



International IDEA

The International Institute for Democracy
and Electoral Assistance

Financial Statements for the year ended 31 December 2013

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Auditor's report

To the council of the International Institute for Democracy and Electoral Assistance

Report on the Financial Statements

We have audited the accompanying financial statements of the International Institute for Democracy and Electoral Assistance, which comprise the balance sheet as at December 31, 2013 with a balance sheet total of TEuro 18 186, the income statement and statement of changes in reserves for the year then ended with a deficit of TEuro 210, and a summary of significant accounting policies and other explanatory notes.

Responsibilities of the management for the financial statements

The management is responsible for the preparation and fair presentation of these annual accounts in accordance with the basis of preparation set out under Significant Accounting Policies and the Institute's Finance regulations, and for such internal control as the management determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual accounts 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

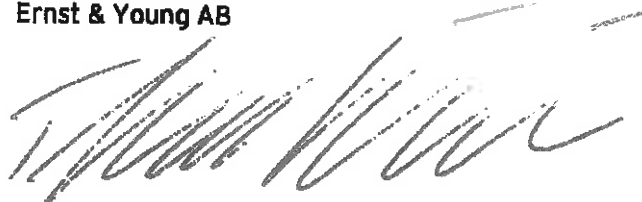
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year 2013 have been prepared in accordance with the accounting policies described under Significant Accounting Policies and the Institute's Finance regulations.

Furthermore, in our opinion, the accounts for grants have been kept in accordance with generally accepted accounting principles. The grants being reviewed have been used as stated in the application.

Stockholm, June 4, 2014
Ernst & Young AB



Thomas Lönnström
Authorized Public Accountant

International Institute For Democracy And Electoral Assistance
BALANCE SHEET
As at 31 December 2013 and 2012
(In Thousands of Euros)

	<u>Note</u>	<u>2013</u>	<u>2012</u>	
ASSETS				
Cash and Bank				
Cash and Bank	3	16 554	16 574	
		16 554	16 574	
Receivables				
Contributions	4	197	3 349	Schedule 1
Prepaid Expenses/Accrued Income		331	412	
		528	3 761	
Other Receivables				
Value Added Tax		67	238	
Personal Income Tax		1 006	637	
Other		31	40	
		1 104	915	
TOTAL ASSETS				
		18 186	21 250	
LIABILITIES AND CAPITAL				
Accounts Payable				
Trade Creditors and Accruals	5	1 852	1 457	
Personnel Liabilities	6	1 240	1 267	
Contributions	5	5 344	8 566	Schedule 1
		8 437	11 290	
Capital and Reserves				
Reserves	7	9 750	9 959	
		9 750	9 959	
TOTAL LIABILITIES AND CAPITAL				
		18 186	21 250	



Joan Sawe
 Director of Corporate Services

4/JUNE/2014

International Institute For Democracy And Electoral Assistance
Income Statement
For the years ended December 31, 2013 and 2012

(In thousands of Euros)

	Note	2013		2012	
		Core Funds	Restricted Funds	Total	Total
<u>Revenue and Gains</u>					
Contributions	8.a	14 449	8 788	23 238	24 590
Other revenues and gains	8.c	-1 088		-1 088	1 346
Total Revenue and Gains		13 361	8 788	22 149	25 935
<u>Expenses</u>					
Institutional	9	2 304	795	3 099	3 908
Programmatic	9	5 429	7 091	12 520	16 293
Programme Support	9	5 837	903	6 740	7 250
Total Expenses		13 571	8 788	22 359	27 451
NET SURPLUS / (DEFICIT)		-210	0	-210	-1 515
<u>Classification by expense type</u>					
Personnel costs	10 & 11	8 796	2 207	11 003	11 039
Consultant		2 100	2 048	4 148	6 318
Travel		1 475	1 585	3 060	5 133
Operating Costs		1 200	2 949	4 149	4 961
Total:		13 571	8 788	22 359	27 451

The International Institute For Democracy And Electoral Assistance
Statement of Changes In Reserves
For the years ended December 31, 2013 and 2012
(In thousands of Euros)

	General Reserve	Social Security Reserve	Currency Reserve	Working Capital Reserve	Operating Reserve	Total
Balance, December 31, 2011	837	556	1 147	4 635	4 299	11 474
Transfer (to)/from Working Capital					241	0
Transfer (to)/from Currency			606	-241	-606	0
Transfer from Currency to Operating Reserve			-606		606	0
Net surplus					-1 515	-1 515
Balance, December 31, 2012	837	556	1 147	4 394	3 025	9 959
Transfer (to)/from Working Capital	4 394			-4 394	0	0
Transfer (to)/from Currency			1 323		-1 323	0
Transfer from Currency to Operating Reserve			-1 470		1 470	0
Transfer (to)/from Social Security	556	-556				0
Transfer from Operating to General Reserve	2 962				-2 962	0
Net surplus					-210	-210
Balance, December 31, 2013	8 749	0	1 000	0	0	9 749

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Schedule 2: Income
For the years ended December 31, 2013 and 2012
(in EUR)

Country	2013				2012	
	Operating Balance	Cash Receipts/ Payments	Receivables/ Payables	Advance Payments	Grant	Grant
UNRESTRICTED FOR PROJECTS	1 055 140	11 486 341	29 311	2 153 334	55 343 115	57 445 979
Australia	-389 929	735 983	0	0	408 240	511 992
Barbados	-7 578	3 904	0	0	-3 228	7 588
Botswana	0	14 540	0	0	15 819	15 178
Canada	2 283 827	0	0	-1 383 234	787 890	741 600
Chile	135 280	-1 930	0	0	137 448	132 781
Costa Rica	0	0	3 828	0	3 805	3 784
Denmark	0	402 383	0	0	402 388	403 500
Finland	0	800 000	0	0	800 000	800 000
Germany	0	400 000	0	0	400 000	400 000
Ghana	0	0	0	0	0	0
India	0	34 845	0	0	35 840	37 840
Indonesia	0	7 357	0	0	7 809	7 808
Mexico	-5 000	73 872	0	0	77 414	37 840
Mongolia	0	7 521	0	0	2 521	5 000
Namibia	0	0	0	0	112	1 812
Netherlands	1 250 000	1 250 000	0	0	2 500 000	1 900 000
Norway	0	2 228 078	0	0	2 314 383	1 928 548
Peru	-22 376	37 928	0	0	37 483	7 588
South Africa	0	20 388	17 163	0	21 151	23 179
Spain	0	0	0	0	0	200 000
Sweden	-2 213 937	7 828 614	0	0	5 884 565	5 429 200
Switzerland	0	848 581	0	0	958 008	651 520
Uruguay	-1 518	4 000	0	0	2 484	1 978
Other	0	0	0	0	-1 540	-1 540

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Donors	2011				2012			
	Operating expenses	CAV reconciliation adjustment	Accounts receivable	Accounts payable	Debit	Credit	Debit	Credit
2011								
Australia	259 457	8 117 162	111 244	-3 803 726	5 714 411	1 033 840	1 033 840	1 033 840
Austrian Agency for International Development (AU AUSTRAL)	259 457	8 117 162	111 244	-3 803 726	5 714 411	1 033 840	1 033 840	1 033 840
Belgium	0	0	0	0	0	0	0	0
Belgian Ministry of Foreign Affairs (BE MFA)	0	0	0	0	0	0	0	0
Canada	259 457	7 000	0	0	248 028	412 401	412 401	412 401
Canadian International Development Agency (CA CIDA)	259 457	7 000	0	0	248 028	412 401	412 401	412 401
Department of Foreign Affairs and International Trade (DFAIT)	259 457	7 000	0	0	248 028	412 401	412 401	412 401
International Development Research Centre (IDRC)	259 457	7 000	0	0	248 028	412 401	412 401	412 401
Denmark	0	0	0	0	0	0	0	0
Danish Ministry of Foreign Affairs (DK MFA)	0	0	0	0	0	0	0	0
European Union	-184 576	332 976	0	-46 026	123 376	2 711 245	2 711 245	2 711 245
European Commission (EU EC)	-184 576	332 976	0	-46 026	123 376	2 711 245	2 711 245	2 711 245
Finland	180 036	0	0	-37 533	119 417	78 118	78 118	78 118
Ministry for Foreign Affairs of Finland (Ulkoministeriö) (FI MFA)	180 036	0	0	-37 533	119 417	78 118	78 118	78 118
Germany	-40 062	383 976	0	0	254 812	254 812	254 812	254 812
Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ)	-40 062	383 976	0	0	254 812	254 812	254 812	254 812
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH (GE GIZ)	-40 062	383 976	0	0	254 812	254 812	254 812	254 812
Inter American Development Bank	662	18 865	4 765	-4 000	7 631	59 860	59 860	59 860
Inter-American Development Bank (IADB)	662	18 865	4 765	-4 000	7 631	59 860	59 860	59 860
Italy	0	0	0	0	0	0	0	0
Italian Ministry of Foreign Affairs (IT MFA)	0	0	0	0	0	0	0	0
Japan	7 829	-7 829	0	0	0	213 640	213 640	213 640
Worldwide Support for Development (JA WSD)	7 829	-7 829	0	0	0	213 640	213 640	213 640
Korea, Republic of	0	49 845	0	-49 845	0	0	0	0
Ministry of Foreign Affairs of the Republic of Korea (ROK MFA)	0	49 845	0	-49 845	0	0	0	0

Netherlands	12	-12	0	0	0	418 888
The Netherlands Ministry of Foreign Affairs (NL MFA)	12	-12	0	0	0	418 888
Norway	2 588 877	4 827 889	127 422	-2 719 855	4 823 701	4 804 044
Norwegian Ministry of Foreign Affairs (NO MFA)	2 600 877	4 827 889	127 422	-2 719 855	4 823 701	4 725 749
Offshore Northern Seas Foundation Norway (NO ONS)	0	0	0	0	0	78 295
Norway and Sweden (NO/SE)	0	0	0	0	0	0
Organization of American States - General Secretariat	1 140	0	0	-1 140	0	0
Organization of American States (OA OAS)	1 140	0	0	-1 140	0	0
Romania	1	0	0	0	1	19 011
Romania - Ministry of Foreign Affairs (RO MFA)	1	0	0	0	1	19 011
Spain	343 847	-43 218	0	-112 118	178 210	147 847
Spanish Agency for International Cooperation (ES AECI)	343 847	-43 218	0	-112 118	178 210	147 847
Fundacion Instituto Universitario de Investigacion Jose Ortega y Gasset (ES FOG)	0	0	0	0	0	0
Sweden	878 865	1 490 888	33	-704 038	1 245 816	338 814
Swedish Ministry of Foreign Affairs (SE MFA)	878 865	708 779	33	-127 738	1 237 930	338 014
Swedish International Development Agency (SE SIDA)	0	871 888	0	-886 380	5 886	0
Switzerland	178 781	878 812	43 878	-46 704	881 890	182 211
The Swiss Agency for Development and Cooperation (CH ADC)	0	0	0	0	0	0
The Swiss Federal Department of Foreign Affairs (CH FDFA)	178 781	878 812	43 878	-46 704	881 890	182 211
United Kingdom	21 938	101 786	0	-1 287	124 808	123 848
Department for International Development (UK DFID)	21 938	101 786	0	-1 287	124 808	123 848
United Nations	-7 828	98 980	57	-38 892	0	422 783
United Nations Development Program (UN UNDP)	-7 460	98 980	0	-38 892	0	408 128
United Nations Development Fund for Women (UN UNIFEM)	0	0	0	0	0	0
United Nations Office for Project Services UNOPS (UN UNOPS)	-47	0	57	0	0	0
United Nations Entity for Gender Equality and the Empowerment of Women (UN UNW)	0	0	0	0	0	18 855
USA	70 888	88 908	0	-24 860	122 413	148 783
The Ford Foundation (US FORD)	70 888	88 908	0	-24 860	122 413	148 783
OTHER	0	40 000	0	0	40 000	0
TOTAL	6 725 874	28 178 864	289 055	85 348 883	285 282 864	285 809 288

Schedule 2: Earmarked Contribution

For period 1 January 2013 to 31 December 2013 (in EURO)

Donor and Programme/Project	Grant Agreement No.	Main Project No.	Grant Period (DDMMYY)	Grant Predicted		Expenditure	
				In Grant Currency	EUR Value	Prior Year	Current Year
Australia						1 777 464	1 033 958
Australian Agency for International Development (AU AUSAID)						1 777 464	1 033 958
Building Resources in Democracy Governance and Elections (BRIDGE) Training Programme in Africa - Phase 2	2010-14	P0078-02	01-05-11 - 28-02-14	EUR 2,781,795	2 781 795	1 790 280	1 007 542
State of Local Democracy Assessment in the Autonomous region of Muslim Mindanao	2011-06	P0083	15-07-11 - 30-09-13	AUD 103,488	77 257	47 184	28 416
Canada						242 447	246 928
CA DFA-IT (CA DFA-IT)						242 447	246 928
Support to Democracy Building in Libya	2012-02	P0202	01-07-12 - 31-09-13	CAD 1,174,025	911 086	242 447	246 928
European Union						7 614 964	129 376
European Commission (EU EC)						7 614 964	129 376
Training and Technical Assistance Activities related to EU Electoral Observation Missions: Network for Enhanced Electoral and Democratic Support (NEEDS)	2008-01	P0018	01-10-08 - 31-12-12	EUR 6,474,577	6 474 577	6 910 512	17 883
Support Activities to the Electoral Processes in Egypt	2011-12	P0200	20-09-11 - 19-09-12	EUR 1,203,431	1 203 431	770 515	3 129
Supporting Democratic Transition in Libya	2011-13	P0202	24-11-11 - 23-11-12	EUR 1,097,020	1 097 020	763 927	17 342
Fortalecimiento de las capacidades del Estado y de la Sociedad Civil	2012-09	P0223-01	20-11-12 - 20-05-14	EUR 200,000	200 000	0	91 013
Finland						33 044	119 417
Ministry for Foreign Affairs of Finland (Ulkoasiainministeriö) (FI MFA)						33 044	119 417
Nepal Support to Democratic Transition: Finland support 2012	2011-14	P0127-06	01-07-12 - 31-12-13	EUR 190,000	190 000	33 044	119 417
Germany						264 572	266 424
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH (GE GIZ)						264 572	266 424
Africa Union BRIDGE at National Level - GIZ	2011-26	P0076-04	01-01-12 - 30-09-13	EUR 560,139	560 139	264 572	256 424

Inter American Development Bank									
Inter-American Development Bank (IADB)									
Opening Gates: Women in Political Parties and Parliament (II)	2013-01	P0161-04	11-02-13	08-11-2013	USD 10,000	7 635	0	7 581	7 581
Norway									
Norwegian Ministry of Foreign Affairs (NO MFA)	2009-11	P0127-03	27-01-10	30-06-13	NOK 18,000,000	2 328 724	6 327 238	4 623 701	10 960 940
Nepal - Constitution Building and Electoral Capacity	2013-11	P0127-08	01-07-13	31-12-14	NOK 8,999,672	1 181 216	1 924 368	485 488	2 418 858
Nepal: Supporting Nepal's Constitution Building process	2010-02	P0136	01-01-10	30-06-15	NOK 32,000,000	4 225 521	2 407 187	1 040 827	3 447 794
Support to Andean Region	2010-12	P0155-01	01-12-12	30-06-14	NOK 700,000	95 238	0	55 158	55 158
Election Training and Resource Centre Bhutan	2012-13	P0164-02	12-08-11	12-08-13	NOK 6,000,000	816 324	312 148	481 828	793 874
Supporting democratic transition and consolidation in Haiti	2013-05	P0164-03	15-08-13	15-08-14	NOK 6,000,000	741 220	0	94 088	94 088
Support the Democratic Processes in the Region	2012-01	P0205	01-01-12	31-12-12	NOK 5,000,000	728 457	671 035	1 508	672 543
Chile-Peru Democratic dialogue for sustainable peace	2012-10	P0216-01	01-07-12	30-06-13	NOK 1,000,000	134 735	43 251	91 892	135 142
Global Commission on Elections, Democracy and Security	2012-14	P0230-01	01-07-12	31-12-13	NOK 1,500,000	204 081	38 538	187 542	204 080
Constitution Building Programme Phase III 2012-2015	2012-04	P0231	01-09-12	31-12-15	NOK 31,788,000	4 307 272	88 314	890 658	778 971
Myanmar - Design activities & Publications' translation	2012-15	P0232-01	01-01-13	31-12-13	NOK 757,100	103 007	0	103 008	103 008
South Sudan - CBP	2012-19	P0233-01	01-01-13	31-12-14	NOK 10,700,000	1 435 778	0	424 517	424 517
JAP Norway	2012-18	P0234	01-01-13	30-06-14	NOK 4,500,000	571 649	0	358 202	358 202
WANA - Norway Basket Funding	2013-07	P0238	01-01-13	31-12-17	NOK 25,000,000	3 175 825	0	216 614	216 614
Support for a peaceful, Democratic, inclusive and prosperous Myanmar	2013-12	P0244-01	01-01-13	30-10-14	NOK 4,000,000	498 500	0	26 308	26 308
Political Participation and Representation of Women	2009-02	P0075	01-01-10	31-10-13	NOK 8,500,000	1 082 111	844 416	239 082	1 083 478
Romania									
Romania - Ministry of Foreign Affairs (RO MFA)							49 989	1	50 000
Assessment of Electoral Processes in the WANA region	2011-16	P0204	01-11-11	31-12-12	EUR 50,000	50 000	49 989	1	50 000
Spain									
Spanish Agency for International Cooperation (ES AECI)							113 372	178 210	291 582
Democracias representativas e inclusivas en los países andinos	2012-03	P0214	01-02-12	31-07-13	EUR 275,000	275 000	113 372	178 210	291 582
Democracias representativas e inclusivas en los países andinos	2012-12	P0222-01	19-09-12	19-02-15	EUR 275,000	275 000	0	16 581	16 581

Netherlands									
Netherlands Institute for Multiparty Democracy (NIMD)								0	0
Respect for Women's Political Rights	2013-20	P0245	01-01-14	31-12-17	EUR 693,255	693 255		0	0
Sweden									
Swedish Ministry of Foreign Affairs (SE MFA)								907 262	1 243 818
Political Participation and Representation of Women	2009-03	P0075	01-01-10	31-10-13	EUR 950,000	950 000		907 262	1 207 930
Supporting Electoral and Political Processes in Kenya	2012-20	P0235	01-08-12	30-06-14	SEK 500,000	532 588		844 416	112 414
Stromsberg rent subsidy		R0017-01	01-01-13	31-12-13	SEK 6,824,700	794 562		82 838	330 954
Swedish International Development Agency (SE SIDA)								0	794 562
Democratic Strengthening Bolivia	2013-06	P0240	01-10-13	30-04-15	SEK 10,000,000	1 119 670		0	5 586
Switzerland									
The Swiss Federal Department of Foreign Affairs (CH FDFA)								312 620	881 990
Implementing the Electoral Risk management tool in Nepal	2013-09	P0127-07	09-07-13	30/06/14	CHF191,600	155 719		312 620	681 990
NA Programme (Swiss contribution to Basket Fund)	2011-10	P0203	01-10-11	31-12-13	CHF 1,000,000	816 000		0	39 811
Appui à la mise en place d'un quota du genre en Haïti	mar-13	P0236-01	15-04-13	15-11-13	CHF 150,000	120 000		312 620	601 332
United Kingdom									
Department for International Development (UK DFID)								123 819	124 909
Capacity Support to the Department of Political Affairs - AUC	2011-23	P0151-05	01-01-12	30-09-13	GBP205,617	253 682		123 819	124 909
USA									
The Ford Foundation (US FORD)								48 502	122 412
Support for Civil Society Workshops on Electoral & Constitutional Legal Frameworks	2011-11	P0201	01-09-11	31-01-13	USD 80,000	60 277		48 502	122 412
Establishment of a Constitutional Law Assoc in the WANA Region	2012-12	P0205-03	01-08-12	31-10-13	USD 75,000	59 790		0	10 775
Support for an Arab Network of Constitutional Law Experts	2013-02	P0205-04	01-02-13	31-01-16	USD 225,000	171 586		0	59 790
OTHER	2013-04	P0239-01	01/01/13	31/12/16	EUR 75,000	75,000		0	51 847
TOTAL:								17 746 284	26 834 708

Schedule 3: Expenditure

EXPENDITURE	2013			2012
	Restricted Funds	Unrestricted Funds	Total	Total
PROGRAMMATIC	7,993,861	12,878,793	20,872,654	25,245,016
Africa	2,309,940	1,887,068	4,197,008	3,825,466
Addis	483,111	132,839	615,951	672,566
Africa	0	0	0	0
Joint Action Plan	0	0	0	212,895
South Africa	1,826,829	1,352,524	3,179,353	2,542,353
West Africa	0	401,704	401,704	397,652
Asia & the Pacific	1,032,900	1,221,517	2,254,417	2,198,185
Asia & the Pacific	210,886	1,221,338	1,432,224	1,483,191
Nepal	822,014	178	822,193	714,994
Global Programmes	1,460,176	5,873,471	7,333,647	9,653,007
Constitution Building Processes	730,658	0	730,658	850,339
Democracy, Conflict & Security	0	318,101	318,101	502,221
Democracy & Development	0	725,914	725,914	408,858
Democracy & Diversity	0	549,098	549,098	503,706
Democracy & Gender	351,475	331,017	682,492	1,052,371
Electoral Processes	291,917	1,945,928	2,237,846	3,498,761
Global Programmes	0	669,485	669,485	632,469
Political Parties	86,126	623,058	709,184	475,048
PPIEP	0	0	0	1,175,857
State of Democracy	0	710,870	710,870	553,378
Latin America & the Caribbean	2,081,579	1,608,622	3,690,202	4,185,939
Andean Region	1,414,909	563,289	1,978,197	2,212,155
Haiti	666,671	130,144	796,815	1,026,550
LAC Regional Office (CR)	0	915,189	915,189	947,234
Western Asia - North Africa	1,109,266	677,040	1,786,305	3,204,117
WANA	1,109,266	677,040	1,786,305	3,204,117
Ext. Relations & Gov. Support	0	1,480,457	1,480,457	1,636,482
P0138-02 - Democracy Forum	0	0	0	102,569
P0140-01 - Inter-Regional Dialog	0	0	0	0
P0140-02 - Inter-Regional Dialogue	0	377,611	377,611	470,815
P9902-01 - EU Office	0	436,774	436,774	389,750
UN Permanent Observer	0	666,071	666,071	673,348
Secretary Generals Office	0	130,619	130,619	541,820
P0094-01 - Gender Mainstreaming and IKNOW Politics	0	90,112	90,112	94,146
P0149-01 - Programme Evaluation	0	10,680	10,680	113,184
P9911-01 - Den Haag Office	0	29,826	29,826	334,490
INSTITUTIONAL	794,562	2,304,012	3,098,574	3,905,742
Global Programmes	0	42,742	42,742	62,762
R0051-02 - Programme Development Committee	0	42,742	42,742	62,762
Ext. Relations & Gov. Support	0	543,186	543,186	551,975
R0003-01 - External Relations	0	263,024	263,024	278,529
R0003-02 - Governance Support	0	280,163	280,163	273,446

Secretary Generals Office	0	1,287,452	1,287,452	1,717,892
R0001 - Office of the Secretary-General	0	510,093	510,093	780,499
R0005-01 - RBM & Strategic Planning	0	321,210	321,210	440,289
R0009-01 - Communications	0	456,149	456,149	497,104
Corporate Services	794,562	430,632	1,225,195	1,573,113
R0011-01 - DCS	0	411,881	411,881	283,366
R0017-01 - Stromsberg rent subsidy	794,562	0	794,562	0
R0017 - HQ Facilities	0	-90,532	-90,532	1,088,765
R0019 - IT	0	109,283	109,283	190,982
PROGRAMME SUPPORT	902,827	5,837,293	6,740,121	7,251,924
Global Programmes	24,089	155,750	179,839	150,760
R0051-01 - Board of Advisers	24,089	155,750	179,839	150,760
Ext. Relations & Gov. Support	16,219	104,867	121,086	172,547
R0003-03 - Partnerships and Programme Funding Support	16,219	104,867	121,086	172,547
Secretary Generals Office	119,331	771,542	890,873	714,761
R0005-03 - Global Workplan Monitoring	37,035	239,454	276,489	65,838
R0009-02 - Publications	61,980	400,734	462,714	494,141
R0009-03 - Library	20,316	131,354	151,670	154,783
Corporate Services	743,188	4,805,134	5,548,322	6,213,856
R0013 - Finance	136,945	885,431	1,022,377	1,003,472
R0015-01 - HR Office	119,097	770,028	889,125	1,181,344
R0015-04 - HR Benefits & Leaves	487,146	3,149,674	3,636,820	4,029,041
R0015-05 - HR recovery	0	-5,878,715	-5,878,715	-5,949,960
Indirect Cost Recovery	-802,828	-1,571,053	-2,473,800	-3,001,835
TOTAL EXPENDITURE	8,788,423	13,570,331	22,358,834	27,450,887

**Notes to Financial Statements
31 December 2013 and 2012**

(In thousands of Euros)

1. Statement of Activities

Created in 1995, the International Institute for Democracy and Electoral Assistance (IDEA) is an intergovernmental organization with 29 member states from six continents. It has a mandate to support sustainable democracy worldwide. IDEA brings together those who analyse and monitor trends in democracy with those who engage directly in political reform or act in support of democracy at home and abroad. 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.

2. Significant Accounting Policies

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

- a. **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.
- b. **Accrual Accounting** - The financial statements have been prepared using the accruals basis of accounting.
- c. **Revenue recognition** - Restricted contributions are recognized as revenues when the grant conditions have been substantially met or the donor has explicitly waived such conditions. Core contributions are recognized as revenues in the calendar year in which the remittance is received unless the funds have been received in advance for the following calendar year. Contributions in respect of the reporting period but received in the following calendar year are also recorded as revenues if received before the books have been closed.
- d. **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 calendar year but before the books for that year have been closed.
- e. **Cash and cash equivalents** - Cash and cash equivalents comprise cash on hand, bank current accounts and interest bearing bank deposits.

- f. **Fixed Assets** – All fixed assets are written off in full at the time of acquisition.
- g. **Income taxes** - The institute is tax-exempt; accordingly, no provision for income taxes has been made in the accompanying combined financial statements.
- h. **Accounts payable to donors** - These represent grants received in advance from donors for core and restricted grants, for which the grant conditions have not yet been met.
- i. **Other accounts payable and accruals** - These represent amounts to be paid in the future for goods or services received, whether billed by the supplier or not.
- j. **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.
- k. **Reporting currency** - The currency of 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.

3. Cash and cash equivalents

	2013	2012
Cash on hand	24	39
Cash at Bank	16,530	15,535
Total	16,554	16,574

4. Receivables Contributions (Schedule 1)

	2013	2012
Core contributions	21	2,644
Restricted Projects	176	705
Total	197	3,349

5. Accounts payable

	2013	2012
Contributions (Schedule 1)		
Core	1,363	3,669
Restricted Projects	3,981	4,897
	<hr/>	<hr/>
Total	5,344	8,566

	2013	2012
Trade Creditors and Accruals		
Trade Creditors	1,381	1,425
Accruals	471	32
	<hr/>	<hr/>
Total	1,852	1,457

6. Personnel Liabilities

	2013	2012
Annual Leave	121	120
Pension	489	591
Separation Allowance	528	415
Parental Leave	0	43
Withholding Taxes	102	92
Home Fare Grant	0	5
Retirement	0	1
	<hr/>	<hr/>
Total	1,240	1,267

Staff have an annual leave entitlement of 30 working days per calendar year. Up to 10 days may be carried forward if not utilised by 31st January of the following year.

All staff receive a **pension contribution**. For expatriates pension is payable in cash at the end of every twelve months of service. At the end of the year, pension earned but not yet paid is accrued.

Contributions for staff members who, according to the Head Quarters Agreement with the government of Sweden, are taxable in Sweden are paid monthly into a pension fund.

Staff members who have relocated to Sweden are, at the expiry of their contracts, entitled to a **separation allowance** on relocation.

7. Reserves

Movements in reserves are detailed in the Statement of Changes in Reserves and are classified in accordance to new Council approved policy that consolidates reserves into 2 categories:

- a. **Currency Reserve** – This reserve provides a facility to overcome distortions in its operational expenditures caused by fluctuations in the exchange rate between the Euro and other currencies. In line with reserve policy, the currency reserve is maintained at €1,000
- b. **General Reserve** - This is the institutes central reserve account that provides unrestricted liquidity to meet unplanned short and medium term volatility in income and expenditure.

8. Revenues

- a. **Contributions** - Funds received from donors are used to support the Institute's programs that must fall within the mandate of the Institute as approved by the Governing Council. Details of all contributions are set out in Schedule 1 and are classified into Core and Restricted contributions. Core contributions are used to support the Institute's activities. Restricted contributions support activities that are mutually agreed upon between the Institute and the donor.
- b. **Other restricted Contributions** – From 2013, the government of Sweden provides the Institute with funds for rent of the Strömsborg building that International IDEA uses as its headquarters.
- c. **Other revenue and gains** - For the years ended 31 December 2013 and 2012, other revenues and gains comprised:

	2013	2012
Tax Refund	290	617
Exchange Rate Gain/(Loss)	-1,470	606
Interest Income	91	118
Book Sales	1	4
Sundry Income	0	1
Total	-1,088	1,346

Exchange gains and losses are disclosed as income.

9. Expenses and losses

Details of expenditures are segregated in the way they were budgeted and approved by Council: Programme Costs, Programme Support Costs, Institutional Costs and Indirect and 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 the institute incurs to support project execution. These include Finance, Board of Advisers, Publications and Communications.

Institutional Costs – These are costs that the Institute must incur with or without project activities e.g. The Secretary General's Office and External Relations.

These are further reclassified by expense type i.e. Personnel, Consultants, Travel and Operating Costs

10. Personnel cost

In addition to the above formal employees; IDEA has contracted consultants/supports predominantly working in Regional Offices. The salary cost shown below includes both categories.

	2013	2012
Salary	7,235	7,055
Annual, Parental and Sick Leave	<u>1,006</u>	<u>738</u>
	8,241	7,794
Pension Contributions	1,333	1,625
Insurance	386	386
Other Benefits	<u>1,043</u>	<u>1,235</u>
Total	11,003	11,039

11. Human Resources

As at 31st December 2013, IDEA employed 153 Staff Members (105 in 2012). This number comprises International Staff Members and Stockholm based national Staff Members.

Table1: Employees' nationality by region.

Region	2013	2012
Nordic Countries	26	24
Europe	36	36
North America	8	8
Central & South America	22	8
North Africa & Middle East	9	0
Central & Southern Africa	22	16
Asia	17	10
Oceania/Pacific	3	3
Total	153	105

Table 2: Location of Staff

Region	2013	2012
Stockholm	70	75
Brussels	2	2
The Hague	7	2
Latin America and the Caribbean	29	6
Africa Region	14	9
Asia Pacific	17	6
West Asia North Africa	12	4
New York	2	1
Total	153	105

Above table is comprised of HQ & Field International contracts and HQ and Field Local contracts.

Table 3: Distribution of staff by gender

Levels	2013		2012	
	M	F	M	F
Senior Management (Level 1-3)	58%	42%	64%	36%
Mid Management (Level 4-5)	55%	45%	57%	43%
Other (Level 6-10)	41%	59%	41%	59%
Total	46%	54%	49%	51%