

1. Accounting Principles – Assessment and Classification – other conditions

The financial statements consist of Income Statement, Statement of Financial Position, Statement of Cash Flow and Notes, and are prepared in accordance with the Norwegian Foundation Act, the Norwegian Accounting Act and Norwegian generally accepted accounting principles as of 31 December 2019. The financial statements fully describe the foundation's assets, liabilities, financial position and results. All numbers are in Norwegian currency (NOK).

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

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

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

2. Foreign Currency - Exchange Rates Policy

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

3. Liquid Assets Policy

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

4. Grants in 2019

Only grants used in 2019 are accounted for as revenues. All excess funds are accounted for as Donor Liabilities and will be spent on activities in future years or be returned to the donors. Donor Grants contracted and which pertain to future years, but are not received, are not part of the financial statements.

The IDI has in 2019 received a grant amounting to NOK 26 200 000 from Office of Auditor General Norway, to cover the running expenses of the IDI Secretariat and some capacity development initiatives.

The IDI receives a yearly grant from INTOSAI amounting to 5% of the INTOSAI incomes from the membership fees.

Several donors provide grants to cover direct expenses and recover running costs related to the IDIs capacity development initiatives.

Grants not yet received from DFID for 2019 are not included in funding received 2019 as the DFID agreement stipulates that grant payments are settled in arrears. They are, however, accounted for as grant in 2019 as they pertain to 2019 costs and are included as a receivable in the total current assets. Of the NOK 6 206 496 expensed from DFID below, NOK 4 281 915 is included as a receivable.

IDI Secretariat and Capacity Development Programmes					
Donor	Donor liability 01.01.2019	Funding received 2019	Accrued interest	Expenses 2019	Donor liability 31.12.2019
OAG Norway	168 090	26 200 000	13 925	24 157 611	2 224 404
Sida, Sweden	54 578	13 927 205	5 484	11 710 394	2 276 873
MFA, Finland	-	-	616	616	-
IFAD, Italy	465	-	-465	-	-
State Audit Bureau, Kuwait	164 269	-	87	-	164 356
Global Affairs Canada	1 657 182	8 175 629	9 275	9 842 087	-
MFA, France	48 524	990 099	156	1 038 779	-
GAB, Saudi Arabia	128 401	862 266	918	504 993	486 591
SAI Estonia for SYL	396 180	501 410	516	898 106	-
MFA, Iceland	-	854 572	-	854 572	-
US AID	-298 822	296 612	2 210	-	-
MFA, Hungary	-	-	1 749	1 749	-
Norwegian Embassy South Sudan	1 070	1 000 000	529	1 000 000	1 599
ADA, Austria	21 272	2 747 109	1 538	2 748 647	21 272
Norwegian Embassy Kenya	750 000	1 600 000	-	1 824 481	525 519
SECO, Switzerland for SPMR	5 512 476	5 265 470	4 559	8 575 424	2 207 081
INTOSAI	881 817	175 253	466	-	1 057 536
DFID	-	1 924 851	-	6 206 496	-
European Union	-	3 353 350	-	2 504 650	848 700
State Audit Bureau, Qatar	-	3 183 548	-	2 653 298	530 250
Norad	8 251	-	-	-	8 251
MFA, Ireland	54 291	2 492 125	1 536	2 075 814	472 138
OAG, Zambia	383	-	-383	-	-
Norwegian Embassy Nairobi	-	-	1 639	-	1 639
Interest (see note 9)	42 993	-	30 019	-	73 012
Total	9 591 421	73 549 499	74 375	76 597 717	10 899 221

5. Payroll and related costs

	2019	2018
Direct salaries	26 529 660	20 349 650
Pension	1 499 656	1 483 745
Employers national insurance contribution	3 926 827	3 067 097
Other payroll related costs	2 959 067	2 101 746
Total payroll and related costs	34 915 210	27 002 238

Full time equivalents	30,3	27,0
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Direct Salaries include, among others, housing expenses for foreign staff members amounting to NOK 2 616 714. Payroll and related costs concerning the Director General amounted to NOK 1 438 954 in 2019.

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

Members of the IDI Board do not receive salary or any other fee.

As of 31.12.2019, the IDI had a complement of 38 members of staff, 31 full time, 1 part time, 1 secondee from OAG Norway and 5 posted in the regions they come from. The staff members are either employed directly by IDI or seconded by Supreme Audit Institutions.

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

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

The IDI paid an audit fee amounting to NOK 42 749 inclusive of VAT, in the fiscal year 2019.

6. Travel and Accommodation Costs

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

	2019	2018
IDI Secretariat	1 023 819	1 278 324
Work Stream activities	24 647 331	31 933 125

7. Restricted assets

The balance on the tax deduction bank account in Nordea was NOK 1 538 510 at the end of the fiscal year.

8. Other Operating Expenses

Other Operating Expenses include, among others:

	2019	2018
Consultants	8 577 797	7 729 012
IT services	990 612	927 305
Housing and meeting room costs	1 601 942	1 594 160
Stationery and printing costs	174 720	105 516
Phone and internet costs	514 421	689 808

9. Financial Transactions

Financial transactions consist of the following:

	2019	2018
Net interest	-3 553	5
Net foreign currency exchange		900
loss/gain	58 531	70
		472
Net financial transactions	54 978	76
		372

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

Interest received on grants is to be paid back to the donors when agreed in contracts and is therefore accounted for as Donor Liabilities. Interest earned in 2019 for return to donors amounts to NOK 73 012.

10. Specification of capacity development costs

The table shows the direct delivery costs of the IDI capacity development initiatives distributed by regions. This table does not capture how IDI has allocated person days or associated costs to the different regions.

The costs of the Global initiatives have for 2019 been distributed to the INTOSAI regions (and the AFROSAI sub-regions of AFROSAI-E and CREFIAF) based on the participation of the SAIs of different regions. The remaining costs classified as "Global" are mainly related to development and maintenance of global public goods.

	2019	2018
GLOBAL	4 855 039	4 787 932
AFROSAI-E	5 353 767	9 695 907
CREFIAF	8 194 306	9 094 724
ARABOSAI	2 298 070	1 568 197
ASOSAI (incl. ASEANSAI)	2 983 625	3 065 515
CAROSAI	1 574 191	2 588 069
EUROSAI	1 768 546	1 524 677
OLACEFS	2 080 970	1 651 787
PASAI	1 953 770	5 331 565
Total	31 062 284	39 308 372

11. Total Value IDI Projects – In kind support

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

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

Numerous SAIs have provided valuable support to IDI in 2019. The IDI has benefitted from the pools of training specialists and subject matter experts who have been made available for IDI capacity development activities by the respective SAI.

12. Subsequent Events

The effects of the outbreak of Covid-19 were not known at the end of the financial year 2019 but have emerged prior to the issuance of the 2019 financial statements. The full effect on the IDI are not known but it is likely that outbreak will lead to postponement of IDI events for at least the first half of 2020, increased use of alternative ways of delivering the IDI services and expected reduction in expenses.

Revenues are also expected to be reduced for 2020. There is also a risk for longer term revenue reduction. An estimate of the reduced revenues and expenses for 2020 cannot reasonably be made now due to the fluidity of the situation.