



Tlf: 39 15 52 00
koebenhavn@bdo.dk
www.bdo.dk

BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
DK-1561 København V
CVR-nr. 20 22 26 70

IWGIA
FINANCIAL STATEMENT
2019

CVR NO. 81 29 44 10

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INFORMATION ABOUT THE ORGANISATION

Organisation	<p>IWGIA Prinsessegade 29 B 3. 1422 Copenhagen K</p> <p>Phone: +45 53 73 28 30 Internet: www.iwgia.org E-mail: iwgia@iwgia.org</p> <p>CVR no: 81 29 44 10 Registered in: Copenhagen</p>
International Board	<p>Ida Theilade, Chairman Elsa Stamatopoulou, Vice-Chairman Cathal Doyle Rune Fjelheim Katja Kvaale Sara Olsvig Knud Vilby</p>
Management	<p>Kathrin Wessendorf, Executive Director Søren Juul Aarslev, Head of Finance and Administration</p>
Organisation Auditor	<p>BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V</p>

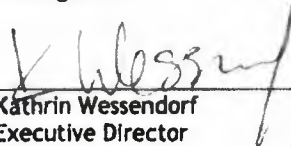
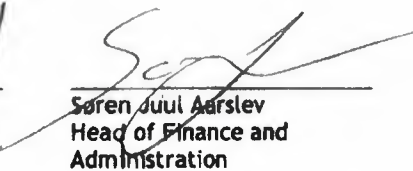
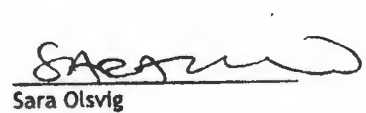
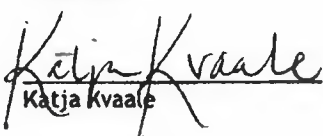
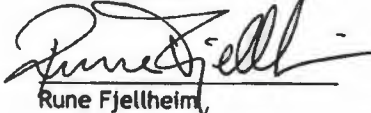
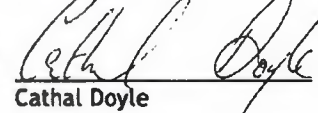
STATEMENT BY MANAGEMENT AND THE INTERNATIONAL BOARD

Today the Management and the International Board have discussed and approved the Management Financial statement of IWGIA for the financial year 1 January - 31 December 2019.

The Financial statement has been presented in accordance with the Organisation's statutes and generally accepted accounting policies as described on pages 14 to 15 in the Annual Report.

It is our opinion that the Financial Statements give a true and fair view of IWGIA's financial position at 31 December 2019 and of the results of IWGIA's operations for the financial year 1 January - 31 December 2019.

Copenhagen, 12 May 2020

Management
Kathrin Wessendorf
Executive Director
Søren Juul Aarslev
Head of Finance and
Administration**International Board**
Ida Theilade
Chairman
Elsa Stamatopoulou
Vice-Chairman
Sara Olsvig
Katja Kvaale
Rune Fjellheim
Cathal Doyle
Knud Viiby

INDEPENDENT AUDITOR'S REPORT

To the International Board of IWGIA

Opinion

We have audited the Financial Statements of IWGIA for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, notes and a summary of significant accounting policies. The Management Financial Statements are prepared in accordance with the accounting policies described on pages 14 to 16.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Organisation at 31 December 2019 and of the results of the Organisation's operations for the financial year 1 January - 31 December 2019 in accordance with the accounting policies described on pages 14 to 16.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Management Financial Statements" section of our report. We are independent of the Organisation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibilities for the Management Financial Statements

Management is responsible for the preparation of Management Financial Statements that give a true and fair view in accordance with the accounting policies described on pages 14 to 16 and for such internal control as Management determines is necessary to enable the preparation of Management Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Management Financial Statements, Management is responsible for assessing the Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Management Financial Statements unless Management either intends to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Management Financial Statements

Our objectives are to obtain reasonable assurance about whether the Management Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. 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 Management Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Management Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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 Organisation's internal control.

INDEPENDENT AUDITOR'S REPORT

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Management Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation'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 Management 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 the Organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Management Financial Statements, including the disclosures, and whether the Management Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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 deficiencies in internal control that we identify during our audit.

Copenhagen, 12 May 2020

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70



Henrik Brünings
State Authorised Public Accountant

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2019 DKK	2018 DKK
Received grants.....	8	43.567.235	28.360.986
Carried forward, beginning of the year.....	8	3.138.659	10.614.333
Returned funds.....	8	43.480	-1.295.346
Carried forward, end of the year.....	8	-7.804.549	-3.138.660
Expenditure.....	8	-38.944.825	-34.541.313
AID AND DEVELOPMENT PROJECTS		0	0
Administration fee.....		2.728.568	2.106.141
Other income.....	1	167.246	192.778
TOTAL INCOME.....		2.895.814	2.298.919
Board meetings, travel and PR.....	2	-278.681	-297.664
SPECIAL ACTIVITIES.....		-278.681	-297.664
Publications expenditure.....	3	0	0
PUBLICATIONS.....		0	0
Staff expenditure.....	4	-11.405.261	-9.579.743
Implementation funds from projects and programmes.....		11.072.215	9.673.965
Secretariat expenditure.....	5	-1.708.748	-1.871.268
CAPACITY EXPENDITURE.....		-2.041.794	-1.777.046
PROFIT FOR THE YEAR.....		575.339	224.209

BALANCE SHEET AS OF 31. DECEMBER

ASSETS	Note	2019 DKK	2018 DKK
Other fixtures and fittings, tools and equipment.....		7.863	16.797
Tangible assets.....		7.863	16.797
Deposits.....		393.240	385.250
Financial assets.....		393.240	385.250
FIXED ASSETS.....		401.103	402.047
Receivables.....		3.585	29.016
Receivables.....		3.585	29.016
Cash in hand and deposits in IWGIAS's accounts.....	6	4.363.637	2.641.211
Deposits in project accounts.....	7	10.032.492	6.288.596
Total cash.....		14.396.129	8.929.807
CURRENT ASSETS.....		14.399.714	8.958.823
ASSETS.....		14.800.817	9.360.870

BALANCE SHEET AS OF 31. DECEMBER

EQUITY AND LIABILITIES	Note	2019 DKK	2018 DKK
Equity at the beginning of the year		3.813.579	3.571.160
Change of equity due to correction of errors.....		-18.207	0
Profit/loss for the year.....		575.336	224.212
EQUITY.....		4.370.708	3.795.372
New Holiday Act.....		389.446	0
Received deposit		131.080	128.417
Long-term liabilities.....		520.526	128.417
Holiday pay.....		1.310.703	1.396.524
Other accrued expenses.....		794.331	901.898
Activities carried forward to next year.....	8	7.804.549	3.138.659
Accrued expenses.....		9.909.583	5.437.081
LIABILITIES.....		10.430.109	5.565.498
EQUITY AND LIABILITIES.....		14.800.817	9.360.870
 Project and programme subsidies and expenditure 2019	 8		
Lease commitments	9		

NOTES TO THE FINANCIAL STATEMENT

	2019 DKK	2018 DKK	Note
Other income			1
National numbers game subsidies (Lotto).....	48.831	49.348	
Subscriptions and sale to non-subscribers.....	20.210	13.958	
Private contribution (membership fees).....	34.457	32.421	
Miscellaneous income.....	63.748	97.051	
	167.246	192.778	
Board meetings, travel and PR			2
Board and Executive meetings.....	71.153	63.187	
Other expenditures, projects and programmes.....	177.675	54.613	
Travel, meetings, conferences and visitors.....	3.815	179.864	
Translation.....	26.038	0	
	278.681	297.664	
Publications expenditure			3
Publication expenditure.....	606.154	773.099	
Covered by Danida Frame Grant.....	-606.154	-773.099	
	0	0	
Staff expenditure			4
Salaries and fees.....	8.950.597	7.697.185	
Pensions.....	1.487.860	1.265.072	
Vacation.....	95.463	276.702	
Travel compensation.....	592.126	303.007	
Social benefits.....	68.633	62.669	
AUD, AES, maternity, etc.....	140.456	128.472	
Staff training.....	1.817	23.745	
Staff expenditure.....	1.863	2.706	
Job advertisement.....	16.508	34.231	
Other staff costs.....	279	5.318	
Adjustments of holiday payments.....	303.625	-2.430	
Public refunds.....	-253.966	-216.934	
	11.405.261	9.579.743	
Secretariat expenditure			5
Rent, electricity, heating, water supply, etc.....	693.897	963.757	
Office supply, phone, photocopying, books, etc.....	198.388	327.710	
Computer expenditure, programs and maintenance.....	378.209	313.283	
Daily postage and distribution.....	7.858	31.469	
Equipment and furniture.....	39.469	4.487	
Bank fees, insurances, membership fees, etc.....	174.156	138.861	
Audit.....	160.939	59.707	
Legal assistance.....	27.500	0	
Other expenditures.....	19.399	17.467	
Depreciation.....	8.933	14.527	
	1.708.748	1.871.268	

NOTES TO THE FINANCIAL STATEMENT

	2019 DKK	2018 DKK	Note
Cash in hand and deposits in IWGIAS's accounts			6
Sydbank, IWGIA Core.....	4.339.753	2.609.662	
Cash in DKK.....	600	301	
Cash in foreign currency.....	18.644	26.608	
USD account.....	4.640	4.640	
	4.363.637	2.641.211	
Deposits in projects accounts			7
DANIDA frame grant.....	882.019	1.226.338	
AECI, UN Mechanisms Madrid 2009.....	0	-316	
NORAD.....	1.628.272	2.326.066	
CISU Asia.....	0	194.060	
WCIP 2014, IFAD.....	139.007	139.304	
EU-funded ILO project.....	77.852	393.655	
IFAD II.....	0	7.270	
Danida ACHPR support 2014-2015.....	0	328.814	
Advancing IP's Rights (EU).....	0	3.270	
CSR Nepal.....	0	408.105	
IFAD II.....	173.890	30.306	
Making SDG´s Work for IP.....	2.788.731	361.945	
Corporate Social Responsibility, UM/GRV.....	0	51.487	
SDG's.....	0	13.763	
Inclusive Bottom-up processes, IFAD.....	331.212	230.567	
Support to LCIP.....	0	510	
GIZ National Dialogues.....	0	74.001	
Reflections of the prior & informed consultation.....	1.241.097	499.451	
IEHRD (NORAD).....	2.366.494	0	
Comic Relief.....	403.918	0	
	10.032.492	6.288.596	

NOTER

	2019	2018	Note
	DKK	DKK	
Project and programme subsidies and expenditure 2019			8
Project and programme subsidies.....	43.657.234	28.360.986	
Project and programme expenditures.....	38.944.825	34.541.313	

Comprehensive Survey of Activities		IWGIA Survey of Activities 31 Dec. 2019						
In DKK	Previous years Grants	2019 Subsidies	Total Subsidies & Grants	earlier years	Expenditure 2019	Total	Returned funds moved to Drift	Carried forward to 2020
Danida Frame Grant	33.333.500	16.666.500	50.000.000	33.371.052	16.683.559	50.057.611	-57.611	-
AECIL UN Mechanisms Madrid 2009	665.616	0	665.616	666.050	0	666.050	-	434,00
WCIP 2014, IFAD	4.321.238	0	4.321.238	4.182.013	0	4.182.013	-	139.225,37
EU-funded ILO project	3.718.160	800.708	4.518.868	3.380.403	1.093.968	4.474.371	-	44.497,01
Climate Change Africa(CISU)	4.985.021	-301.441	4.583.580	4.575.322	0	4.575.322	8.258	-
Adv. ips Rights (EU)	1.912.852	0	1.912.852	1.918.203	0	1.918.203	-5.351	-
CSR Nepal	3.022.851	-499.641	2.523.210	2.523.212	0	2.523.212	-2	-
UNDP	3.270.780	0	3.270.780	3.267.501	0	3.267.501	3.279	-
Co-Management Model/Russia	2.514.919	0	2.514.919	2.368.333	146.570	2.514.903	16	0,00
REDD+ Land and forrest Th. & Mya	3.251.272	0	3.251.272	3.244.645	-338	3.244.307	6.965	-
NORAD	20.388.447	7.093.626	27.982.073	19.112.113	7.631.408	26.743.521	-	1.238.552,61
IFAD II	3.167.096	19.634	3.186.730	3.174.006	43.479	3.217.485	-	30.755,67
FAO Increased awareness, Matrifocal-	150.501	0	150.501	104.017	0	104.017	0	46.484,00
Walking SDG's Work for IP	7.863.416	13.251.643	21.215.059	8.460.891	10.119.892	18.580.783	-	2.634.775,44
FAO and food security	758.000	124.341	892.341	873.270	14.127	892.397	-	56,19
Inclusive Bottom-up processes, IFAD (P9024)	1.214.393	330.584	1.544.977	1.123.931	542.527	1.666.458	-	121.481,02
Defending the defenders	232.300	0	232.300	235.356	-4.056	232.300	0	0,00
GIZ National 8075-1214091	265.455	-66.696	198.759	208.890	-11.098	197.792	967	0,00
Reflections of the prior&informed consultation	550.806	1.234.029	1.784.835	67.993	503.628	571.621	-	1.213.214,25
IEHRD (NORAD)	0	4.189.759	4.189.759	0	1.932.718	1.932.718	-	2.257.040,77
Comic Relief	0	624.188	624.188	0	248.440	248.440	-	375.747,19
Informal Technical Meeting	150.067	0	150.067	141.828	0	141.828	-	8.239,00
Total	96.146.689	43.567.234	139.713.923	93.008.029	38.944.825	131.952.854	-43.450	7.804.549

NOTES TO THE FINANCIAL STATEMENT

	Note
Lease commitments	9
Operating lease contracts on a rent obligation and a copier have been concluded for the years 2018 to 2023 and 2019 to 2023, respectively.	
Lease commitments	9
Rent obligation.....	1.922.492
Copier.....	54.216
	1.976.708

ACCOUNTING POLICIES

The Financial statement of IWGIA for 2019 is presented in accordance with the provisions of the Organisation's statutes and generally accepted accounting principles as described in the accounting policies. The presentation and accounting policies have been adapted to meet the special reporting needs for IWGIA as a support organisation.

The Financial statement has been presented applying the accounting policies consistently with last year. However, income and expenses relating to AID and development projects are shown as separate operating items in the income statement. This change has no impact on the results for the year.

Adjustments due to errors

The Organisation has in the financial year corrected errors regarding the deposit of rental agreement and accrued expenses, which the Organisation has not recognised correctly.

The net effect of the above errors is that deposits for 2018 were stated at DKK ('000) 502 which is an overstatement of DKK ('000) 117 and other liabilities for 2018 were stated at DKK ('000) 2,526 which is an overstatement of DKK ('000) 99 as compared to the actual deposit and liability for 2018. Moreover, the net effect of the above mentioned errors is that secretariat expenses for 2018 were stated at DKK ('000) 1,853 which is an understatement of DKK ('000) 18.

The comparative figures for 2018 are adjusted in the Annual Report to reflect the situation which should have been shown at 31 December 2018.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Organisation, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Organisation has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Organisation, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the Annual Report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

INCOME STATEMENT

Income

Administration fee is recognised when IWGIA has obtained the right to the income according to donor regulations. General grants and subsidies for IWGIA's core activities are recognised in the income statement in the year of receipt.

ACCOUNTING POLICIES

Projects and programmes

Grants and subsidies concerning programmes and projects are recognised as income. These grants, subsidies and expenditures are specified in note 8 and in the income statement.

Grants directly associated with concrete activities are entered in the project notes pertaining to the projects and programmes concerned.

Income and expenditure relating to activities that have not been completed by the end of the financial year shall have no bearing on the results, as the total result of such income and expenditure is entered in the item "Activities carried forward to next year". Expenditure paid by IWGIA in connection with the activities is entered in the income statement.

The account section (note) "Project and programme specifications" offers a comprehensive list of activities relative to donors.

Expenditure

The expenditures: "IWGIA project expenses" and "IWGIA Dandia Frame Grant" consist of IWGIA's contributions and transactions to projects and programmes.

Publications

Expenditure to cover the production of publications is entered on the basis of invoices from the suppliers and salary regarding publications.

Staff expenditure

Staff expenditure comprises salaries and wages as well as social security costs, pension contributions, etc. of the staff.

Income taxes

IWGIA is not subject to taxation.

BALANCE SHEET

Fixed assets

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Fixtures and fittings, tools and equipment.....	3-5 years	0 % of cost

Shares recognised under fixed assets comprise listed shares measured at fair value (quoted price) at the balance sheet date.

Deposits acquired are measured at cost less impairment losses.

Receivables

Receivables are measured at amortised cost usually equalling nominal value less provisions for bad debts.

Cash

Cash consists of cash in hand and IWGIA's bank deposits.

Bank deposits in project accounts are shown separately in the balance sheet under "Programmes and projects".

Liabilities

Financial liabilities are recognised at amortised cost which usually corresponds to nominal value.

ACCOUNTING POLICIES

Activities carried forward to next year

Activities carried forward to next year are the accumulated amount of the received subsidies and grants for ongoing projects, including co-financing by IWGIA and interest accrued on bank deposits in project accounts, less the accumulated expenditure on the same projects.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange rate differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the balance sheet date, are recognised in the income statement as financial income or financial expenses.