
***The Global Initiative against
Transnational Organized
Crime***

Geneva

***Report of the
statutory auditors to the
General Meeting***

***on the financial statements
2017***





Report of the statutory auditors on the limited statutory examination to the General Meeting of The Global Initiative against Transnational Organized Crime Geneva

As statutory auditors, we have examined the financial statements of The Global Initiative against Transnational Organized Crime, which comprise the balance sheet, income statement and notes, for the year ended 31 December 2017.

These financial statements are the responsibility of the Board. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of association personnel and analytical procedures as well as detailed tests of association documents as considered appropriate in the circumstances. However, the testing of the operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the association's articles of incorporation.

PricewaterhouseCoopers SA

Philippe Tzaud
Audit expert
Auditor in charge

Jonathan Dadoun
Audit expert

Geneva, 13 April 2018

Enclosure:

- Financial statements (balance sheet, income statement and notes)

The Global Initiative against Transnational Organized Crime, Geneva

Balance Sheet as of 31st December 2017 and 31st December 2016
(in Swiss Francs)

	2017	2016
ASSETS		
Current assets		
Cash and Cash equivalents	606'213	24'010
Grants receivables	144'413	118'391
Accrued income	145'545	-
Other current receivables	889	-
Transitory expenses	2'992	5'467
Current assets	900'051	147'868
Fixed assets		
Fixed assets	877	1'367
Financial assets	2'500	-
Fixed assets	3'377	1'367
Total Assets	903'428	149'235
LIABILITIES		
Short-term liabilities		
Due to banks	-	21
Vendors payables	103'258	39'392
Accrued expenses	180'324	119'552
Deferred income	724'739	50'420
Short-term liabilities	1'008'321	209'385
Association own funds		
Balance brought forward	-60'150	-56'888
Income over expenditures - Lack of income	-44'743	-3'262
Total association own funds	-104'893	-60'150
Total Liabilities	903'428	149'235

The Global Initiative against Transnational Organized Crime, Geneva

Statement of Income and Expenses from 01 January until 31 December 2017
 compared to the fiscal year 2016
 (in Swiss Francs)

	2017	2016
INCOME		
Project grants received	2'989'909	1'344'291
Income received in advance	-674'318	-50'420
Receivable Income	145'545	-
Donations in kind	107'085	138'651
Total Revenues	2'568'221	1'432'522
PROJECT EXPENSES		
Project consultant costs	-828'915	-680'644
Project consultant costs in kind	-13'585	-42'578
Project related travel expenses	-631'880	-220'906
Website - Publications and pamphlets	-25'596	-15'866
Project related Salaries and social charges	-606'991	-120'683
Project related professional services	-59'365	-95'273
Total Project Costs	-2'166'332	-1'175'950
Net contribution to overheads	401'888	256'572
OVERHEAD COSTS		
Rental and maintenance	-9'031	-12'887
Rent in kind	-93'501	-95'994
Administration costs	-121'082	-61'787
VAT not recoverable	-82'844	-61'559
Amortization	-490	-788
Total Overhead Costs	-306'948	-233'015
Earnings before financial result	94'940	23'557
FINANCIAL RESULT		
Exchange gain & losses	-23'110	-17'723
Bank fees	-12'607	-7'072
Total financial results and expenses	-35'717	-24'795
OPERATION FROM PREVIOUS PERIOD		
Operating revenue from previous period	19'016	1'720
Operating charge from previous period	-122'983	-3'744
Total financial results and expenses	-103'966	-2'024
Income over expenditures - Lack of income	-44'743	-3'262

The Global Initiative against Transnational Organized Crime, Geneva

Notes to the financial statements as of 31st December 2017

(in Swiss Francs)

Association domicile

Avenue de la Paix 7bis1202 Genève

Scope of the association

Promote cross-border and catalytic processes that attract new players and facilitate remodeling of reflection, coordination and responses to transnational organized crime; invigorate the global debate around transnational organized crime in order to promote sustainable translation and implementation of new approaches within a multilateral framework, regional and national levels; undertake research and develop new policy options to help inform a strategic development at national, regional and international levels; create the basic materials of a global strategy on organized transnational crime.

Accounting principles applied in the preparation of the financial statements

These financial statements have been prepared in accordance with the provisions of commercial accounting as set out in the Swiss Code of Obligations (Art. 957 to 963b CO, effective since 1 January 2013).

Revenue recognition

Since 2015, revenues are recognised on the basis of donor specific contracts using the percentage of completion method and related accruals have been booked in the balance sheet.

Expenditure recognition

Expenses are recognized in the financial statements on an accrual basis.

Declaration of full-time equivalents

The association has less than 10 staff

Pension liabilities

Liability to pension scheme as at 31st December

	2017	2016
	CHF 6843.30	CHF 2406.30

Lease commitment not considered in the financials

None at end of the period.

The Global Initiative against Transnational Organized Crime, Geneva

Notes to the financial statements as of 31st December 2017

(in Swiss Francs)

Exchange Rate

Devises	2017	2016
AUD	0.7707	0.7463
CAD	0.7869	0.7648
DKK for 100	15.9107	-
EUR	1.1808	1.0866
GBP	1.3298	1.2658
NOK for 100	11.9917	11.9588
PKR for 100	0.8937	0.9842
SEK for 100	12.0407	11.3474
USD	0.9883	1.0309
ZAR	0.0797	0.0760

Operation from previous period

Operating revenue from previous period

Four smaller projects that were finalized in 2016 have only been invoiced in 2017

Operating charge from previous period

Several projects in 2016 were able to benefit from pre-financing disbursement. These prepayments were not taken into consideration when establishing final invoices in 2016. These revenues were reversed in 2017 when reconciliation of those projects were made.