b>
<b>Net Book value</b>				
Furniture, fixtures and equipment	69	–	(27)	42
IT equipment	5	–	(2)	3
Motor vehicles	–	–	–	–
<b>Total net book value</b>	<b>74</b>	<b>–</b>	<b>(29)</b>	<b>45</b>

## 6. Liabilities and Deferred Income

31 December

(Thousands of Euros)

	2017	2016
<b>Trade payables and Accruals</b>		
Accounts payable	1,588	837
Accruals	232	543
<b>Total</b>	<b>1,820</b>	<b>1,380</b>
<b>Deferred Income (Schedule 1) (Note 9(a))</b>		
Unrestricted contributions (Schedule 1(a))	–	–
Restricted Projects (Schedule 1 (b))	2,104	3,406
<b>Total</b>	<b>2,104</b>	<b>3,406</b>

## 7. Personnel Accruals

31 December

(Thousands of Euros)

	2017	2016
Annual Leave	190	184
Pension contributions	443	505
Separation Allowance	676	686
Withholding taxes	164	155
<b>Total</b>	<b>1,473</b>	<b>1,530</b>

### Annual leave

International IDEA staff members have an annual leave entitlement of 30 working days per calendar year. Up to 10 days may be carried forward if not utilised by 31 January of the following year. This provision reflects the untaken leave at the year end.

### Pension contributions

#### Contribution in lieu of pension

Staff members receive an annual payment in lieu of a pension contribution. For international staff positions the pension is payable at the end of each twelve months of service. At the end of the reporting period the contribution in lieu of pension which has been earned but not yet paid is accrued.

### Pension contributions

Contributions for those staff members who, according to the Headquarters agreement with the Government of Sweden, are subject to tax in Sweden are paid monthly into a defined contribution pension scheme.

### Separation allowance

Staff members who have relocated from their home country to take up employment in any country where International IDEA has an office are, on the conclusion of their contracts, entitled to a separation allowance on relocation back to their home country. This provision reflects allowances with respect to currently employed staff members in this category.

## 8. Net Assets

Movements in reserves are detailed in the Statement of Changes in Reserves and are classified as follows:

**a. General Reserve** – This is International IDEA's central reserve account that provides liquidity to meet unplanned short and medium term volatility in income and expenditure. The level of this reserve may not fall to below the level of 50% of unrestricted Member State income for the previous year. In 2016, the Council approved the use of EUR 2.7m of reserves to fund an unexpected drop

in income in 2016. Of this figure, EUR 2.0m were actually drawn from reserves. The reserves will be restored to correct levels by end of 2019.

**b. Currency Reserve** – This reserve provides a facility to overcome distortions in International IDEA's operational expenditures caused by fluctuations in the exchange rate between the Euro and other currencies. In line with the reserve policy, the currency reserve is maintained at EUR 1m.

## 9. Revenues

**a. Contributions** – Funds received from donors are used to support International IDEA's programmes that must fall within the mandate of International IDEA as approved in an annual Programme and Budgets by the governing Council. Details of all contributions are set out in Schedule 1 and are classified as Unrestricted or Core contributions

(schedule 1(a) and restricted contributions (schedule 1(b)). Core contributions are used to support International IDEA's activities. Restricted contributions support activities that are mutually agreed upon between International IDEA and the individual donor via grant agreements and similar.

### 9(a)(i) Analysis of Income – Unrestricted (schedule 1a)

For the year ended 31 December 2017

(Thousands of Euros)

31 December 2017							31 December 2016
Donors	Opening Balance	Cash Payments	Exchange rate gain/(loss) on Receivables	Accounts Receivable	Advance Payment	Total Grants	Total Grants
<b>Unrestricted Contributions</b>	<b>(2)</b>	<b>14,188</b>	<b>(93)</b>	<b>152</b>	<b>0</b>	<b>14,245</b>	<b>10,825</b>
Barbados		5				5	4
Botswana		19				19	35
Brazil				70		70	70
Canada		–				–	–
Chile		151	15			166	161
Costa Rica		5				5	5
Finland		–				–	–
Germany		400				400	400
India		47	1			48	46
Mauritius		9	1			10	9
Mexico		–	6	42		48	48
Mongolia		4				4	5
Namibia		2				2	–
Netherlands		4,500				4,500	4,000
Norway		3,394	(139)			3,254	1,233
Peru		8				8	9
South Africa		17	1			18	–
Spain		–		40		40	50
Sweden		4,710				4,710	3,823
Switzerland		913	23			936	925
Uruguay	(2)	4				2	2

## 9(a)(ii) Restricted Income for the year ended (schedule 1b)

For the year ended 31 December 2017

(Thousands of Euros)

Donors	2017					2016
	Opening balance	Cash Payments	Receivable	Advance payment	Total Grants	Total Grants
<b>Restricted contribution</b>	<b>2,928</b>	<b>7,798</b>	<b>1,249</b>	<b>(2,104)</b>	<b>9,870</b>	<b>11,304</b>
<b>Belgium</b>	–	–	48	–	48	48
Ministry of Foreign Affairs	–	–	48	–	48	48
<b>Canada</b>	<b>199</b>	–	–	<b>(9)</b>	<b>190</b>	<b>36</b>
Department of Foreign Affairs, Trade and Development						36
The International Development Research Centre	199	–	–	(9)	190	–
<b>European Union</b>	<b>1,428</b>	<b>777</b>	<b>899</b>	<b>(188)</b>	<b>2,916</b>	<b>2,875</b>
European Commission	1,428	777	899	(188)	2,916	2,875
<b>Organisation internationale de la Francophonie (OIF)</b>	–	<b>50</b>	<b>4</b>	–	<b>54</b>	<b>88</b>
OIF	–	50	4	–	54	88
<b>Germany</b>	<b>61</b>	<b>1,103</b>	<b>7</b>	<b>(179)</b>	<b>992</b>	<b>204</b>
Robert Bosch Stiftung Gmbh	36	184	–	(115)	105	–
The German Foreign Ministry	–	908	–	(60)	848	
Institute für Auslandsbeziehungen	40	3	–	(4)	39	72
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH	(15)	8	7	–	–	132
<b>Inter-American Development Bank</b>	–	<b>7</b>	–	<b>(7)</b>	–	
Inter-American Development Bank	–	7	–	(7)	–	
<b>Kyrgyzstan</b>	–	<b>27</b>		<b>(1)</b>	<b>26</b>	
Coalition for Democracy and Civil Society	–	27	–	(1)	26	
<b>Luxembourg</b>	–	<b>134</b>	–	<b>(31)</b>	<b>103</b>	
Ministère des Affaires étrangères et européennes	–	134	–	(31)	103	
<b>Mexico</b>	–	<b>93</b>	–	<b>(93)</b>	–	
Tribunal Electoral del Poder Judicial de la Federación	–	93	–	(93)	–	
<b>Netherlands</b>	<b>(25)</b>	<b>247</b>	–	<b>(25)</b>	<b>197</b>	236
Ministry for Foreign Affairs		6	–	(6)		–
The Netherlands Institute for Multi-Party Democracy	(25)	241	–	(19)	197	236

Donors	Opening balance	Cash Payments	Receivable	Advance payment	Total Grants	Total Grants
	<b>2017</b>					<b>2016</b>
<b>Nepal</b>	<b>(26)</b>	<b>386</b>	<b>87</b>	<b>–</b>	<b>447</b>	<b>283</b>
Government facility	(24)	384	87	–	447	283
SAARC Business Association of Home Based Workers	(2)	2	–	–	–	11
<b>Norway</b>	<b>317</b>	<b>499</b>	<b>23</b>	<b>(357)</b>	<b>482</b>	<b>3,090</b>
Ministry of Foreign Affairs	317	499	23	(357)	482	3,090
<b>Spain</b>	<b>84</b>	<b>300</b>	<b>–</b>	<b>(279)</b>	<b>105</b>	<b>67</b>
Spanish Agency for International Cooperation	84	300	–	(279)	105	67
<b>Sweden</b>	<b>966</b>	<b>2,212</b>	<b>–</b>	<b>(820)</b>	<b>2,358</b>	<b>1,954</b>
Ministry of Foreign Affairs	320	1,440	–	(167)	1,593	1,460
Swedish International Development Agency (Sida)	646	772	–	(653)	765	494
<b>Switzerland</b>	<b>79</b>	<b>528</b>	<b>49</b>	<b>(1)</b>	<b>655</b>	<b>474</b>
The Swiss Agency for Development and Co-operation	(1)	1	–	–	–	38
The Swiss Federal Department of Foreign Affairs	80	527	49	(1)	655	436
<b>United Kingdom</b>	<b>(159)</b>	<b>785</b>	<b>46</b>	<b>(65)</b>	<b>607</b>	<b>661</b>
Department for International Development (DFID)	(159)	785	46	(65)	607	661
<b>United Nations (UN)</b>	<b>–</b>	<b>3</b>	<b>1</b>	<b>(1)</b>	<b>3</b>	<b>25</b>
UN Development Program						9
United Nations Entity for Gender Equality and the Empowerment of Women	–	3	1	(1)	3	–
<b>USA</b>	<b>4</b>	<b>646</b>	<b>85</b>	<b>(48)</b>	<b>687</b>	<b>1,263</b>
US Agency for International Development (USAID)	(119)	388	85	–	354	44
The Ford Foundation	15	116	–	(2)	129	116
Open Society Foundation	108	142	–	(46)	204	203
<b>Other</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>10</b>
Other	–	–	–	–	–	10

## 9(a)(iii) Restricted Income for the year ended (schedule 2)

Donor and Programme/Project	Grant Agreement No.	Main Project No.
<b>Belgium</b>		
<i>Belgian Ministry of Foreign Affairs (BE MFA)</i>		
EU Office Grant—2015–17	2015-14	P0256-01
<b>Canada</b>		
<i>The International Development Research Centre (IDRC)</i>		
IDRC Youth Democracy Curriculum	2016-12	P0289-01
<b>European Union</b>		
<i>European Commission (EU EC)</i>		
STEP Democracy Support To Electoral Processes and Democracy in Myanmar	2014-05	P0254
Estrategia ciudadana para mejorar la calidad de la política	2015-05	P0255
Promoción de la Democracia a través del fortalecimiento de las capacidades de la administración electoral nacional	2016-10	P0304-01
Implementación de las recomendaciones de la mision de Observacion Electoral de la Union Europea	2017-07	P0313-01
<b>France</b>		
<i>Organisation internationale de la Francophonie (FR OILF)</i>		
Support to Dialogue workshop in Cape Town, South Africa and Yaounde, Cameroon	2017-02	P0235-06
<b>Germany</b>		
<i>Robert Bosch Stiftung Gmbh (DE BOSCH)</i>		
Refugees, Asylum Seekers and Democracy	2016-18	P0293-01
<i>The German Foreign Ministry "Auswärtiges Amt" (DE-FFO)</i>		
Support to the Yemeni Peace Process—Constitutional Dialogues	2017-05	P0309-01
<i>The Institut für Auslandsbeziehungen (DE IFA)</i>		
Youth Dialogues on Constitutional Reform in Lebanon	2017-09	P0309-02
<b>Kyrgyzstan</b>		
<i>Coalition For Democracy And Civil Society (KZ CDCS)</i>		
International IDEA Support to CCC Kyrgyzstan	2017-10	P0312-01
<b>Luxembourg</b>		
<i>Ministère des Affaires étrangères et européennes (LU MFA)</i>		
Myanmar Constitution Centre—My Constitution	2017-04	P0310-01
<b>Mexico</b>		
<i>Tribunal Electoral del Poder Judicial de la Federación de Mexico (MX TRIBELEC)</i>		
Institutional capacities for the promotion of democracy and electoral justice—Mexico	2017-03	P0308-01
<b>Nepal</b>		
<i>Governance Facility (NP GF)</i>		
Civic Participation in Peace Building and Democratic Development (CIVIP)	2015-19	P0272-01
<b>Netherlands</b>		
<i>The Netherlands Institute for Multiparty Democracy (NL NIMD)</i>		
Respect for Women's Political Rights	2013-20	P0245



(Thousands of Euros)

Grant Period (DD/MM/YY)		Grant Pledged		Expenditure		
Start Date	End Date	in Grant Currency	EUR Value	Prior Years	Current Year	Total
				96	48	144
				96	48	144
01/01/2015	31/12/2019	EUR 240,000	240	96	48	144
				43	190	233
				43	190	233
03/11/2016	30/04/2018	CAD 307,000	210	43	190	233
				5,675	2,916	8,591
				5,675	2,916	8,591
22/12/2014	30/04/2018	EUR 8,000,000	8,000	4,829	2,542	7,371
01/07/2015	31/12/2016	EUR 850,000	850	825	25	850
13/07/2016	12/07/2018	EUR 1,000,000	1,000	21	330	351
07/01/2017	30/11/2017	EUR 19,300	19	–	19	19
				–	54	54
				–	54	54
03/02/2017	15/04/2017	USD 40,000	38	–	54	54
				–	993	993
				–	105	105
01/11/2016	30/04/2018	EUR 220,000	220	–	105	105
				–	849	849
			1,386	–	849	849
				–	39	39
01/09/2017	31/12/2017	EUR 51,722	52	–	39	39
				–	27	27
				–	27	27
20/06/2017	30/11/2017	EUR 29,855	30	–	27	27
				–	103	103
				–	103	103
01/05/2017	31/10/2018	EUR 390,000	390	–	103	103
				–	1	1
				–	1	1
20/03/2017	28/12/2018	MXN 2,300,000	110	–	1	1
				300	447	747
				300	447	747
01/11/2015	31/10/2017	USD 750,000	686	300	447	747
				442	197	639
				442	197	639
01/01/2014	31/12/2017	EUR 693,255	693	442	197	639

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Donor and Programme/Project	Grant Agreement No.	Main Project No.
<b>Norway</b>		
<i>Norwegian Ministry of Foreign Affairs (NO MFA)</i>		
Norwegian Budget for the IDEA AUC JAP II 2016 to 2020	2016-08	P0234-02
Myanmar Constitution Centre My Constitution	2015-20	P0273-01
<b>Spain</b>		
<i>Spanish Agency for International Development Cooperation (ES AEIC)</i>		
Strengthening of plurinational electoral body in order to further enhance Bolivian democracy	2016-14	P0282-01
Fortalecimiento del Órgano Electoral Plurinacional para un mayor impulso a la Democracia Boliviana	2017-08	P0314-01
<b>Sweden</b>		
<i>Swedish Ministry of Foreign Affairs (SE MFA)</i>		
Supporting Electoral and Political Processes in Kenya	2015-11	P0235-04
Global State of Democracy Signature publication	2016-06	P0281-01
Strömsborg rental subsidy	2012-20	R0017-01
<i>Swedish International Development Agency (SE SIDA)</i>		
Mejora de la institucionalidad de la democracia intercultural y paritaria y del ejercicio de los derechos ciudadanos	2016-24	P0303-01
<b>Switzerland</b>		
<i>The Swiss Federal Department of Foreign Affairs (CH FDFA)</i>		
Support for democratic consolidation in Haiti	2016-13	P0283-01
Political Parties and EMBs dialogue for peaceful electoral processes	2016-16	P0301-01
State of Local Democracy Assessment in Moldova	2016-23	P0306-01
Global Passport to Modern Direct Democracy	2017-01	P0307-01
<b>United Kingdom</b>		
<i>Department for International Development (UK DFID)</i>		
Support for the Africa Union Pre-Election Assessment Unit (DFID) 2016/17	2016-11	P0152-06
Scaling up the Support to Structural Preventive Diplomacy and Political Analysis in the Area of Elections in Africa	2017-12	P0152-07
Supporting a Cohesive Response to Local Governance Development in Nepal	2016-20	P0305-01
<b>United Nations</b>		
<i>United Nations Entity for Gender Equality and the Empowerment of Women (UN UNWOMEN)</i>		
Gender and Constitutional Jurisprudence Project	2015-15	P0280-01
<b>USA</b>		
<i>US Agency for International Development (US AID)</i>		
Fighting the Influence of Illicit Interests in Peru's Political Processes	2014-01	P0248-03
<i>The Ford Foundation (US FORD)</i>		
WANA—Regional	2016-01	P0205-08
<i>Open Society Foundations (US OSF)</i>		
WANA—Regional	2016-04	P0205-09
<b>TOTAL</b>		

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(Thousands of Euros)

Grant Period (DD/MM/YY)		Grant Pledged		Expenditure		
Start Date	End Date	in Grant Currency	EUR Value	Prior Years	Current Year	Total
				359	482	841
				359	482	841
01/05/2016	01/12/2020	NOK 15,000,000	1,659	203	269	472
01/12/2015	31/12/2017	NOK 4,000,000	435	156	213	369
				36	105	141
				36	105	141
08/08/2016	07/08/2017	EUR 120,000	120	36	84	120
29/08/2017	29/08/2019	EUR 300,000	300	–	21	21
				3,813	2,356	6,169
				3,745	1,592	5,337
01/07/2015	31/12/2017	SEK 9,000,000	972	302	463	765
01/06/2016	01/12/2017	SEK 8,000,000	844	426	418	844
01/01/2013	31/12/2015	SEK 20,474,100	2,270	3,017	711	3,728
				68	764	832
01/10/2016	31/12/2018	SEK 19,000,000	1,989	68	764	832
				436	655	1,091
				436	655	1,091
01/08/2016	31/12/2018	USD 1,533,600	1,438	397	541	938
01/09/2016	01/04/2017	EUR 55,094	55	39	13	52
06/12/2016	31/10/2017	EUR 91,651	92	–	91	91
01/02/2017	10/09/2017	EUR 10,000	10	–	10	10
				206	606	812
				206	606	812
01/06/2016	31/3/2017	GBP 408,000	530	198	164	362
01/09/2017	31/03/2018	GBP 171,842	186	–	46	46
21/11/2016	30/11/2019	GBP 1,750,000	2,275	8	396	404
				16	3	19
				16	3	19
01/06/2016	31/04/2017	USD 19,838	19	16	3	19
				1,002	687	1,689
				585	354	939
23/09/2014	20/12/2017	EUR 850,000	850	585	354	939
				337	129	466
01/01/2016	31/12/2017	USD 250,000	229	337	129	466
				80	204	284
01/01/2016	31/12/2017	USD 320,000	302	80	204	284
				12,424	9,870	22,294

table continues on opposite page

## 9(b) Other revenue and gains

For the year ended 31 December 2017

(Thousands of Euros)

### Other revenues and gains comprised:

	2017	2016
Interest Income	6	8
Book sales	–	3
<b>Total</b>	<b>6</b>	<b>11</b>

## 10. Operating costs

Details of expenditures are segregated and presented in the manner they were budgeted and approved by the Council: Programme Costs, Programme Support Costs, Institutional Costs and Indirect and Human Resources (HR) cost recoveries.

**Programme Costs** – These are direct costs to programme activities and are shown net of Indirect Costs and HR recoveries.

**Programme Support Costs** – These are indirect costs International IDEA incurs to support project execution. These include Finance, the Board of Advisors, Publications and Communications.

**Institutional Costs** – These are costs that International IDEA incurs regardless of the level of project activities e.g. The Secretary-General's Office and External Relations.

For the year ended 31 December 2017

(Thousands of Euros)

	2017				2016
	Institutional	Programmatic	Programme support	Total	Total
Contractors	120	5,840	221	6,181	6,181
Operating Costs	664	2,822	1,361	4,847	4,227
Personnel costs	1,590	3,848	5,250	10,688	10,937
Travel	143	3,007	171	3,321	2,805
<b>Total</b>	<b>2,517</b>	<b>15,517</b>	<b>7,003</b>	<b>25,037</b>	<b>24,150</b>

These costs are further reclassified by programme in Schedule 3.

## Schedule 3: Analysis of Expenditure for the year ended

(Thousands of Euros)

EXPENDITURE	2017			2016
	Restricted Funds	Unrestricted Funds	Total	Total
<b>PROGRAMMATIC</b>	<b>8,560</b>	<b>6,957</b>	<b>15,517</b>	<b>14,625</b>
<b>Africa and West Asia</b>	<b>2,549</b>	<b>2,623</b>	<b>5,172</b>	<b>5,251</b>
Addis Ababa (Regional Office)	532	1,794	2,326	3,381
Egypt	–	–	–	221
Kenya	464	8	472	308
Tunisia	1,553	821	2,374	1,341
<b>Asia and the Pacific</b>	<b>3,728</b>	<b>1,920</b>	<b>5,648</b>	<b>4,552</b>
Canberra (Regional Office)	26	1,328	1,354	1,255
Myanmar	2,858	274	3,132	2,676
Nepal	844	318	1,162	621
<b>Corporate Services</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>36</b>
Finance	–	–	–	36
<b>External Relations and Governance Support</b>	<b>48</b>	<b>597</b>	<b>645</b>	<b>1,160</b>
Inter-Regional Dialogue	–	3	3	90
Office Grant	48	–	48	48
EU Office (Brussels)	–	269	269	441
UN Permanent Observer (New York)	–	325	325	581
<b>Global Programmes</b>	<b>605</b>	<b>5,381</b>	<b>5,986</b>	<b>5,828</b>
Constitution-Building Processes	3	1,231	1,234	1,560
Democracy, Assessment, Analysis and Advisory	579	1,703	2,282	1,766
Democracy and Development	–	282	282	542
Electoral Processes	10	1,095	1,105	1,114
Global Programmes	–	361	361	263
Political Parties	13	709	722	583
<b>Latin America and the Caribbean</b>	<b>2,138</b>	<b>1,421</b>	<b>3,559</b>	<b>4,154</b>
Andean Region	398	276	674	1,817
Bolivia	869	66	935	652
Haiti	540	311	851	870
Paraguay	330	20	350	22
Costa Rica/Chile Regional Office	1	748	749	793
<b>Secretary-General's Office</b>	<b>–</b>	<b>436</b>	<b>436</b>	<b>125</b>
Gender Mainstreaming and iKNOW Politics	–	–	–	71
Secretary-General's office—Emerging Initiatives	–	212	212	–
UN Permanent Observer (New York)	–	224	224	–
Publications	–	–	–	54
<b>Wider Europe</b>	<b>91</b>	<b>475</b>	<b>566</b>	<b>313</b>
Europe	91	475	566	313

EXPENDITURE	2017			2016
	Restricted Funds	Unrestricted Funds	Total	Total
<b>INSTITUTIONAL</b>	<b>711</b>	<b>1,806</b>	<b>2,517</b>	<b>2,941</b>
<b>Corporate Services</b>	<b>711</b>	<b>439</b>	<b>1,150</b>	<b>1,230</b>
Strategic Planning	–	–	–	135
Director of Corporate Services	–	184	184	247
Security and Risk Management	–	175	175	120
Strömsborg rental subsidy	711	–	711	726
HQ Facilities	–	48	48	(16)
Information Technology	–	32	32	18
<b>External Relations and Governance Support</b>	<b>–</b>	<b>193</b>	<b>193</b>	<b>394</b>
External Relations	–	58	58	162
Governance Support	–	135	135	232
<b>Secretary-General's Office</b>	<b>–</b>	<b>1,174</b>	<b>1,174</b>	<b>1,317</b>
Office of the Secretary-General	–	637	637	553
Management Committee Meetings	–	–	–	3
Internal Audit	–	124	124	119
Communications	–	413	413	642
<b>PROGRAMME SUPPORT</b>	<b>599</b>	<b>6,404</b>	<b>7,003</b>	<b>6,571</b>
<b>Exchange (gain)/loss</b>	<b>59</b>	<b>488</b>	<b>547</b>	<b>224</b>
Exchange gain/(loss)	59	488	547	224
<b>Corporate Services</b>	<b>456</b>	<b>4,983</b>	<b>5,439</b>	<b>5,271</b>
Organizational Monitoring and Evaluation	–	–	–	138
Finance	90	973	1,063	754
Human Resources (HR)	61	673	734	720
HR All staff Benefits and Leaves	305	3,337	3,642	3,659
<b>External Relations and Governance Support</b>	<b>25</b>	<b>280</b>	<b>305</b>	<b>291</b>
Partnerships and Programme Funding Support	25	280	305	291
<b>Global Programmes</b>	<b>13</b>	<b>146</b>	<b>159</b>	<b>228</b>
Board of Advisers	13	146	159	228
<b>Secretary-General's Office</b>	<b>46</b>	<b>507</b>	<b>553</b>	<b>557</b>
Publications	34	377	411	423
Library	12	130	142	134
<b>Human Resources recovery</b>	<b>–</b>	<b>(3,879)</b>	<b>(3,879)</b>	<b>(4,243)</b>
Human Resources recovery	–	(3,879)	(3,879)	(4,243)
<b>Indirect Cost Recovery</b>	<b>(599)</b>	<b>(2,017)</b>	<b>(2,616)</b>	<b>(2,551)</b>
Indirect Cost Recovery	(599)	(2,017)	(2,616)	(2,551)
<b>TOTAL EXPENDITURE</b>	<b>9,870</b>	<b>15,167</b>	<b>25,037</b>	<b>24,150</b>

## 11. Personnel costs

For the year ended 31 December

(Thousands of Euros)

### The payroll cost for all International IDEA staff were as follows:

	2017	2016
Payroll costs	7,135	7,176
Annual, Parental and Sick Leave	1,203	1,174
	<b>8,338</b>	<b>8,350</b>
Contributions in lieu of pensions	1,281	1,321
Insurance	210	429
Other Benefits	859	837
<b>Total</b>	<b>10,688</b>	<b>10,937</b>

Between 2012 and 2015, International IDEA engaged an independent Human Resources firm to provide comparative salary information upon which the organization bases its salary scales. In each year the firm undertook a review of salary information for comparable organizations in the locations in which International IDEA has offices. Adjustments to the salary scales were then decided by the Secretary-General and presented to Council for review. In 2017, no such survey was undertaken as a cost saving measure and salary scales were adjusted by 1.5% across the board.

As an International Organization, International IDEA's relationship with the Ministry of Foreign Affairs of the Kingdom of Sweden is regulated via a Headquarters agreement. By agreement with the Ministry of Foreign Affairs, the payroll taxes are calculated on the salaries of staff members recruited in Sweden and are remitted to the relevant taxation authorities. The costs of these payments are refunded to International IDEA by the Swedish Government.

Employee benefits – In addition to salaries and allowances, International IDEA accounts for the following primary obligations:

1. Contribution in lieu of pension – Staff members receive an annual payment in lieu of a pension contribution. Internationally recruited staff are paid the equivalent of two months' base salary in lieu of pension contributions.
2. Contribution to a defined benefit scheme – Nationally recruited staff members in Sweden do not accrue benefits within the Swedish state pension provisions in accordance with International IDEA's Headquarters agreement. Instead, a contribution is paid, on the employees' behalf into "Länsförsäkringar Pension Plan" which provides similar pension entitlements to the state administered scheme.
3. Other locally recruited employees in countries with which International IDEA has a Host-country Agreement have been formally registered within the social security systems of those countries and social security contributions are paid on their behalf by International IDEA.
4. International IDEA staff members are entitled to children's schooling allowances. These allowances are based on those provided to staff within the United Nations system.
5. Housing allowance subsidies are available to expatriate international staff members in the event that the rental costs of appropriate available housing exceeds 20% of salary. The subsidy is provided at 80% of the difference between the rental cost and 20% of salary capped and is capped at 40% of the rental cost. The subsidy is available only towards the cost of properties leased from unrelated third parties.
6. Payroll taxes and social contributions – Income tax and social charges are paid in respect of nationally recruited staff in countries in which International IDEA has an HQ or Host-country Agreement. International staff and other contractors for whom International IDEA does not make taxation and social contribution payments are obliged by contract to properly comply with the requirements of their taxation authorities.



7. Contributions-in-kind – From January 2017, the government of Chile provides rent free office space for the International IDEA Latin America and the

Caribbean regional office in Santiago, Chile. The contribution for 2017 is valued at EUR 27,044.

## 12. Secretary-General and Directors' Remuneration

The total disbursements paid to or in respect of directors in 2017 (full time equivalents: 8.5) in the form of salaries and allowances amounted to 1,585,999 Euros (2016: 1,723,610, full time

equivalents: 9.0) of which 55,300 Euros (2016: 132,648 Euros) will be refunded by the Government of Sweden.

The base monthly salaries of the Secretary-General and Directors serving as at 31 December 2017 are as follows:

	Monthly salary (In Euros)		Appointment date
	2017	2016	
Mr Yves Leterme, <i>Secretary-General</i>	€14,577	€14,362	01/06/2014
Mr Adam Boys, <i>Director for Corporate Services</i> (left 31 October 2017)	–	€11,134	01/02/2015
Mr Andrew Bradley, <i>Director of the office of International IDEA to the European Union</i>	€12,054	€11,876	01/05/2010
Ms Karin Gardes, <i>Director for External Relations and Governance Support</i> (left 31 May 2017)	–	€10,089	25/05/2009
Ms Keboitse Machangana, <i>Director for Global Programmes</i>	€11,874	€11,699	01/02/2015
Mr Gideon Nhundu, <i>Acting Director for Corporate Services</i> (from 30 October 2017)	€6,083	–	03/11/2009
Ms Leena Rikkilä Tamang, <i>Director for Asia and the Pacific</i>	€10,006	€9,529	01/02/2014
Professor Adebayo Olukoshi, <i>Director for Africa and West Asia</i>	€12,992	€12,800	16/02/2015
Dr Massimo Tommasoli, <i>Director – Permanent Observer to the United Nations</i>	€12,695	€12,507	07/01/2003
Dr Daniel Zovatto, <i>Director for Latin America and the Caribbean</i>	€13,871	€13,666	10/05/1997

In addition to base salaries, Directors are entitled to other benefits available to internationally recruited staff members including a contribution in lieu of pension

and education allowances for children. All director remuneration costs are included in note 11 above.

## 13. Human Resources

As at 31 December 2017, International IDEA employed 166 Staff Members (2016: 173).

### Distribution of staff members by gender

Levels	31 December 2017		31 December 2016	
	M	F	M	F
Senior Management (level 1-3)	67%	33%	67%	33%
Mid-Management (level 4-5)	55%	45%	55%	45%
Other (level 6-10)	40%	60%	42%	58%
<b>Overall</b>	<b>45%</b>	<b>55%</b>	<b>47%</b>	<b>53%</b>

### Gender disaggregated base salary data (Euros)

Level	Average Salary	Total number of staff	Male Salary average	Male	Female Salary Average	Female
2	12,249	6	12,903	4	10,940	2
3	7,973	2	7,973	1	7,973	1
4	7,798	15	7,768	9	7,844	6
5	5,700	27	5,851	14	5,538	13
6	4,492	32	4,770	17	4,178	15
7	2,692	42	2,720	13	2,679	29
8	1,666	19	2,618	1	1,613	18
9	857	5	531	1	938	4
10	538	11	589	9	310	2
Temp	3,556	6	3,756	5	2,552	1
<b>All levels</b>	<b>4,752</b>	<b>165</b>	<b>4,948</b>	<b>74</b>	<b>2,485</b>	<b>91</b>

The above table is intended to enable monitoring of gender-pay parity within the organization at all grades in all locations. The Secretary-General is appointed by the Council and is therefore not included within this table. However, the salary details of the Secretary-General are disclosed in note 11 and 12.

The table above includes salary information without reference to years of service to International IDEA or years of professional experience.

Gender Policy – International IDEA has a comprehensive Gender Policy and a Gender Committee of staff members which promotes the policy and monitors adherence to it. The goal of the Gender Policy is to promote gender equality and ensure that International IDEA's internal management systems and practices and work on supporting sustainable democracy through the provision of comparative knowledge, assistance in reform and influencing policies and politics help to overcome inequalities between men and women.

## Employees' nationality by region

Region	31 December 2017	31 December 2016	Change +/-
Nordic Countries	27	28	(1)
Other European	38	42	(4)
North America	10	13	(3)
Central and South America	32	31	1
North Africa and Middle East	6	8	(2)
Central and Southern Africa	23	22	1
Asia	28	24	4
Oceania/Pacific	2	5	(3)
<b>Total</b>	<b>166</b>	<b>173</b>	<b>(7)</b>

## Location of Staff

Office/ Region	31 December 2017	31 December 2016	Change +/-
Stockholm HQ	69	77	(8)
Brussels Office	3	3	–
The Hague Office	9	7	2
New York Office	2	3	(1)
Latin America and Caribbean	32	28	4
Africa and Western Asia	20	26	(6)
Asia and the Pacific	31	29	2
<b>Total</b>	<b>166</b>	<b>173</b>	<b>(7)</b>

## 14. Financial risk management

International IDEA has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

### (i) Credit risk

Credit risk is the risk of financial loss to International IDEA if a donor fails to meet its contractual obligations, and arises principally from International IDEA's receivables from donors. International IDEA has no significant exposure to credit risk.

This note presents information about International IDEA's exposures to each of the above risk, the International IDEA's objectives, policies and processes for measuring and managing risk, and the International IDEA's management of capital. Further quantitative disclosures are included through these financial statements.

### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

31 December

(Thousands of Euros)

	Note	2017	2016
Receivable Contributions	4	1,401	482
Cash and cash equivalents	3	9,399	11,871
Other Receivables		1,702	1,955
<b>Total</b>		<b>12,502</b>	<b>14,308</b>

Exposure to credit risk through deposits at banks is decreased as International IDEA has the equivalent of 8,6 million Euros (2016: 11,1 million Euros) deposited with a well-established bank—Svenska Handelsbanken

AB—in Sweden while deposits outside Sweden are sufficient for one month's operational requirements for the country in question.

## Financial risk management

### Impairment losses

The ageing of donations receivable at the reporting date was:

31 December	(Thousands of Euros)	
	2017	2016
Foreign holdings	1,401	482
Past due 0 to 90 days	1,401	482
Past due 90 to 181 days	—	—
<b>Total</b>	<b>1,401</b>	<b>482</b>

### (ii) Liquidity risk

Liquidity risk is the risk that International IDEA will not be able to meet its financial obligations as they fall due. International IDEA is exposed to liquidity risk in that the receipt of donor funds does not match expenditure. Historically, the organization has managed the effects of this risk effectively. In particular, the Council has approved an Operating Reserve based on annual contributions and represented by cash balances at bank. In 2016, the Council approved the use of

EUR 2.7m of reserves to fund an unexpected drop in income in 2016. Of this figure in 2017 EUR 916, (2016: EUR 2.0m) were actually drawn from reserves.

#### Liquidity risk

The following are the contractual maturities of financial liabilities:

31 December 2017	(Thousands of Euros)					
	Carrying amount	Contractual Cash flows	6 months or less	6-12 months	1-2 years	2-5 years
Non-derivative financial liabilities						
Accounts payables	(5,397)	(5,397)	(5,397)		—	—
<b>31 December 2016</b>	<b>Carrying amount</b>	<b>Contractual Cash flows</b>	<b>6 months or less</b>	<b>6-12 months</b>	<b>1-2 years</b>	<b>2-5 years</b>
Non-derivative financial liabilities						
Accounts payables	(6,316)	(6,316)	(6,316)	—	—	—

### (iii) Currency risk

Currency risk is the risk that changes in foreign exchange rates will affect the value of International IDEA's financial instruments. Where possible, International IDEA matches the currency of the payment with the currency received from donors. As at 31 December 2017, if the Euro had strengthened/weakened by 1per cent against the major operating

currencies with all other variables being held constant, there would have been a decrease/increase in the deficit for the year of EUR 81,287 (2016: EUR 104,320).

## 15. Budget statement for the year ended

31 December 2017

(Thousands of Euros)

	Final Budget vs Actual			Initial Budget vs Final Budget		
	Budget	Actual	Execution	Initial Budget	Final Budget	Change
<b>Income</b>	<b>26,238</b>	<b>24,121</b>	<b>92%</b>	<b>23,175</b>	<b>26,238</b>	<b>3,063</b>
Member states contribution	15,125	14,245	94%	14,143	15,125	982
Restricted Income	11,113	9,870	89%	9,032	11,113	2,081
Other income	–	6		–	–	–
<b>Expenditure</b>	<b>26,570</b>	<b>25,037</b>	<b>94%</b>	<b>24,359</b>	<b>26,570</b>	<b>2,212</b>
<b>Operational Costs</b>	<b>24,755</b>	<b>22,012</b>	<b>89%</b>	<b>22,172</b>	<b>24,756</b>	<b>2,584</b>
Non-staff Cost	13,201	11,669	88%	10,276	13,201	2,926
Staff Cost	8,662	7,727	89%	9,529	8,662	(597)
Indirect Cost	2,892	2,616	90%	2,638	2,892	254
<b>Institutional Costs</b>	<b>2,498</b>	<b>2,517</b>	<b>101%</b>	<b>2,596</b>	<b>2,498</b>	<b>(98)</b>
Non-staff Cost	1,144	927	81%	1,161	1,144	(17)
Staff Cost	1,354	1,590	117%	1,435	1,354	(81)
<b>Net Programme Support Costs</b>	<b>(683)</b>	<b>508</b>	<b>-74%</b>	<b>(408)</b>	<b>(683)</b>	<b>(274)</b>
Non-staff Cost	507	1,753	346%	516	507	(9)
Staff Cost	1,702	1,371	81%	1,713	1,702	(11)
Indirect Cost recovery	(2,892)	(2,616)	90%	(2,638)	(2,892)	(254)
<b>Deficit</b>	<b>(333)</b>	<b>(916)</b>	<b>275%</b>	<b>(1,185)</b>	<b>(333)</b>	<b>852</b>

International IDEA seeks annual approval for a Programme and Budget based upon a prudent estimate of Core or Unrestricted income plus any contracted restricted income by way of grants for particular activities. A Programme and Budget is developed within an approved six year Strategy and presented to the Finance and Audit Committee for review. The Programme and Budget for the year, with the recommendations of the Finance and Audit Committee, is then presented to the Council for their review and approval at an Extraordinary Annual Meeting in the last quarter of the preceding year.

Performance against the Programme and Budget is reported to the Council and subsidiary bodies during the year and modifications are subject to Council approval.

In the main, modifications relate to the Programme and Budget through the year relate to new activities and specifically the inclusion of new programmes resulting from grants received. Expenditure under restricted income grants is reflective of income with unspent funds being carried as deferred income.

## Restricted Funding Budgets – Initial Budget versus Final Budget

Thousands of Euros

Donor	Project Geographical area	Initial Budget	Revised Budget	Variation
European Union (EU)	Myanmar/Peru	3,128	3,481	353
Ford Foundation	Western Asia	290	362	72
The Netherlands Institute for Multiparty Democracy (NIMD)	Tunisia	230	293	63
Norway	Africa/Myanmar/Haiti/WANA/Bhutan/Nepal/Haiti	441	594	153
Sweden	Kenya/Bolivia/CS/Global	2,724	2,882	158
US Agency for International Development (USAID)	Peru	403	351	(52)
Belgium	Brussels	48	48	–
Switzerland	Macedonia/Haiti/Political Parties	807	699	(108)
Governance Facility	Nepal	244	489	245
Department for International Development (DFID)	Africa/Nepal	783	939	156
Germany	Africa	–	993	993
Spanish Agency for International Development Cooperation (AECID)	Bolivia	40	137	97
Robert Bosch Stiftung	Global	86	132	46
International Development Research Centre (IDRC)	Western Asia	–	193	193
Luxembourg	Myanmar	–	156	156
Inter-American Development Bank (IADB)	Peru	–	22	22
Coalition for Democracy and Civil Society (CDCS)	Kyrgyzstan	–	30	30
UNWOMEN	Global	–	3	3
La Francophonie (OIF)	Africa	–	39	39
<b>Total</b>		<b>9,224</b>	<b>11,843</b>	<b>2,619</b>

## 16. Operating Lease Commitments

Operating lease commitments represent rental payments for properties that International IDEA leases for office use in the countries that it operates. The rent payable under these leases is subject to renegotiation

at various intervals. For the Netherlands and Belgium leases, the rentals are supported by bank guarantee through Svenska Handelsbanken.

Future minimum lease payments for the periods are as follows:

31 December

(Thousands of Euros)

	2017
Within one year	1,197
In the second to five years inclusive	624
After five years	41
<b>Total</b>	<b>1,862</b>



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