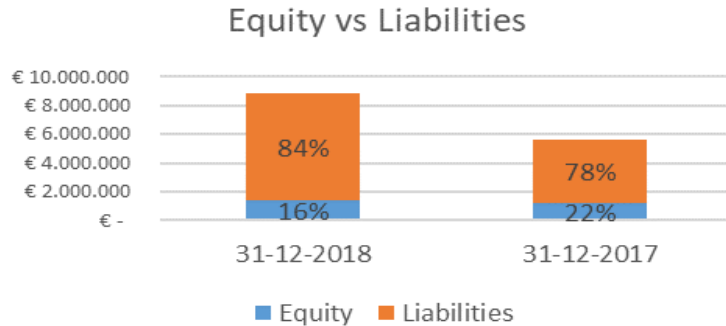


2018

# NIMD FINANCIAL REPORT

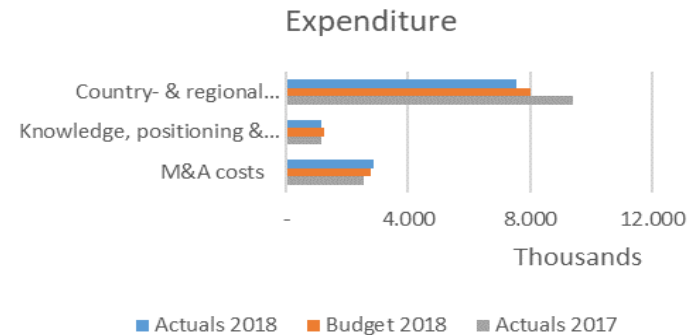
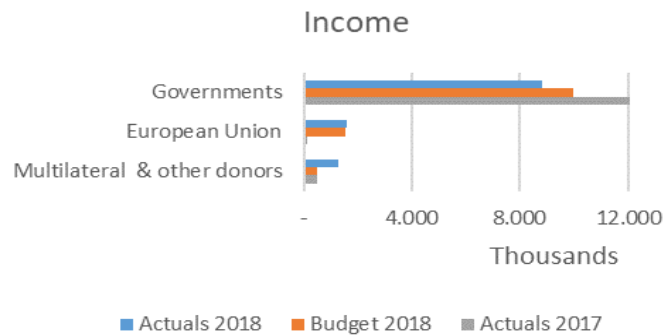
# 2018 Key Figures

## Equity vs Liabilities



In 2018, our equity increased due to the positive result. This is in line with our ambitions to have a solid financial base for the organisation. Due to an underspending in some of our biggest programmes (Strategic Partnership, Dialogue for Stability and Colombian Programme finance by the EU), for which we did receive pre-financing, our liabilities went up with 2,9 mio euro. Therefore, the ratio between equity and liabilities went

## Income & Expenditure

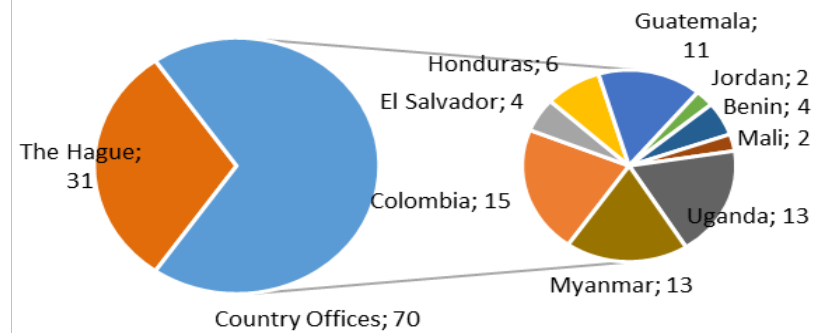


In 2018, NIMD received contributions from 18 different donors. These contributions brought our total annual income to €11,8 million, compared with €13,6 million in 2017. Even though the total annual income was slightly lower than last year, this still is in line with expectations and our multi-annual donor contracts. This provides a solid basis to continue NIMD’s work for the coming years. NIMD’s overall expenditure the last year was €11,6 million, which compared to 2017 is a decrease of 12% (the 2017 expenditure was €13,1 million). However, this is in line with what we budgeted (€12 million). On the three budget sub-headings, some differences are noticeable compared to last year. Still the largest part relates to country and regional programmes, but the proportion of the total expenditure decreased (72% in 2017 compared to 65% in 2018).

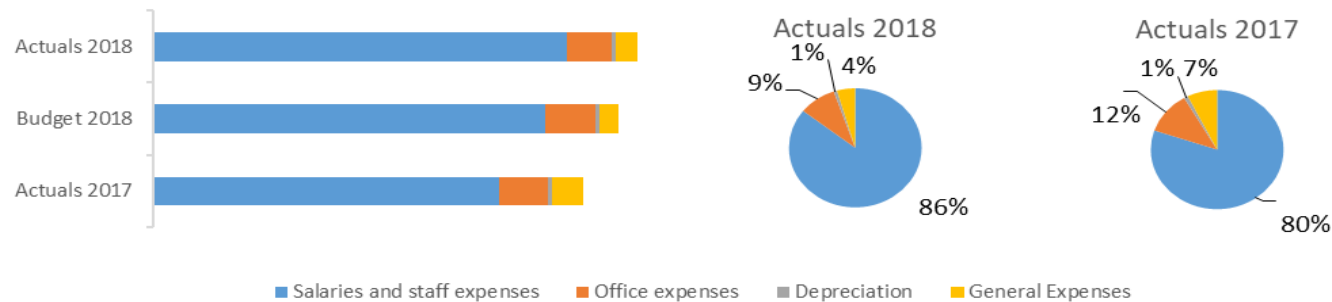
# 2018 Key Figures

## Employees in offices NIMD (per 31/12/2018)

In total NIMD had in 2018 ten offices (including the office in The Hague). The offices in Myanmar, Jordan, Benin and Mali are still in the process of getting an official registration. In all these offices in total more than 100 people are working (via both staff contracts and as consultants). Still the biggest number in The Hague (31 persons). In most offices, the number increased significantly in 2018 due to new external funded programmes.



## Management & Accounting Costs



Compared to last year, NIMD had higher management and accounting costs. Both in volume (€ 2,5 mio in 2017 compared to € 2,9 mio in 2018) as in relation to the other sub-headings (up from 19% in 2017 to 25% in 2018). These figures include all expenditure from NIMD's headquarters, including the costs of staff in The Hague working directly on programmes. The main reason for the increase in Management & Accounting costs can be found in this last category. Compared to 2017 this is an increase of 20%, but compared to the budget an increase of only 6%. All new staff members are covered by external funding and therefore have no impact on our result.

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## 1.1 STATEMENT OF THE EXECUTIVE DIRECTOR

In 2018, as in previous years, the Netherlands Institute for Multiparty Democracy (NIMD) has again successfully pursued its mandate to strengthen inclusive, democratic political systems worldwide.

NIMD aspires to work with the entire political sector in a country, in a neutral and independent way, offering our support to upcoming politicians and to political leaders across the board, and from the national to regional and local levels. This inclusive approach has been at the heart of the work of NIMD from the outset in 2000. We firmly believe that politics should serve the citizens; our work aims to contribute to accountable and effective political governance, and ultimately to peace, stability and prosperity.

NIMD seeks to make an impact on three levels: the political system, political actors, and the political culture. On the system level, NIMD facilitates dialogue between political parties to jointly address democratic challenges, including in fragile and conflict affected areas; at the actor level, the organization directly supports parties, politicians and other political stakeholders as key actors in linking citizens and the state; while support on the culture level aims to increase democratic values and attitudes of (future) politicians. We aim to be a global player, increasing our expertise in a wide variety of countries and continents, and in 2018, NIMD worked in 23 countries around the world through a network of implementing partners or country/regional offices.

### GOVERNANCE STRUCTURE

The Supervisory Council oversees NIMD's work and needs to agree on a number of key decisions regarding areas such as the organization's multi-annual policies, finance, and strategic partnerships. The Supervisory Council appoints the Executive Director who is responsible for the governance of NIMD, the strategic development, financial position and overall performance of the organization.

The Advisory Council is a body of representatives from NIMD's seven founding political parties at the Netherlands parliament. It serves as a linking pin with these parties. The Advisory Council's main formal role is to provide advice, including at its own initiative, to the Executive Director and Supervisory Council.

At the organization's headquarters, the employee representative body within NIMD consists of three members elected by the staff. They act as the collective voice of the workforce at NIMD's Headquarters.

NIMD is registered under RSIN identification number 810625921 and operates as a Public Benefit Organization under Dutch tax law with Algemeen Nut Beogende Instelling (ANBI) status. This entails a number of benefits and responsibilities such as tax advantages for funding partners.

The Financial Statement 2018 fulfills the requirements set out by the Guideline 640 for Non Profit Organisations and is audited by Dubois & Co. The Executive Director of NIMD establishes the Financial Statement after approval by the Supervisory Council.

### NIMD 2018

NIMD works both with local partner organizations and through its country/regional offices, forming a crucial part of the organization's network, linking NIMD's worldwide expertise and resources to local knowledge and experience, securing that strategies and programmes are custom built to fit the local context and local needs.

In addition to our main office in The Hague, NIMD has nine country/regional offices, in Benin, Colombia, El Salvador, Guatemala, Honduras, Jordan, Mali, Myanmar and Uganda. In 2018, the office in Benin, Jordan and Mali have started their activities and their registration processes are in progress. In total 70 persons are working in the offices worldwide.

At the beginning of the year, NIMD's headquarters in The Hague hosted 31 employees (28,16 FTE). On 31 December, this number remained unchanged at 31 (28,47 FTE) despite some changes, such as the termination of temporary contracts, staff members who took up new positions at NIMD, and some colleagues who left NIMD and for whom we had to recruit new staff members.

In September 2018, Executive Director Simone Filippini has left the organization. Until the appointment of the new Executive Director in February 2019, the Supervisory Council has found Head of Programmes and Projects Karijn de Jong willing to serve as interim Executive Director.

### **AWEPA**

As indicated in the previous annual report, due to the bankruptcy of AWEPA, NIMD had to cancel the contract with AWEPA under the (Netherlands funded) Strategic Partnership in 2017. Throughout this sensitive process, we have been informing the Netherlands Ministry of Foreign Affairs regularly to see how to best safeguard the Strategic Partnership programme objectives and preserve the knowledge and expertise that have been developed in the different countries. The follow up, feasibility studies and financial closure all took place in 2018 with the least harm for existing programs, largely thanks to outstanding efforts by interim Executive Director Karijn de Jong. NIMD extends its gratitude to the Netherlands Foreign Ministry that has made this positive outcome possible.

### **EXPENDITURE**

The total expenditure in 2018 amounted to 11,7 million, slightly below what was budgeted and also below the 2017 expenditure. The rollover of the previous year for both the Strategic Partnership programme and the Dialogue for Stability programme was again not completely used in 2018, which partly explains the overall underspending. On the three budget sub-headings, some differences are noticeable compared to last year. Still the largest part relates to country and regional programmes, but the proportion of the total expenditure decreased (72% in 2017 compared to 65% in 2018). This was mainly due to higher management and accounting costs (up from 19% in 2017 to 25% in 2018). These figures include all expenditure from NIMD's headquarters, including the costs of staff in The Hague working directly on programmes. In terms of the management & accounting costs, the total expenditure was approximately 4% over budget and 4% higher than last year. A more detailed overview will be found in Section 3.3.2, Specified Statement Management & Accounting Costs 2018.

### **THE OPERATING RESULT**

NIMD's sustainable reserve is important to ensure the organization can meet its future obligations and to be able to react on eventualities. In 2017, we were able to add a considerable amount to our reserves. This year (2018), we expect to add a modest amount of approximately 180k to our reserve, in line with what we expected. Section 2.3, "Income Overview", offers a detailed overview of all different donors that contributed to this result, whereas Section 3.3 shows the link between the Management & Accounting contributions and costs, leading to this modest increase in our sustainability reserve.

### **RISKS**

With the end of the Political Party II (PP II, granted by the Netherlands) subsidy in 2015, NIMD no longer benefits from the relative security of flexible funding arrangements related to management & accounting costs. Consequently, it is expected that income will fluctuate more than in previous years, especially at the level of overhead contribution. This means that NIMD should select funding opportunities even more carefully; if they require co-financing by NIMD, this is only feasible if matching funds from our sustainability reserve are available and their use can be justified.

The funding base will need to be further diversified over the coming years. With each funding partner (donor) presenting its own programme demands and requirements for accountability, the task of delivering and reporting progress will be increasingly complicated. To address this, NIMD improved its internal management information system and procedures (e.g. approval of new funding opportunities) to provide better insight on progress and risks. In addition, the setup of a new Project Management System (called Project Connect) started in 2018. These processes will be completed in the coming year.

The investments in fundraising procedures and processes to increase the efficiency and the success rate of proposals resulted in 2018 to the following split of income. The Netherlands Ministry of Foreign Affairs (including the Royal Netherlands Embassies (RNE)) provided 72% of the organization's overall income, a significant decrease compared to 2017: 80%, 2016: 79%, 2015: 78% and 2014: 89%). This is in line with the overall objective to gradually decrease the dependency on Dutch funding. In 2018, contracts with the European Union (Colombia, Honduras, Benin and the Global Call) started and represented 12% of our income (in 2017 this was 1%).

As for the implementation of programmes, NIMD has been working increasingly in post-conflict areas over the years, and will continue to work in conflicted affected and fragile environments in the near future. The volatility of the political situation in these situations often leads to a degree of uncertainty about the potential to allocate funding as planned. This risk is acknowledged and mitigated by continuous monitoring and evaluation, while keeping our donors informed and agree on options with them. As NIMD works with organizations whose expertise and capacities sometimes need to be further developed, this involves another financial risk. To counter this, programme progress and accountability are accurately monitored through financial and narrative reports, audits, missions, evaluations, including a fraud and incapacity policy.

In addition, a yearly risk assessment screens the organizational capacity of the implementing partner organizations and country offices. Based on these assessments, some partner organizations/country offices will require further efforts to optimize their capacity and sustainability. Aside from these assessments, NIMD visits each country office once every two year for an internal audit. This gives a good indication on the open items, including priorities. In 2018, both the Uganda office and the office in Myanmar received an internal audit.

On the management of staff related risks, steps are being taken as well. In 2018, an updated integrity policy has been introduced, taking on board the most recent insights as to how to guarantee the highest possible integrity in NIMD's activities and contacts with partners, suppliers, clients, among NIMD staff and in relation to business property. The updated integrity policy will be implemented in 2019 and contains three chapters: a code of conduct, an internal complaints procedure, and a whistleblower procedure. In 2018 we also decided to focus more on personal safety, resulting in the signing of a MoU with Centre for Safety and Development (SDC). Next to staff trainings, a review of the current policy and a crisis management training, in the coming year we will further prioritize safety in our country offices and programming.

## **FUTURE**

Based on the vision set out in the Multi-Annual Plan 2016-2020, NIMD has successfully worked within two major funding frameworks with the Netherlands Ministry of Foreign Affairs for 2016-2020. This funding provided a solid base, allowing NIMD to work effectively towards the objectives as described in our Multi Annual Plan, and offering leverage to further diversify our funding base.

Based on the lessons learned from the midterm reviews done for the two funding frameworks of The Netherlands Ministry of Foreign Affairs in August 2018, NIMD is committed to further enhance the reputed quality of its expertise, both on a programmatic basis and on an organizational level. In addition, NIMD will develop and finalize the next Multi-Annual Strategy for 2021-2025 in the summer of 2019.

NIMD is proud to present its 2018 annual report. It shows the financial resilience of the organization. This forms the basis of the unique programs and projects of NIMD, of its cutting-edge political economy analysis and innovative, flexible approach.

Beyond the mere figures, NIMD owes its results to the dedication and professionalism of its staff at headquarters and in its offices throughout the world. They give their best to work with seasoned and aspiring politicians and with all those women and men who wish to stand in the political arena of their countries, to turn democratic values into a living reality and to show that democracy works.

Thijs Berman (Executive Director), April - 2019



## 1.2 STATEMENT OF THE SUPERVISORY COUNCIL

### THE SUPERVISORY COUNCIL

The Supervisory Council is charged with the supervision of the day-to-day affairs of NIMD and with the (financial) management and policy pursued by the Executive Director. The Supervisory Council also does have an advisory role. Based on the Articles of Association the Supervisory Council is responsible for the following duties and powers:

- Appointment and dismissal of the Executive Director and remuneration of the Executive Director;
- Approval of the annual plan including the budget;
- Approval of the – 4 yearly – Multi- Annual Plan including multi-annual budget;
- Approval of the yearly report including financial statement;
- Discharging the Executive Director from liability for his management in the past financial year;
- Appointment of the external auditors.
- Approval of intended decisions by the Executive Director regarding specific issues and agreements amongst others far-reaching changes of the organisational structure and/or the terms of employment.

### THE COMPOSITION OF THE SUPERVISORY COUNCIL

With the establishment of a Supervisory Council as of 1 January 2012 members of the former Board of Directors were appointed as members of the Supervisory Council. According to the Articles of Association of NIMD members of the Supervisory Council are elected for a maximum term of four years and can be re-elected for a second term of a maximum of another four years. Members are elected by the Supervisory Council based on a profile of the Supervisory Council as a whole. Since January 2018 Mr E. van Middelkoop is the chair of the Supervisory Council. In November 2018 Mrs W.J.J.M. van Eupen was appointed, as per that date. Mrs H.A.M. van Moorsel and Mr F.J.M. de Lange were appointed as per the 1st of January 2019. The composition of the Council is:

Name	Appointed to the Supervisory Council	End 1st period	Re-appointed	End 2nd period
Mr E. van Middelkoop, Chair	21 June 2012	20 June 2016	21 June 2016	20 June 2020
Mr J.T. Hoekema	01 January 2012	31 December 2016	01 January 2016	31 December 2019
Mr M. Stolk	01 January 2012	31 December 2016	01 January 2016	31 December 2019
Mrs I.L. van Veldhuizen	19 April 2012	18 April 2016	19 April 2016	18 April 2020
Mrs I.C. van Biezen	26 March 2015	25 March 2019	26 March 2019	25 March 2023
Mrs A. Mijnsbergen	26 March 2015	25 March 2019	26 March 2019	25 March 2023
Mrs W.J.J.M. van Eupen	01 November 2018	31 October 2022		
Mrs H.A.M. van Moorsel	01 January 2019	31 December 2023		
Mr F.J.M. de Lange	01 January 2019	31 December 2023		

### FOCUS OF THE SUPERVISORY COUNCIL 2018

The Supervisory Council meets regularly and, according to the Articles of Association, at least four times a year. The Executive Director and the rest of the Management Team are present during the meetings with the exception of discussions the Supervisory Council members wish to hold amongst themselves.

A delegation of the Supervisory Council meets the employee representative body at least once a year. In 2018 there were several meetings with the employee representative body and a few times with all staff.

Most of the meetings a thematic presentation by a staffmember and discussion about the theme is part of the agenda.

The Supervisory Council had four meetings in 2018 where the Management Team was present and one closed meeting. During these meetings the following topics (amongst others) were on the agenda:

- Policy and activities - related to programmes and projects and to knowledge and strategic relations including communications - of NIMD and the decision-making process related to the starting and ending of activities including in specific countries;
- The updated strategy 2016-2020, including the outcomes of the mid term evaluations done for the two largest programs, that is the Strategic Partnership Programme and the Dialogue for Stability Programme;
- The annual plan including budget 2019 of above mentioned programmes';
- The updated NIMD integrity policy including complaints regulation;
- Financial - and operational management including Human Resources;
- Banking and sustainability;
- Approval of the Annual Report including Financial Statements 2017;
- Reporting of findings based on the audit executed in 2017 by Dubois & Co Registeraccountants;
- Approval of the annual plan including budget for 2019;
- Monitoring and advising on process that started due to the Awepa bankruptcy
- The appointment and dismissal of the Executive Director and acting Executive Director.

In September 2018, the Executive Director has left the organization, and the Supervisory Council appointed an interim Executive Director until the start of the new Executive Director in February 2019.

## 1.3 BUDGET 2019

All amounts in euros

	BUDGET 2019
<b>INCOME</b>	
Grants from Governments	11.147.505
Grants from the European Union	1.188.523
Grants from bi- & multilateral donors	1.081.151
	<b>13.417.179</b>
<b>EXPENDITURE</b>	
Spent on country- & regional programmes	10.526.545
Spent on Knowledge, positioning & Innovation	1.573.916
Management & accounting costs	1.245.179
	<b>13.345.640</b>
Result	<b>71.539</b>

In the budget 2019 we, for the first time, started to allocate the country- & regional programme staff as well as the Knowledge. Positioning and innovation staff directly to the budget lines linked to these costs. This means that in the Management & Accounting costs the non direct time of these colleagues and the other costs of the The Hague office are included.

## 2.1 BALANCE SHEET

All amounts in euros

	31-12-2018	31-12-2017	
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
<b>Intangible fixed assets</b>			
Programme management software & website	283	677	3.2.1
	<b>283</b>	<b>677</b>	
<b>Tangible fixed assets</b>			
Computer equipment	14.836	20.565	3.2.2
Furniture	4.253	6.524	
Renovation Real Estate	27.212	36.693	
Fixed Assets in Country Offices	44.993	-	
	<b>91.294</b>	<b>63.783</b>	
<b>CURRENT ASSETS</b>			
<b>Receivables</b>			
Accrued subsidies	1.059.241	1.202.949	3.2.3
Debtors	31.845	10.581	
Programme receivables & prepayments	849.740	537.844	
VAT to be returned	0	-	
Other advance payments & accrued receivables	292.871	173.413	
	<b>2.233.698</b>	<b>1.924.787</b>	
<b>Liquidities</b>	<b>6.488.193</b>	<b>3.650.134</b>	3.2.4
<b>TOTAL ASSETS</b>	<b>8.813.468</b>	<b>5.639.380</b>	
<b>LIABILITIES</b>			
<b>EQUITY</b>			
Sustainability reserve	1.442.026	1.260.017	3.2.5
	<b>1.442.026</b>	<b>1.260.017</b>	
<b>LONG-TERM LIABILITIES</b>			
Rental debt	74.667	102.667	3.2.6
	<b>74.667</b>	<b>102.667</b>	
<b>CURRENT LIABILITIES</b>			
Advance received subsidies from Ministry of Foreign Affairs	3.746.008	1.991.590	3.2.7
Advance received subsidies from other donors	1.419.969	282.618	
Creditors	275.678	187.147	
Personnel related liabilities	215.234	202.639	
Programme liabilities	1.606.160	1.573.613	
Other advance receipts & accrued liabilities	33.725	39.089	
	<b>7.296.775</b>	<b>4.276.697</b>	
<b>TOTAL LIABILITIES</b>	<b>8.813.468</b>	<b>5.639.380</b>	

## 2.2 STATEMENT OF INCOME AND EXPENDITURE

All amounts in euros

	ACTUAL 2018	BUDGET 2018	ACTUAL 2017	
<b>INCOME</b>				<b>2.3</b>
Grants from Governments	8.847.810	9.961.321	12.980.200	
Grants from the European Union	1.615.616	1.530.923	114.487	
Grants from bi- & multi lateral donors	1.290.354	505.116	506.194	
<b>TOTAL INCOME</b>	<b>11.753.780</b>	<b>11.997.360</b>	<b>13.600.881</b>	
<b>EXPENDITURE</b>				<b>3.3</b>
Spent on country- & regional programmes	7.532.980	7.999.906	9.413.953	
Spent on Knowledge, positioning & Innovation	1.166.273	1.238.563	1.148.153	
Management & accounting costs	2.872.518	2.758.890	2.554.319	
<b>TOTAL COSTS</b>	<b>11.571.771</b>	<b>11.997.360</b>	<b>13.116.425</b>	
<b>RESULT</b>	<b>182.009</b>	<b>-</b>	<b>484.456</b>	
<b>ALLOCATION OF RESULTS</b>	<b>RESULT 2018</b>		<b>RESULT 2017</b>	
Sustainable reserve	182.009		484.456	
Appropriated reserve	-		-	
	<b>182.009</b>		<b>484.456</b>	
<b>EXPLANATION OF THE RESULT</b>	<b>RESULT 2018</b>		<b>RESULT 2017</b>	
Funding contribution for Management and accounting costs	100.833		-59.315	
Finalization of the Political Party II subsidy (2012-2015)	-		-186.571	
Other result	81.176		730.342	
	<b>182.009</b>		<b>484.456</b>	

## 2.3 INCOME OVERVIEW

All amounts in euros

PROGRAMME	DONOR	INCOME 2018	INCOME 2017
<b>Grants from Governments</b>			
Burundi	Royal Netherlands Embassy (RNE)	44.908	371.636
Burundi	Swiss Federal Department of Foreign Affairs (FDFA)	137.579	46.152
Burundi	United State Department of State (US State Department)	57.652	170.150
Dialogue for Stability	Ministry of Foreign Affairs The Netherlands	2.854.985	2.635.910
Ethiopia	Royal Netherlands Embassy (RNE)	-	60.263
Georgia	British High Commission	-	87.966
Georgia	Royal Netherlands Embassy (RNE)	-	23.001
Guatemala	Royal Netherlands Embassy (RNE)	72.578	41.353
Guatemala	Swedish International Development Cooperation Agency (SIDA)	298.411	233.092
Human Rights Fund	Ministry of Foreign Affairs The Netherlands	-	656.346
Mozambique	Finnish Ministry of Foreign Affairs	-	1.500.000
Strategic Partnership	Ministry of Foreign Affairs The Netherlands	5.186.900	7.044.348
Ethiopia 1% fund	Ministry of Foreign Affairs The Netherlands	194.797	109.983
		<b>8.847.810</b>	<b>12.980.200</b>
<b>Grants from the European Union</b>			
Benin	European Union	134.361	-
Colombia	European Union	640.146	-
Ecuador	European Union	442	17.120
Honduras	European Union	147.156	-
Reach for Democracy (Global)	European Union	551.890	-
Tanzania	European Union	-	48.967
Jordan	European Union (via ECES)	127.083	48.400
Zimbabwe	European Union (via Olaf Palme International Centre)	14.538	-
		<b>1.615.616</b>	<b>114.487</b>
<b>Grants from multilateral &amp; other donors</b>			
Burundi	United Nations Development Programme (UNDP)	858.121	88.525
Guatemala	Open Society Foundation	66.614	77.929
Guatemala	Oxfam Novib	11.215	9.472
Guatemala	IREX	44.394	-
Guatemala	FCI	10.578	-
International Lobby & Advocacy	GPMD	22.661	30.300
Inspired+	EPD	74.504	21.237
Myanmar	DEMO Finland	127.254	119.995
Myanmar	International IDEA	23.161	-
Uganda	Democratic Governance Facility (DGF)	51.853	158.735
		<b>1.290.354</b>	<b>506.194</b>
		<b>11.753.780</b>	<b>13.600.881</b>

## 2.4 CASH FLOW STATEMENT

All amounts in euros

	2018	2017
<b>CASH FLOW FROM OPERATIONAL ACTIVITIES</b>		
<b>Result</b>	182.009	484.456
<b>Corrections for:</b>		
- Depreciation assets	23.608	25.314
<b>Changes in working capital:</b>		
- Receivables	308.911-	218.747-
- Liabilities	2.992.078	246.437
	<u>2.683.167</u>	<u>27.690</u>
<b>NET CASH GENERATED FROM OPERATIONAL ACTIVITIES</b>	<b>2.888.785</b>	<b>537.460</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
- Investments	50.725-	4.061-
- Desinvestments	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>50.725-</u>	<u>4.061-</u>
<b>IN- / DECREASE IN LIQUIDITIES</b>	<b>2.838.060</b>	<b>533.399</b>
<b>CHANGE IN LIQUIDITIES</b>		
Liquidities as of 01 January	3.650.134	3.116.735
Liquidities as of 31 December	<u>6.488.193</u>	<u>3.650.134</u>
<b>IN- / DECREASE IN LIQUIDITIES</b>	<b>2.838.060</b>	<b>533.399</b>

## 3.1 GENERAL NOTES AND PRINCIPLES OF VALUATION AND CALCULATION OF RESULTS

### 3.1.1 GENERAL

#### OBJECTIVE

The institutional objective of NIMD is to support democratisation in young democracies by supporting political parties and the political society in general as pillars of democracy. Democratisation should result in a well-functioning, sustainable and pluralistic party-political system.

#### FINANCIAL REPORTING PRINCIPLES

The Financial Statements have been prepared in accordance with the Dutch Accounting Guidelines for Annual Reporting (RJ 640 for not-for-profit organizations).

#### RELATED PARTIES

International Lobby and Advocacy (ILA) towards the United Nations, the European Union and other regional organizations form a key component of the Strategic Partnership (SP) between the Netherlands Ministry of Foreign Affairs and NIMD for 2016-2020. NIMD is a member of the The European Partnership for Democracy (EPD) which focuses its work on the strategic priorities for ILA vis-à-vis the EU. NIMD has a seat in the Board of EPD. For 2018, NIMD paid a membership fee of €25.000 (2017; € 25.000) and a contract for ILA towards lobbying of the EU of €100.000 (2017; € 80.000).

Furthermore in 2016 NIMD founded the Stichting Global Partnership for Multiparty Democracy (GPMD). The objective of GPMD is to strengthen the position of organizations supporting political parties from a multiparty perspective within the democracy assistance sector. This is done by developing joint positions on issues relating to political party support and lobbying for and advocating these positions with the international donor community. GPMD partner organizations are provided with a communication and coordination channel to continuously support the improvement of their approaches through knowledge sharing activities and furthermore, to assist them to perform any tasks that are directly or indirectly conducive to the achievement of its objectives. GPMD being an independent foundation, representation in NIMD financial statements is through the membership fee and contribution for the formalization and set up of the foundation. NIMD pays an annual contribution (2018 €25.000; 2017 € 41.000) and in 2018 took care of the secretariat for which it received a compensation of the costs.

### 3.1.2 PRINCIPLES OF VALUATION AND CALCULATION OF RESULTS

#### PRESENTATION

The annual accounts are presented in Euro.

#### GENERAL PRINCIPLE OF VALUATION

The annual accounts are based on accrual accounting and use the historical cost basis. Assets and liabilities are accounted for with their nominal values unless stated differently. Receivables are discounted for provisions when necessary.

#### COMPARISON WITH PREVIOUS ANNUAL ACCOUNTS

The principles of valuation and calculation of results are the same as those in the previous annual accounts.

#### INTANGIBLE FIXED ASSETS

Investments in developing programme management software and websites are valued at historical cost. Depreciation is linear and in 3 years, starting when assets are taken into account.

#### TANGIBLE FIXED ASSETS

Tangible fixed assets are valued at historical cost minus linear depreciation during estimated economic life span.

### **PROGRAMME LIABILITIES**

Programme liabilities are recognized as costs in the statement of costs and revenue and as liabilities in the balance sheet at the moment that the decision to grant a subsidy is laid down in a contract. Contractual obligations to subcontractors (organizations or individuals without outcome responsibility as they implement activities on the basis of instructions by NIMD) are not recognised as costs until their expenditure is invoiced or otherwise reported. Programme liabilities are valued at the maximum NIMD commitment according to the contract minus advance payments transferred.

### **OTHER CURRENCIES**

Values of assets and liabilities in currencies other than Euro are converted into Euro using the exchange rates as of 31 December. Exchange rate differences are directly included in the results. During the financial year transactions in other currencies are accounted for using the interbank exchange rate of the beginning of each month or -in the case of some country office administrations- using the end of cumulative period interbank exchange rate.

### **GENERAL PRINCIPLE OF CALCULATION OF RESULTS**

The general principle of calculation of results is historical cost. Revenue is accounted for in the year in which it is realised. Expenditure is taken into account in the year in which it is incurred. Costs and revenue are thus accrued to the financial year in which the activities concerned take place. In the case of granting subsidies to partner organizations, signing the grant contract that implies the obligation is the relevant activity according to Accounting Guideline RJ 640.

### **SUBSIDIES**

The subsidies NIMD receives are reported based on accrual accounting. Average duration of the funding is between one and three years.



## 3.2 NOTES TO THE BALANCE SHEET

3.2.1 INTANGIBLE FIXED ASSETS	
<b>PROGRAMME MANAGEMENT SOFTWARE &amp; WEBSITE</b>	
Net value as of 01 Januari	677
Added: investments	-
Deducted: depreciation 33%	395
Net value as of 31 December	283

3.2.2 TANGIBLE FIXED ASSETS	
<b>COMPUTER EQUIPMENT</b>	
Net value as of 01 Januari	20.565
Added: investments	5.732
Deducted: depreciation 33%	11.461
Net value as of 31 December	14.836

<b>FURNITURE</b>	
Net value as of 01 Januari	6.524
Added: investments	-
Deducted: depreciation 25%	2.271
Net value as of 31 December	4.253

<b>RENOVATION REAL ESTATE</b>	
Net value as of 01 Januari	36.693
Added: investments	-
Deducted: depreciation 20%	9.481
Net value as of 31 December	27.212

<b>FIXED ASSETS COUNTRY OFFICES</b>	
Net value as of 01 Januari	-
Added: investments	44.993
Deducted: depreciation 20%	-
Net value as of 31 December	44.993

In 2018 we started with presenting the fixed assets of the country offices under chapter 3.2.2. In previous years these were presented under 3.2.3 Other non-programme advances & accruals

3.2.3 RECEIVABLES		31 December 2018	31 December 2017
<b>ACCRUED SUBSIDIES</b>			
Burundi	- US State Department	42.184	258.602
Burundi	- RNE	-	13.763
Burundi	- UNDP	379.784	0
Ecuador	- European Union	-	62
Guatemala	- Oxfam Novib	-	421
Guatemala	- Sida	-	23.352
Mozambique	- Finnish MFA	300.000	800.000
Myanmar	- DEMO	62.500	59.998
Inspired+	- EDP	28.013	-
Reach	- European Union	246.760	-
Tanzania	- European Union	0	-
Uganda	- DGF	-	46.753
		<b>1.059.241</b>	<b>1.202.949</b>

3.2.3 RECEIVABLES (continued)	31 December 2018	31 December 2017
<b>PROGRAMME RECEIVABLES &amp; PREPAYMENTS</b>		
Benin	17.431	15.187
Burundi	282.010	111.463
Colombia	21.633	7.359
Ecuador	-	31.259
El Salvador	38.292	2.505
Ethiopia	13.261	241
Georgia & Ukraine	57.995	25.857
Guatemala	31.733	35.249
Honduras	1.205	4.539
Ghana	-	44.284
International Lobby & Advocacy	50.273	30.815
Inspired+	0	2.403
Jordan	122.728	41.756
Knowledge & Research ('Learning Agenda')	12.829	-
Kenya	-	24.215
Mali	30.475	1.478
Mozambique	72.723	49.808
Myanmar	592	7.007
Planning, Monitoring & Evaluation	750	-
Positioning	4.429	4.429
Reach	141	-
Tunesia	34.459	58.226
Uganda	3.512	32.780
Zimwatch	0	4.483
Zimbabwe	53.272	2.500
	<b>849.740</b>	<b>537.844</b>

The programme receivables and prepayments are advance contract payments for 2018 or costs already paid in 2018, but related to 2019.

<b>VAT TO BE RETURNED</b>		
VAT to be returned Ecuador	0	62.249
Provision VAT to be returned Ecuador	-	-62.249
	<b>0</b>	<b>-</b>

As the activities in Ecuador have ended, and the country office is closed, in 2017 a provision for not receiving the VAT has been included. In 2018 this provision has been used to settle the open amount.

<b>OTHER ADVANCE PAYMENTS &amp; ACCRUED RECEIVABLES</b>		
Accrued interest	160	2.597
Loan to staff	5.300	7.940
Rent advance	50.878	50.231
Claim with regards to supplies and services National IDEA	12.245	7.085
Other non-programme advances & accruals	224.289	105.559
	<b>292.871</b>	<b>173.413</b>

See note 3.2.9

3.2.4 LIQUIDITIES	31 December 2018	31 December 2017
Rabobank - current account	106.863	99.907
Rabobank - savings account	5.301.902	2.948.713
Rabobank - security account rent The Hague	50.100	50.100
Rabobank - current account Uganda programme (DDP)	562	250
Bank accounts and petty cash Benin	119.597	-
Bank accounts and petty cash Colombia	79.931	1.855
Bank accounts and petty cash Ecuador	8.057	4.613
Bank accounts and petty cash El Salvador	2.949	4.537
Bank accounts and petty cash Georgia	5.272	-
Bank accounts and petty cash Guatemala	139.785	118.640
Bank accounts and petty cash Honduras	332.048	384.838
Bank accounts and petty cash Myanmar	72.885	4.120
Bank accounts and petty cash Uganda	262.201	28.173
Petty cash The Hague (EUR and foreign currencies)	6.041	4.386
	<b>6.488.193</b>	<b>3.650.134</b>

Bank balances are directly retrievable, except for the security bank account. This bank account refers to a rent security for the office in The Hague.

3.2.5 EQUITY	31 December 2018	31 December 2017
<b>SUSTAINABILITY RESERVE</b>		
Accumulated as of 01 January	1.260.017	775.561
Added: result bookyear	182.009	484.456
Added: from appropriation reserve	-	-
Deducted: used reserve	-	-
Accumulated as of 31 December	<b>1.442.026</b>	<b>1.260.017</b>

3.2.6 LONG-TERM LIABILITIES	31 December 2018	31 December 2017
<b>RENTAL DEBT</b>		
Balance as of 01 January	102.667	37.333
Added	-	65.333
Deducted	28.000	-
Balance as of 31 December	<b>74.667</b>	<b>102.667</b>

3.2.7 CURRENT LIABILITIES	31 December 2018	31 December 2017
<b>ADVANCE RECEIVED SUBSIDIES FROM MINISTRY OF FOREIGN AFFAIRS</b>		
Subsidy Roasting coffee the Ethiopian v	-48.280	146.517
Subsidy Dialogue for Stability	1.438.863	1.293.848
Subsidy Human Right	-0	-269.331
Subsidy Strategic Partnership	2.355.425	820.555
	<b>3.746.008</b>	<b>1.991.590</b>
<u>Subsidy for Roasting coffee the Ethiopian way (1% Fund):</u>		
Balance as of 01 January	146.517	-
Received	-	256.500
Received interest	-	-
Spent	194.797	109.983
Balance as of 31 December	<b>-48.280</b>	<b>146.517</b>

See note 3.2.8

3.3.2.1

3.2.7 CURRENT LIABILITIES (continued)	31 December 2018	31 December 2017	
<u>The subsidy for Dialogue for Stability can be further specified:</u>			
Balance as of 01 January	1.293.848	928.942	
Received	3.000.000	3.000.000	
Received interest	130	817	
Spent	<b>3.3.2.4</b>	2.635.910	
Balance as of 31 December	<b>1.438.862</b>	<b>1.293.848</b>	
<u>The subsidy for Human Right can be further specified:</u>			
Balance as of 01 January	-269.331	230.803	
Received	269.331	169.331	
Spent		669.465	
Balance as of 31 December	<b>0</b>	<b>-269.331</b>	
<u>The subsidy for Strategic Partnership can be further specified:</u>			
Balance as of 01 January	820.555	1.322.838	
Received	6.721.769	6.540.286	
Received interest	290	1.780	
Spent	<b>3.3.2.15</b>	7.044.348	
Balance as of 31 December	<b>2.355.425</b>	<b>820.555</b>	
<b>ADVANCE RECEIVED SUBSIDIES FROM OTHER DONORS</b>			
Benin	- European Union	106.515	-
Burundi	- Swiss Ministry of Foreign Affairs	-	46.848
Colombia	- European Union	545.353	-
Guatemala	- RNE	-	45.740
Guatemala	- OSF	69.224	46.454
Guatemala	- FCIL Canada	4.779	-
Guatemala	- IREX	23.672	-
Guatemala	- Oxfam Novib	0	-
Guatemala	- SIDA	20.949	-
Honduras	- European Union	215.687	-
Inspired+	- EDP	-	46.491
Myanmar	- International IDEA	284.304	-
Tanzania	- European Union	-	97.085
Uganda	- DGF	149.486	-
		<b>1.419.969</b>	<b>282.618</b>
<b>PERSONNEL RELATED LIABILITIES</b>			
Capitalised holliday allowance rights	68.273	67.249	
Holliday allowance	75.914	68.032	
Income insurance premiums due	-22.483	-20.740	
Salary to be paid	4.087	2.921	
Tax withheld from salary	89.443	85.177	
	<b>215.234</b>	<b>202.639</b>	

3.2.7 CURRENT LIABILITIES (continued)	31 December 2018	31 December 2017
<b>PROGRAMME LIABILITIES</b>		
Burundi	625.081	77.599
Colombia	21.643	7.277
City Deals	11.338	-
Ecuador	8.057	45.468
El Salvador	11.132	7.824
Ethiopia	20	995
Georgia & Ukraine	18.573	19.829
Guatemala	7.634	43.394
Human Rights Fund	-	16.489
Honduras	33.073	374.366
Indonesia	16.589	14.042
Innovation	54	4.672
International Lobby & Advocacy	24.903	23.453
Jordan	3.796	-
Kenya	12.129	-
Knowledge	2.734	22.940
Mozambique	383.920	878.132
Myanmar	16.375	-
Knowledge & Innovation Fragile States	149	-
Knowledge & Research ('Learning Agenda')	30.855	5.789
Reach	342.040	-
Tunesia	30.244	98
Uganda	5.823	21.655
Zimbabwe	0	9.592
	<b>1.606.160</b>	<b>1.573.613</b>

The programme liabilities can be contract liabilities to be paid in 2018 or costs paid in 2018 that are related to 2018.

OTHER ADVANCE RECEIPTS & ACCRUED LIABILITIES	31 December 2018	31 December 2017
Audit costs	21.780	20.000
Other non-programme advances & accruals	11.945	19.089
	<b>33.725</b>	<b>39.089</b>

### 3.2.8 CLAIMS AND LIABILITIES NOT TAKEN INTO ACCOUNT IN THE BALANCE SHEET

#### **Rent agreement**

The contract period for the rent of the NIMD office is September 1st 2017 renewed for five years. The rent is € 140.000 per annum (without VAT) and service costs. The Rabobank guarantees rent and service costs for €50,100 on the basis of the balance on a separate bank account. International IDEA is subtenant of NIMD and pays a rent of € 47,000 per annum (without VAT and service costs) .

#### **The Dialogue for Stability Programme**

The Dutch Ministry decided 13 november 2015 to grant NIMD a contribution for a Dialogue for Stability subsidy (project numer 28231) for the period from 1 January 2017 to 31 December 2020. The maximum contribution for these 4 years is € 15.000.000

#### **The Human Rights Programme**

The Dutch Ministry of Foreign Affairs granted NIMD's application for MRF 2014-2018 / Project" Respect for Women's Political Rights: Fostering Political Environment for Equal Participation and Leadership of Women in Political Parties ", project no. 26091. The maximum contribution for 4 years is € 2.000.000.

### 3.2.8 CLAIMS AND LIABILITIES NOT TAKEN INTO ACCOUNT IN THE BALANCE SHEET (continued)

#### **The Strategic Partnership Programme**

For the period 2017-2020 NIMD has been selected as one of the Dutch MFA's 25 Strategic Partners in the field of Lobby and Advocacy. The Dutch Ministry decided 17 November 2015 (project number 27543) to grant NIMD a contribution for this Strategic Partnership subsidy for the period from 1 January 2017 to 31 December 2020. The maximum contribution for these 4 years is €31.793.468

#### **Roasting coffee the Ethiopian way (1% Fund)**

On 23 March 2018 NIMD received a confirmation that the Dutch Ministry of Foreign Affairs granted us €450,000 under application number 4000000082, to foster inclusive dialogue on political reform in Ethiopia for a period of two years. Running from 01 January 2018 till 31 December 2018.

### 3.2.9 NOTES TO RECEIVABLES

#### **Loan to staff**

Based on the internal trainings&education policy of NIMD, a specific education request was approved in 2014. NIMD provided a loan to that staff member for that specific course. The loan is repaid in monthly installments or fully if the staff member leaves NIMD.

### 3.3 NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE

#### 3.3.1 SPECIFIED STATEMENT COSTS AND REVENUE 2018

##### GENERAL

The budget of NIMD contains three categories; country- & regional programmes, knowledge, positioning & innovation and management & accounting costs. As the core of our work, of course, relates to the first category, this is the biggest part of our budget. The budget and actual expenses for the country & regional programmes contains direct activity costs (e.g. mission costs), as well as direct local overhead of the implementing partner organizations and NIMD country offices. Next to these direct costs, we also included the contribution from different donors for the programme management costs of NIMD HQ. These contributions are charged towards donors and cover the overall management & accounting costs (see below). The second category is Knowledge, positioning & Innovation. This relates to capacity strengthening, democracy education and peer-to-peer learning for political parties and for general planning, monitoring and evaluation costs. The last category is the management & accounting costs. These consists of the total non-billable costs and office support costs for NIMD Headquarter. Included in these costs is all staff at headquarters: the direct programme staff, management, administration staff and office support staff.

	BUDGET 2018 PROGRAMMES	ACTUAL EXPENSES	MANAGEMENT & ACCOUNTING COSTS	
<b>PROGRAMMES</b>				
Benin	529.276	303.411	82.213	3.3.1.1
Burundi	476.360	1.305.883	84.125	3.3.1.2
City Deals	-	11.338	-	3.3.1.3
Colombia	1.086.427	737.840	108.855	3.3.1.4
El Salvador	259.080	243.093	25.515	3.3.1.5
Ethiopia	605.130	450.155	98.014	3.3.1.6
Georgia	163.110	112.557	32.999	3.3.1.7
Ghana	162.912	64.726	21.114	3.3.1.8
Guatemala	417.496	720.067	27.860	3.3.1.9
Honduras	380.357	270.928	39.837	3.3.1.10
Indonesia	192.397	93.287	33.919	3.3.1.11
Jordan	368.071	105.558	113.347	3.3.1.12
Kenya	465.197	382.294	51.558	3.3.1.13
Lebanon	196.424	-0	-	3.3.1.14
Mali	462.742	400.361	53.767	3.3.1.15
Mozambique	322.358	262.474	40.883	3.3.1.16
Myanmar	410.843	489.857	60.809	3.3.1.17
Tunesia	266.549	230.710	60.264	3.3.1.18
Uganda	452.102	304.729	71.025	3.3.1.19
Ukraine	232.280	202.672	29.212	3.3.1.20
Zimbabwe	345.942	251.071	38.587	3.3.1.21
Inspired+	41.901	38.398	5.411	3.3.1.22
Reach	-	517.757	34.134	3.3.1.23
Coordination	162.950	33.815	131.011	3.3.1.24
<b>Country &amp; Regional Programmes</b>	<b>7.999.906</b>	<b>7.532.980</b>	<b>1.244.457</b>	
Positioning	94.000	58.685	109.161	3.3.1.25
Innovation	108.299	84.061	107.017	3.3.1.26
International Lobby & Advocacy	179.707	190.199	29.555	3.3.1.27
Knowledge	102.747	128.475	161.220	3.3.1.28
Knowledge & Innovation Fragile States	281.044	296.339	156.026	3.3.1.29
Knowledge & Research ('Learning Agenda')	82.941	113.886	13.418	3.3.1.30
Peer Learning	52.530	8.209	944	3.3.1.31
Planning, Monitoring & Evaluation	337.295	286.419	179.648	3.3.1.32
<b>Knowledge, positioning &amp; Innovation</b>	<b>1.238.563</b>	<b>1.166.273</b>	<b>756.988</b>	
<b>TOTAL FUNDED PROGRAMMES</b>	<b>9.238.469</b>	<b>8.699.253</b>	<b>2.001.445</b>	
General Management & Accounting costs NIMD				3.3.1.33
Dialogue for Stability			323.536	
Strategic Partnership			648.370	
<b>MANAGEMENT AND ACCOUNTING COSTS</b>	<b>2.758.890</b>	<b>2.872.518 a</b>		
	<b>11.997.360</b>	<b>11.571.771</b>	<b>2.973.351 b</b>	
<b>RESULT 2018</b>				
Actual M&A Costs 2018		<b>a</b>	2.872.518	
Actual coverage M&A Costs 2018		<b>b</b>	2.973.351	
			<b>100.833</b>	

### 3.3.1 NOTES TO THE SPECIFIED STATEMENT COSTS AND REVENUE 2018 (COUNTRY / DONOR)

#### SPECIFIC NOTES

##### Expenditure

Below an overview of the reported expenditure in 2018 per country / donor. This means per country we made an overview of all subsidy contracts financing these expenditure. The expenditure shown is divided in three categories; direct programme costs, mission costs and management & accounting costs (M&A Costs). As explained in chapter 3.3.1, the direct programme costs contains direct activity costs as well as local overhead of the implementing partner organizations and NIMD country office.

As NIMD follows the Dutch Accounting Guideline RJ 640, the total contract obligation is registered as project costs. This means that if an implementing partner received a multi-annual contract, the value shown below does not represent the actual costs accounted for at the end of the contract. In some cases, the programme costs in 2018 therefore do not represent the actual expenditures.

The total costs shown, represent the expenditure presented to our donors. If in the M&A costs therefore a negative amount is presented, this means we did not claim the full amount towards our donors yet.

The presented budget shown here, is the donor budget. These totals are different than shown in page 22 of this report due to the fact that the budgeted Management & Accounting costs are shown as a separate item there. In the budgeted figures below these are included. This mainly goes for the salary costs of programme staff, which is an integrated part of the donor budget.

##### 3.3.1.1 Benin

Specification funding:

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
European Union	265.500	134.368	99.132	2.638	32.598
Strategic Partnership	302.917	251.255	180.694	20.946	49.615
	568.417	385.623	279.826	23.585	82.213

##### 3.3.1.2 Burundi

Specification funding:

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Dialogue for Stability	301.588	335.822	250.786	20.318	64.718
RNE	20.000	7.953	16.806	-	-8.853
Swiss Ministry of Foreign Affairs	100.000	106.112	99.700	2.084	4.328
UNDP	-	858.121	847.828	16.621	-6.328
US State Departement	90.000	82.000	42.691	9.049	30.260
	511.588	1.390.009	1.257.811	48.072	84.125

##### 3.3.1.3 City Deals

Specification funding:

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Dialogue for Stability	-	11.338	11.338	-	-
	-	11.338	11.338	-	-

##### 3.3.1.4 Colombia

Specification funding:

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
European Union	889.124	640.329	561.572	6.529	72.228
Dialogue for Stability	277.645	206.366	162.006	7.733	36.627
	1.166.769	846.695	723.578	14.262	108.855

##### 3.3.1.5 El Salvador

Specification funding:

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Strategic Partnership	278.240	268.608	231.709	11.384	25.515
	278.240	268.608	231.709	11.384	25.515



<b>3.3.1.6 Ethiopia</b>					
Specification funding:					
	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
RNE	-	-	-	-	-
Roasting coffee the Ethiopian way (1% Fund)	299.881	194.797	132.750	3.180	58.867
Strategic Partnership	350.000	353.373	304.754	9.471	39.148
	<u>649.881</u>	<u>548.169</u>	<u>437.504</u>	<u>12.652</u>	<u>98.014</u>
<b>3.3.1.7 Georgia</b>					
Specification other funding:					
	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
Strategic Partnership	192.350	145.556	111.869	688	32.999
	<u>192.350</u>	<u>145.556</u>	<u>111.869</u>	<u>688</u>	<u>32.999</u>
<b>3.3.1.8 Ghana</b>					
Specification funding:					
	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
Strategic Partnership	174.960	85.839	62.978	1.748	21.114
	<u>174.960</u>	<u>85.839</u>	<u>62.978</u>	<u>1.748</u>	<u>21.114</u>
<b>3.3.1.9 Guatemala</b>					
Specification funding:					
	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
FCI	11.000	10.639	10.639	-	-
OSF	65.000	66.614	66.614	-	-
IREX	40.000	42.235	42.235	-	-
Oxfam Novib	12.000	10.743	10.743	-	-
RNE	60.000	66.010	66.010	-	-
Sida	-	300.329	300.329	-	-
Strategic Partnership	260.371	251.357	223.497	-	27.860
	<u>448.371</u>	<u>747.926</u>	<u>720.067</u>	<u>-</u>	<u>27.860</u>
<b>3.3.1.10 Honduras</b>					
Specification funding:					
	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
European Union	241.095	149.170	131.120	-	18.050
Strategic Partnership	167.390	161.595	139.808	-	21.788
	<u>408.484</u>	<u>310.765</u>	<u>270.928</u>	<u>-</u>	<u>39.837</u>
<b>3.3.1.11 Indonesia</b>					
Specification funding:					
	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
Strategic Partnership	206.625	127.206	91.589	1.698	33.919
	<u>206.625</u>	<u>127.206</u>	<u>91.589</u>	<u>1.698</u>	<u>33.919</u>
<b>3.3.1.12 Jordan</b>					
Specification funding:					
	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
European Union	130.000	127.083	71.709	-0	55.374
Dialogue for Stability	265.291	91.822	18.874	14.975	57.973
	<u>395.291</u>	<u>218.905</u>	<u>90.583</u>	<u>14.975</u>	<u>113.347</u>

3.3.1.13 Kenya					
Specification funding:					
	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Strategic Partnership	499.599	433.852	369.706	12.588	51.558
	<u>499.599</u>	<u>433.852</u>	<u>369.706</u>	<u>12.588</u>	<u>51.558</u>

3.3.1.14 Lebanon					
Specification funding:					
	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Dialogue for Stability	210.950	-0	-	-0	-
	<u>210.950</u>	<u>-0</u>	<u>-</u>	<u>-0</u>	<u>-</u>

3.3.1.15 Mali					
Specification funding:					
	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Strategic Partnership	496.963	454.127	386.507	13.854	53.767
	<u>496.963</u>	<u>454.127</u>	<u>386.507</u>	<u>13.854</u>	<u>53.767</u>

3.3.1.16 Mozambique					
Specification funding:					
	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
DEMO Finland	1.500	1.303	1.303	-	-
Strategic Partnership	344.697	302.053	248.045	13.125	40.883
	<u>346.197</u>	<u>303.357</u>	<u>249.349</u>	<u>13.125</u>	<u>40.883</u>

3.3.1.17 Myanmar					
Specification other funding:					
	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
DEMO Finland	125.000	125.000	125.000	-	-
International IDEA	25.000	23.161	17.969	-	5.192
Strategic Partnership	291.225	402.505	329.630	17.258	55.617
	<u>441.225</u>	<u>550.666</u>	<u>472.599</u>	<u>17.258</u>	<u>60.809</u>

3.3.1.18 Tunisia					
Specification funding:					
	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Dialogue for Stability	286.261	290.974	227.919	2.791	60.264
	<u>286.261</u>	<u>290.974</u>	<u>227.919</u>	<u>2.791</u>	<u>60.264</u>

3.3.1.19 Uganda					
Specification other funding:					
	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
DGF	50.000	51.853	28.481	4.665	18.708
Strategic Partnership	435.536	323.901	247.411	24.173	52.317
	<u>485.536</u>	<u>375.754</u>	<u>275.892</u>	<u>28.837</u>	<u>71.025</u>

3.3.1.20 Ukraine					
Specification funding:					
	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Dialogue for Stability	232.280	231.884	199.304	3.369	29.212
	<u>232.280</u>	<u>231.884</u>	<u>199.304</u>	<u>3.369</u>	<u>29.212</u>

<b>3.3.1.21 Zimbabwe</b>					
Specification other funding:					
	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
European Union	15.000	14.538	2.158	1.642	10.738
Strategic Partnership	356.525	275.119	245.846	1.425	27.849
	<u>371.525</u>	<u>289.657</u>	<u>248.004</u>	<u>3.067</u>	<u>38.587</u>

<b>3.3.1.22 Inspired+</b>					
Specification funding:					
	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
EPD	45.000	43.809	27.719	10.680	5.411
	<u>45.000</u>	<u>43.809</u>	<u>27.719</u>	<u>10.680</u>	<u>5.411</u>

<b>3.3.1.23 Reach</b>					
Specification funding:					
	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
European Union	-	551.890	500.910	16.847	34.134
	<u>-</u>	<u>551.890</u>	<u>500.910</u>	<u>16.847</u>	<u>34.134</u>

<b>3.3.1.24 Coordination</b>					
Specification funding:					
	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
Dialogue for Stability	25.000	41.868	20.045	-	21.823
Strategic Partnership	150.000	122.959	10.009	3.761	109.188
	<u>175.000</u>	<u>164.826</u>	<u>30.054</u>	<u>3.761</u>	<u>131.011</u>

<b>3.3.1.25 Positioning</b>					
Specification funding:					
	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
Dialogue for Stability	170.000	167.846	58.685	-	109.161
	<u>170.000</u>	<u>167.846</u>	<u>58.685</u>	<u>-</u>	<u>109.161</u>

<b>3.3.1.26 Innovation</b>					
Specification funding:					
	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
Dialogue for Stability	195.860	191.078	84.061	-	107.017
	<u>195.860</u>	<u>191.078</u>	<u>84.061</u>	<u>-</u>	<u>107.017</u>

<b>3.3.1.27 International Lobby &amp; Advocacy</b>					
Specification funding:					
	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
GPMD	25.000	22.661	0	-	22.661
Strategic Partnership	300.000	197.093	188.751	1.448	6.894
	<u>325.000</u>	<u>219.753</u>	<u>188.751</u>	<u>1.448</u>	<u>29.555</u>

<b>3.3.1.28 Knowledge</b>					
Specification funding:					
	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
Dialogue for Stability	185.818	289.694	125.412	3.063	161.220
	<u>185.818</u>	<u>289.694</u>	<u>125.412</u>	<u>3.063</u>	<u>161.220</u>

**3.3.1.29 Knowledge & Innovation Fragile States**

Specification funding:

	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
Dialogue for Stability	508.270	452.365	263.588	32.751	156.026
	<u>508.270</u>	<u>452.365</u>	<u>263.588</u>	<u>32.751</u>	<u>156.026</u>

**3.3.1.30 Knowledge & Research ('Learning Agenda')**

Specification funding:

	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
Strategic Partnership	150.000	127.304	97.188	16.698	13.418
	<u>150.000</u>	<u>127.304</u>	<u>97.188</u>	<u>16.698</u>	<u>13.418</u>

**3.3.1.31 Peer Learning**

Specification funding:

	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
Dialogue for Stability	95.000	9.153	8.209	-	944
	<u>95.000</u>	<u>9.153</u>	<u>8.209</u>	<u>-</u>	<u>944</u>

**3.3.1.32 Planning, Monitoring & Evaluation**

Specification funding:

	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
Dialogue for Stability	260.000	211.239	113.374	8.879	88.986
Strategic Partnership	350.000	254.828	163.676	489	90.662
	<u>610.000</u>	<u>466.067</u>	<u>277.051</u>	<u>9.368</u>	<u>179.648</u>

**3.3.1.33 General Overhead**

Specification funding:

	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
Dialogue for Stability	407.740	323.536	-	-	323.536
Strategic Partnership	758.162	648.370	-	-	648.370
	<u>1.165.902</u>	<u>971.906</u>	<u>-</u>	<u>-</u>	<u>971.906</u>
<b>Total</b>	<b>11.997.360</b>	<b>11.672.604</b>	<b>8.380.685</b>	<b>318.568</b>	<b>2.973.351</b>

### 3.3.2 NOTES TO THE SPECIFIED STATEMENT COSTS AND REVENUE 2018 (DONOR / COUNTRY)

#### SPECIFIC NOTES

##### Expenditure

Below an overview of the reported expenditure in 2018 per donor / country. This means per donor we made an overview of all countries expenditure incurred. The expenditure shown is divided in three categories; direct programme costs, mission costs and management & accounting costs. As explained in chapter 3.3.1, the direct programme costs contains direct activity costs as well as local overhead of the implementing partner organizations and NIMD country office.

As NIMD follows the Dutch Accounting Guideline RJ 640, the total contract obligation is registered as project costs. This means that if an implementing partner received a multi-annual contract, the value shown below does not represent the actual costs accounted for at the end of the contract. In some cases, the programme costs in 2018 therefore do not represent the actual expenditures.

The total costs shown, represent the expenditure presented to our donors. If in the M&A costs therefore a negative amount is presented, this means we did not claim the full amount towards our donors yet.

The presented budget shown here, is the donor budget. These totals are different than shown in page 22 of this report due to the fact that the budgeted Management & Accounting costs are shown as a separate item there. In the budgeted figures below these are included. This mainly goes for the salary costs of programme staff, which is an integrated part of the donor budget.

#### 3.3.2.1 Roasting coffee the Ethiopian way (1% Fund)

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Ethiopia	299.881	194.797	132.750	3.180	58.867
	<u>299.881</u>	<u>194.797</u>	<u>132.750</u>	<u>3.180</u>	<u>58.867</u>
Notes					

#### 3.3.2.2 Demo Finland

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Mozambique	1.500	1.303	1.303	-	-
Myanmar	125.000	125.000	125.000	-	-
	<u>126.500</u>	<u>126.303</u>	<u>126.303</u>	<u>-</u>	<u>-</u>
Notes					

#### 3.3.2.3 DGF

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Uganda	50.000	51.853	28.481	4.665	18.708
	<u>50.000</u>	<u>51.853</u>	<u>28.481</u>	<u>4.665</u>	<u>18.708</u>
Notes					

#### 3.3.2.4 Dialogue for Stability

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Burundi	301.588	335.822	250.786	20.318	64.718
Colombia	277.645	206.366	162.006	7.733	36.627
Ukraine	232.280	231.884	199.304	3.369	29.212
Jordan	265.291	91.822	18.874	14.975	57.973
Lebanon	210.950	-0	-	-0	-
Tunesia	286.261	290.974	227.919	2.791	60.264
City Deals	-	11.338	11.338	-	-
Innovation	195.860	191.078	84.061	-	107.017
Knowledge	185.818	289.694	125.412	3.063	161.220
Knowledge & Innovation Fragile States	508.270	388.876	200.100	32.751	156.026
Coordination	25.000	41.997	20.045	-	21.952
Peer Learning	95.000	72.641	71.697	-	944
Planning, Monitoring & Evaluation	260.000	211.239	113.374	8.879	88.986
Positioning	170.000	167.846	58.685	-	109.161
	<u>3.013.962</u>	<u>2.531.580</u>	<u>1.543.601</u>	<u>93.878</u>	<u>894.100</u>
Programme management costs NIMD	407.740	323.536	-	-	323.536
	<u>3.421.702</u>	<u>2.855.115</u>	<u>1.543.601</u>	<u>93.878</u>	<u>1.217.636</u>

Notes: In the coordination heading, the audit costs are also included, in the DfS report these are shown as a separate budget line

### 3.3.2.5 EPD

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Inspired+	45.000	43.809	27.719	10.680	5.411
	<u>45.000</u>	<u>43.809</u>	<u>27.719</u>	<u>10.680</u>	<u>5.411</u>

Notes

### 3.3.2.6 European Union

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Benin	265.500	134.368	99.132	2.638	32.598
Colombia	889.124	640.329	561.572	6.529	72.228
Honduras	241.095	149.170	131.120	-	18.050
Jordan	130.000	127.083	71.709	-0	55.374
Reach	-	551.890	500.910	16.847	34.134
Zimbabwe	15.000	14.538	2.158	1.642	10.738
	<u>1.540.719</u>	<u>1.617.378</u>	<u>1.366.600</u>	<u>27.656</u>	<u>223.121</u>

Notes; In the programme in Jordan the EU contract runs via ECES. In Zimbabwe the Olaf Palme International Centre is in the lead

### 3.3.2.7 FCI

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Guatemala	11.000	10.639	10.639	-	-
	<u>11.000</u>	<u>10.639</u>	<u>10.639</u>	<u>-</u>	<u>-</u>

Notes

### 3.3.2.8 GPMD

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
International Lobby & Advocacy	25.000	22.661	0	-	22.661
	<u>25.000</u>	<u>22.661</u>	<u>0</u>	<u>-</u>	<u>22.661</u>

Notes

### 3.3.2.9 International IDEA

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Myanmar	25.000	23.161	17.969	-	5.192
	<u>25.000</u>	<u>23.161</u>	<u>17.969</u>	<u>-</u>	<u>5.192</u>

Notes

### 3.3.2.10 IREX

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Guatemala	40.000	42.235	42.235	-	-
	<u>40.000</u>	<u>42.235</u>	<u>42.235</u>	<u>-</u>	<u>-</u>

Notes

### 3.3.2.11 OSF

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Guatemala	65.000	66.614	66.614	-	-
	<u>65.000</u>	<u>66.614</u>	<u>66.614</u>	<u>-</u>	<u>-</u>

Notes

### 3.3.2.12 Oxfam Novib

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Guatemala	12.000	10.743	10.743	-	-
	<u>12.000</u>	<u>10.743</u>	<u>10.743</u>	<u>-</u>	<u>-</u>

Notes

### 3.3.2.13 RNE

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Burundi	20.000	7.953	16.806	-	-8.853
Guatemala	60.000	66.010	66.010	-	-
	<u>80.000</u>	<u>73.963</u>	<u>82.816</u>	<u>-</u>	<u>-8.853</u>

Notes; the negative amount presented under M&A costs, means we did not claim the full amount towards our donors

### 3.3.2.14 Sida

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Guatemala	-	300.329	300.329	-	-
	<u>-</u>	<u>300.329</u>	<u>300.329</u>	<u>-</u>	<u>-</u>

Notes

### 3.3.2.15 Strategic Partnership

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Benin	302.917	251.255	180.694	20.946	49.615
El Salvador	278.240	268.608	231.709	11.384	25.515
Guatemala	260.371	251.357	223.497	-	27.860
Honduras	167.390	161.595	139.808	-	21.788
Ethiopia	350.000	353.373	304.754	9.471	39.148
Georgia	192.350	145.556	111.869	688	32.999
Ghana	174.960	85.839	62.978	1.748	21.114
Indonesia	206.625	127.206	91.589	1.698	33.919
Kenya	499.599	433.852	369.706	12.588	51.558
Mali	496.963	454.127	386.507	13.854	53.767
Mozambique	344.697	302.053	248.045	13.125	40.883
Myanmar	291.225	402.505	329.630	17.258	55.617
Uganda	435.536	323.901	247.411	24.173	52.317
Zimbabwe	356.525	275.119	245.846	1.425	27.849
Coordination	150.000	123.249	10.009	3.761	109.479
International Lobby & Advocacy	300.000	197.093	188.751	1.448	6.894
Knowledge & Research ('Learning Agenda')	150.000	127.304	97.188	16.698	13.418
Planning, Monitoring & Evaluation	350.000	254.828	163.676	489	90.662
	<u>5.307.396</u>	<u>4.538.820</u>	<u>3.633.667</u>	<u>150.755</u>	<u>754.398</u>
Programme management costs NIMD	758.162	648.370	-	-	648.370
	<u>6.065.558</u>	<u>5.187.191</u>	<u>3.633.667</u>	<u>150.755</u>	<u>1.402.769</u>

Notes

### 3.3.2.16 Swiss Ministry of Foreign Affairs

	Budget 2018	Total expenditure 2018	Direct Programme costs	Mission costs	M&A costs
Burundi	100.000	106.112	99.700	2.084	4.328
	<u>100.000</u>	<u>106.112</u>	<u>99.700</u>	<u>2.084</u>	<u>4.328</u>

### 3.3.2.17 UNDP

	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
Burundi	-	858.121	847.828	16.621	-6.328
	-	858.121	847.828	16.621	-6.328

Notes: Contract with UNDP is signed in the course of 2018 and was not included in the original 2018 budget. As contract with partner in Burundi is a multi-annual contract, full contract amount is presented as costs in 2018.

### 3.3.2.18 US State Department

	<b>Budget 2018</b>	<b>Total expenditure 2018</b>	<b>Direct Programme costs</b>	<b>Mission costs</b>	<b>M&amp;A costs</b>
Burundi	90.000	82.000	42.691	9.049	30.260
	90.000	82.000	42.691	9.049	30.260
Notes					
<b>Total</b>	<b>11.997.360</b>	<b>11.672.604</b>	<b>8.380.685</b>	<b>318.568</b>	<b>2.973.351</b>



### 3.3.3 SPECIFIED STATEMENT MANAGEMENT & ACCOUNTING COSTS 2018

	ACTUALS 2018	BUDGET 2018	ACTUALS 2017	
Salaries and staff expenses	2.459.394	2.330.700	2.048.787	3.3.3.1
Office expenses	261.601	295.390	293.439	3.3.3.2
Depreciation	23.608	27.500	25.312	3.3.3.3
General Expenses	127.915	105.300	186.782	3.3.3.4
	<b>2.872.518</b>	<b>2.758.890</b>	<b>2.741.101</b>	

#### NOTES TO THE SPECIFIED STATEMENT PROGRAMME MANAGEMENT COSTS

##### 3.3.3.1 Salaries and staff expenses

Breakdown of the employee costs:

	2018	Budget 2018	2017
Gross Salaries	1.794.324	1.600.300	1.515.174
Social Security	317.789	279.000	244.441
Other salary costs	46.615	15.000	49.512
Pension	164.166	204.600	142.557
Commuting	57.097	61.600	52.293
Mission costs for indirect staff	2.020	14.500	5.377
Education & Training	24.608	37.000	22.037
Insurances	72.385	64.000	60.559
Security Policy	21.200	15.000	10.639
Other personnel costs	77.703	76.100	91.515
Reimbursements from staff insurances	-118.513	-36.400	-145.317
	<b>2.459.394</b>	<b>2.330.700</b>	<b>2.048.787</b>

Salaries in 2018 were higher than 2017 and budget 2018. This due to a couple of reasons. At the end of 2017, there were 28,16 FTE on our payroll, at the end of 2018 this was 28,47 FTE. Both at the beginning and end of the year the number of staff was 31. But throughout the year there have been some changes. Twelve persons joined NIMD and left in one year. Of which most joined at the beginning of 2018. Reasons for leaving were quite different (4 temporary contracts, 5 change of positions, 3 other reasons). This increase in salary costs also has an impact on the social security paid in 2018. Pension costs are lower than expected, but the increase in salary costs (comparison 2017 - 2018) is in line with the increase in the pension costs.

The other salary costs mainly relate to the recruitment of the new Executive Director in 2018. In 2018 less mission costs for indirect staff were booked on the overall management budget, due to the fact that we were able to include the traveling on the programs itself.

In 2018 there was a renewed focus on security policy. We updated our policy, made sure staff followed the security trainings (bought a subscription for 10-basic courses and 10-refresher courses) and looked at digital security. The other personnel cost mainly related to temporary staff to replace sick colleagues and legal advice.

Like last year there (unfortunately) was a credit amount included due to illness of several staff members for an extended period, the reimbursement for staff insurances in 2018 was again higher than budgeted, but a bit below on 2017.

### 3.3.3.2 Office expenses

Breakdown of the office costs:

	2018	Budget 2018	2017
Rent	101.464	103.800	124.813
Cleaning	25.315	36.000	26.144
Other housing expenses	9.245	15.100	7.668
ICT-expenses	72.509	79.190	63.323
Phone and Internet expenses	27.345	31.300	43.358
Bank costs	11.120	8.000	8.462
Other Office expenses	14.604	22.000	19.670
	261.601	295.390	293.439

In general the office expenses were 11% lower than 2017. This mainly due to less rent, phone and internet expenses in 2018. Compared to the budget the main saving lies in the cleaning which was due to less monthly expenditures.

### 3.3.3.3 Depreciation

Breakdown Depreciation

	2018	Budget 2018	2017
Depreciation furniture	2.271	3.800	2.465
Depreciation computer equipment	11.461	14.200	12.643
Depreciation Programme Management Software &	395	500	892
Depreciation Renovation Office	9.481	9.000	9.312
	23.608	27.500	25.312

Depreciation is in line with budget and expenses of last year

### 3.3.3.4 General expenses

Breakdown General Expenses

	2018	Budget 2018	2017
Third party services	51.413	45.500	72.410
Auditors	36.999	25.000	43.172
Insurances	16.526	22.600	18.021
Other General expenses	11.059	12.200	82.534
Differences / other gains & losses	11.918	-	-29.354
	127.915	105.300	186.782

The General expenses are a bit higher than budgetted. This mainly because of two reasons, on one hand the third party services (legal advice, MT-team building and strategic advices) and second due to exchange rate differences. Amounts in foreign currency are translated into euros at the rates of exchange ruling at the balance sheet date. Transactions denominated in foreign currency are translated at the rates of exchange ruling at the time of the transaction. The result of all these differences are not budgetted (due to the unpredictability) , but do run via the statement of income and expenditure.

### 3.4 Specification Wet Normering Topinkomens

The Supervisory Council determines the remuneration policy, the amount of the remuneration of the Executive Board, and the amounts of the other elements of remuneration. Following the agreements in 2011, this parcel was once more confirmed in 2016.

The Law "Wet normering bezoldiging topfunctionarissen publieke en semipublieke sector" (WNT) applies since 2013. The justification is based on the WNT-limits for development.

The maximum remuneration in 2018 for NIMD's senior executive is €174.000. The displayed individual WNT-limit is calculated in proportion to the size and also to the time of employment, with the knowledge that the calculation can never be greater than 1.0 FTE. The individual WNT-limit for the members of the Supervisory Board is for the chairman 15% and for the other members 10% of the maximum remuneration of the senior executive, calculated in proportion to the duration of employment.

	Ms. S.L.J.M. Filippini	Ms. H.C. de Jong		Mr. J. Bruning	
<b>2018</b>					
Function	Executive Director	Head Programmes & Projects	Executive Director (acting)		
Duration of employment	01-01 / 15-10	01-01 / 15-10	16-10 / 31-12		
Size of employment (in FTE)	1,0	1,0	1,0		
Real or fictitious employment?	Real	Real	Real		
Individual WNT maximum	137.750	137.750	36.250		
<b>Remuneration</b>					
Salary	77.996	63.213	18.337		
Remuneration	0	0	0		
Pension Contribution	9.506	5.782	1.707		
Total remuneration	87.502	68.995	20.044		
<b>2017</b>					
Function	Executive Director	Executive Director (acting)	Head Programmes & Projects	Executive Director	Advisor to the Supervisory Council
Duration of employment	16-10 / 31-12	16-05 / 15-10	16-10 / 31-12	01-01 / 15-05	16-05 / 31-12
Size of employment (in FTE)	1,0	1,0	1,0	1,0	1,0
Former senior executive?	No	No	Yes	No	Yes
Real or fictitious employment?	Real	Real	Real	Real	Real
Individual WNT maximum	35.000	70.000	35.000	63.000	105.000
<b>Remuneration</b>					
Salary	19.710	38.431	17.210	33.975	56.625
Remuneration					
Pension Contribution	3.944	4.848	2.424	6.890	13.508
Total remuneration	23.653	43.279	19.634	40.865	70.132

## Remuneration of supervisory council

	Mr. E. van Middelkoop	Mrs. I. van Biezen	Mr. J. Hoekema	Mrs. A. Mijnsbergen	Mr. M. Stolk	Mrs. I. van Veldhuizen	Mrs L. van Eupen	Mr. B. Bot
<b>2018</b>								
Function	Chairman	Member	Member	Member	Member	Member	Member	
Duration of membership	01-01 / 31-12	01-01 / 31-12	01-01 / 31-12	01-01 / 31-12	01-01 / 31-12	01-01 / 31-12	01-11 / 31-12	
Individual WNT maximum	26.100	17.400	17.400	17.400	17.400	17.400	2.900	
<u>Remuneration</u>								
Salary	0	0	0	0	0	0	0	
Remuneration	1.250	1.000	1.250	1.250	1.250	1.250	250	
Pension Contribution	0	0	0	0	0	0	0	
Total remuneration	1.250	1.000	1.250	1.250	1.250	1.250	250	
<b>2017</b>								
Duration of membership	01-01 / 31-12	01-01 / 31-12	01-01 / 31-12	01-01 / 31-12	01-01 / 31-12	01-01 / 31-12		01-01 / 31-12
Individual WNT maximum	16.800	16.800	16.800	16.800	16.800	16.800		25.200
<u>Remuneration</u>								
Salary	0	0	0	0	0	0	0	0
Remuneration	1.250	1.000	1.000	1.000	1.000	1.000		1.250
Pension Contribution	0	0	0	0	0	0		0
Total remuneration	1.250	1.000	1.000	1.000	1.000	1.000		1.250

## INDEPENDENT AUDITOR'S REPORT

To: the Executive Director and the Supervisory Council of Netherlands Institute for Multiparty Democracy Foundation, The Hague, The Netherlands.

### A. Report on the audit of the financial statements 2018 included in the financial report

#### Our opinion

We have audited the financial statements 2018 of Netherlands Institute for Multiparty Democracy Foundation based in The Hague, The Netherlands.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Netherlands Institute for Multiparty Democracy Foundation as at 31 December 2018 and of its result for 2018 in accordance with the Guidelines for annual reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board and the Policy rules implementation of the Standards for Remuneration Act (WNT).

The financial statements comprise:

1. the balance sheet as at 31 December 2018;
2. the statement of income and expenditure for 2018; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

#### Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing as well as the Policy rules implementation WNT, including the Audit Protocol WNT. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Netherlands Institute for Multiparty Democracy Foundation in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

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**Compliance with rule against overlapping pursuant to the WNT not audited**

In accordance with the Audit Protocol under the Standards for Remuneration Act ("WNT"), we have not audited the rule against overlapping as referred to in Section 1.6a of the WNT and Section 5(1)(j) of the WNT Implementing Regulations. This means that we have not audited whether an executive senior official exceeds the norm as a result of any positions as executive senior official at other institutions subject to the WNT, and whether the explanation required in this context is correct and complete.

**B. Report on the other information included in the financial report**

In addition to the financial statements and our auditor's report thereon, the financial report contains other information that consists of:

- Statement of the Executive Director;
- Statement of the Supervisory Council.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements. Management is responsible for the preparation of the other information, including the statement of the Executive Director, in accordance with the Guidelines for annual reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board.

**C. Description of responsibilities regarding the financial statements**

**Responsibilities of the Executive Director and the Supervisory Council for the financial statements**

The Executive Director is responsible for the preparation and fair presentation of the financial statements, in accordance with the Guidelines for annual reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board, and the Policy rules implementation of the Standards for Remuneration Act (WNT). Furthermore, the Executive Director is responsible for such internal control as the Executive Director determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Executive Director is responsible for assessing the foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Executive Director should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the foundation or to cease operations, or has no realistic alternative but to do so.

The Executive Director should disclose events and circumstances that may cast significant doubt on the foundation's ability to continue as a going concern in the financial statements.

The Supervisory Council is responsible for monitoring the financial reporting process of the organisation.

### **Our responsibilities for the audit of the financial statements**

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion. Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, as well as the Policy rules implementation WNT, including the Audit Protocol WNT, ethical requirements and independence requirements.

Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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;
- obtaining an understanding of internal control relevant to the 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 foundation's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Director;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the foundation'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. 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 a foundation to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amsterdam, 30 April 2019

Dubois & Co. Registeraccountants

Signed on original by:  
A.P. Buteijn RA and K. Ait Boukdir RA