

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

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**Report of the statutory auditor**  
To the General Meeting of Members  
On the limited statutory examination  
For the year ended December 31, 2022

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**Report of the statutory auditor to the General Meeting of Members on the limited statutory examination of The Global Initiative against Transnational Organized Crime, Geneva**

As statutory auditor, we have examined the financial statements (balance sheet, statement of income and expenses and notes) of The Global Initiative against Transnational Organized Crime for the financial year ended December 31, 2022.

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 the 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 entity personnel and analytical procedures as well as detailed tests of entity documents as considered necessary in the circumstances. However, the testing of 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.

MAZARS LTD

Jean-Marc Jenny  
Licensed audit expert  
Auditor in charge

Yoann Bois  
Licensed audit expert

Geneva, June 14, 2023

**Enclosure**

- Financial statements for the year ended December 31, 2022 (Balance sheet, statement of income and expenses, notes)

# The Global Initiative Against Transnational Organized Crime Geneva

Balance Sheet as of 31 December 2022  
(in Swiss Francs)

	2021	2022
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	438'735	424'707
Grants receivables	247'306	862'558
Sister organisation receivables	184'498	319'660
Other current receivables	27'618	82'207
Accrued income	2'696'426	1'524'663
Prepaid expenses	61'285	82'149
<b>Current assets</b>	<b>3'655'868</b>	<b>3'295'944</b>
<b>Non-current assets</b>		
Fixed assets	11'627	51'165
Financial assets	50'841	70'847
<b>Non-current assets</b>	<b>62'468</b>	<b>122'012</b>
<b>Total Assets</b>	<b>3'718'336</b>	<b>3'417'956</b>
<b>LIABILITIES</b>		
<b>Short-term liabilities</b>		
Vendors payables	112'756	216'045
Sister organisation payables	420'798	69'972
Other current payables	298'531	433'127
Accrued expenses	313'877	330'030
Deferred income	1'505'982	1'191'257
<b>Short-term liabilities</b>	<b>2'651'944</b>	<b>2'240'431</b>
<b>Association own funds</b>		
Balance brought forward	617'451	1'066'392
Excess of income over expenditures	448'941	111'133
<b>Total association own funds</b>	<b>1'066'392</b>	<b>1'177'525</b>
<b>Total Liabilities and Association own funds</b>	<b>3'718'336</b>	<b>3'417'956</b>

# The Global Initiative Against Transnational Organized Crime Geneva

Statement of Income and Expenses for the year ended 31 December 2022 compared to 2021  
(in Swiss Francs)

	2021	2022
<b>INCOME</b>		
Grants received	6'783'444	10'581'412
Revenue from sister organisation	383'705	504'188
Deferred income variation	919'528	314'725
Accrued income variation	1'496'463	-1'191'365
Donations in kind	120'680	1'092'745
<b>Total Revenues</b>	<b>9'703'820</b>	<b>11'301'705</b>
<b>PROGRAMME EXPENDITURE</b>		
Personnel costs and salary consultants	-4'153'944	-4'420'442
Salary and consultant fees from sister organisation	-929'342	-1'136'785
Consultant costs	-3'138'439	-2'239'127
Consultant costs in kind	-10'780	-948'892
Grants	-49'943	-47'776
Grants to sister organization	0	-67'531
Travel expenses	-373'910	-1'255'588
Professional services	-103'624	-223'021
Communications, media and outreach	-138'659	-72'006
<b>Total expenditure related to programs</b>	<b>-8'898'641</b>	<b>-10'411'168</b>
<b>Net contribution to overheads</b>	<b>805'179</b>	<b>890'537</b>
<b>OVERHEAD COSTS</b>		
Rental and maintenance	-30'335	-33'091
Rent in kind	-102'048	-102'098
Administration costs	-367'230	-218'733
VAT not recoverable	-3'698	-3'365
Overhead from projects' partners	0	-16'617
Overhead from sister organisation	-60'406	-172'184
Depreciation	-4'626	-23'671
<b>Total overhead costs</b>	<b>-568'343</b>	<b>-569'759</b>
<b>Earnings before financial results</b>	<b>236'836</b>	<b>320'778</b>
<b>FINANCIAL RESULTS</b>		
Interests received	2'287	0
Exchange gain & losses	-20'123	-173'198
Bank fees	-40'858	-56'545
<b>Total financial results</b>	<b>-58'694</b>	<b>-229'743</b>
<b>OPERATION FROM PREVIOUS YEARS</b>		
Operating revenue from previous years	275'503	48'034
Operating charge from previous years	-4'704	-27'936
<b>Total revenue and charges from previous years, net</b>	<b>270'799</b>	<b>20'098</b>
<b>Excess of income over expenditures</b>	<b>448'941</b>	<b>111'133</b>

# The Global Initiative Against Transnational Organized Crime Geneva

Notes to the financial statements for the year ended 31 December 2022

(in Swiss Francs)

## Association domicile

Avenue de France 23, 1202 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).

## Revenue recognition

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.

## Contribution

Contributors	in CHF	in %
Australia	97'351	0.86%
Canada	25'592	0.23%
Denmark	73'885	0.65%
Europe Union	2'761'027	24.43%
Germany	1'375'232	12.17%
Institute for Security Studies as implementing	719'133	6.36%
New Zealand	22'174	0.20%
Norway	2'090'682	18.50%
Other donors	148	0.00%
Smaller projects and sister organisations	711'006	6.29%
Switzerland	374'593	3.31%
<i>Core Contribution</i>	100'000	0.88%
<i>Rent in kind</i>	109'906	0.97%
<i>Civil Society Engagement in UNTOC Mechanism 2</i>	164'687	1.46%
The Netherlands	92'797	0.82%
United Kingdom	572'582	5.07%
United Nations	41'887	0.37%
United States of America	2'343'617	20.74%
<b>Total</b>	<b>11'301'705</b>	<b>100.00%</b>

In many cases these contributions were contracted and received in their original currencies, and converted to CHF.

# The Global Initiative Against Transnational Organized Crime Geneva

Notes to the financial statements for the year ended 31 December 2022

(in Swiss Francs)

## Contribution received from the United Kingdom

Following the specific requirement of the donor the following projects have been funded by the United Kingdom. Specific exchange rate have been used as stated on the grants agreements.

Projects Name	Contract N°	in GBP
Civil Society Observatory for E and S Africa	204227-112	412'488
Global Security Rapid Analysis - COMRETOC	300358-146	52'912

## Expenditure recognition

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

## Depreciation

From 1 January 2022, Computers bought in the previous years have been activated at their net amortized value on 1 January 2022 as disclosed below. The computers are depreciated over their estimated useful life of 3 years

## Declaration of full-time equivalents

The association employs about sixty consultants - employees (2021 - about sixty) of which less than ten are located in Switzerland.

## Pension liabilities

	2021	2022
Liability to pension scheme as at 31 December	CHF 8'469.90	CHF 8'399.80

## Lease commitment not considered in the financials

The Swiss confederation is providing an in-kind contribution covering the rent for the Geneva's office space. This contractual agreement ends by 31 December 2023.

## Exchange Rates applied

Devises	2021	2022
AUD	0.6701	0.6323
CAD	0.7246	0.6883
DKK for 100	14.1011	13.4155
EUR	1.0453	0.9938
GBP	1.2469	1.1237
JPY for 100	0.8032	0.7043
NOK for 100	10.4725	9.4321
NZD	0.6302	0.5912
PKR for 100	0.5181	0.4115
SEK for 100	10.2091	8.9616
SGD	0.6837	0.6936
THB for 100	2.7703	2.6997
USD	0.9233	0.9325
ZAR	0.0581	0.0550

# The Global Initiative Against Transnational Organized Crime Geneva

Notes to the financial statements for the year ended 31 December 2022

(in Swiss Francs)

## Operation from previous years

Operating revenue from previous years

### 2021

Following the VAT affiliation, the final assessment from the Swiss authorities was concluded in 2021. The association received back all the payments that were made in excess for the years 2018 and 2019.

### 2022

From 01 January 2022, Computers bought by the organisation have been considered as fixed asset while previously considered as expenses during the year of purchase. Computers that were bought in the previous years have been capitalised on 1 January 2022 for a total amount of CHF 31'049, thus generating revenue from previous year. Finally, a correction on a partner's invoice had to be filed.

Operating charge from previous years

### 2021

Subsequent to the VAT affiliation, the association received the invoices for the radio and television fees related to Swiss public transmissions.

### 2022

Several invoices related to the year 2021 have been received after the conclusion of the audit last year.

## Contingencies and litigations

During the 2020 year, a third party individual instigated proceedings against three GI staff members alleging defamation for a paper published under the EU-funded ENACT programme in 2018.

The GI-TOC has engaged legal counsel who considers that the claim has no merit, and they have recommended that to defend by all means necessary against the allegations which have been filed in the High Court of Kenya. An interlocutory procedural motion was refused in March 2021. Once the case begins, the process is likely to take upwards of 18-24 months to conclude. There were no significant developments in 2022 in relation to this case.

Accordingly, and in line with Swiss regulations, a contingent liability has been made in the financial statements to cover litigation costs and the required percentage of a potential judgement.

## Subsequent events

The Management assessed subsequent events occurring after the date of the annual financial statements for the year ended 31 December 2022. It has not noted the existence of any significant event likely to require any modification to the annual accounts.