



INTERNATIONAL ORGANIZATION
OF SUPREME AUDIT INSTITUTIONS

PERFORMANCE AND ACCOUNTABILITY REPORT 2017—2018

Acronyms

CBC	Capacity Building Committee
FIPP	Forum on INTOSAI Professional Pronouncements
IDI	INTOSAI Development Initiative
IFPP	INTOSAI Framework for Professional Pronouncements
IJGA	International Journal of Government Auditing
INTOSAI	International Organization of Supreme Audit Institutions
INTOSAINT	INTOSAI Integrity Tool
ISSAI	International Standards of Supreme Audit Institutions
KSC	Knowledge Sharing and Knowledge Services Committee
OECD	Organization for Economic Cooperation and Development
PFAC	Policy, Finance, and Administration, Committee
PSC	Professional Standards Committee
SAI	Supreme Audit Institution
SAI PMF	SAI Performance Measurement Framework
SDG	Sustainable Development Goals
SDP	Strategic Development Plan
TFIAP	Task Force on INTOSAI Auditor Professionalization
3i	ISSAI Implementation Initiative
WGEA	Working Group on Environmental Auditing

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Executive Summary



The International Organization of Supreme Audit Institutions (INTOSAI) has made substantial progress toward the goals, objectives, and crosscutting priorities of its 2017-2022 Strategic Plan and is generally on schedule in the vast majority of initiatives and projects. Consistent with the INTOSAI Strategic Plan, and based on findings, this progress demonstrates INTOSAI's contributions, continued importance, and relevance in the international accountability and auditing community as it strives to enhance governance on a global scale. While INTOSAI and individual SAIs face challenges and obstacles, the mutual support provided within INTOSAI and across its membership and subsidiary bodies continues to strengthen the ability of SAIs to fulfill their mandates and enhance public governance.

A critical component of INTOSAI's success as an organization stems from the guidance provided by its Governing Board. Consistent with the Strategic Plan mandate, and based on the findings within this report, the following list of issues have been identified for consideration by the Governing Board as part of its efforts to ensure effective oversight and facilitate the success of INTOSAI, its subsidiary bodies, and member SAIs.

- Continued emphasis on fostering SAI independence and raising awareness of legislatures on the importance of independence.
- Continued INTOSAI and SAI efforts on implementation and monitoring of SDGs and UN Agenda 2030.
- Continued focus on the use of INTOSAI Standards by SAIs, including the need for reliable data on the extent to which SAIs use these standards.
- Support for the IFPP and FIPP as well as awareness-raising among SAIs about the process and the importance of developing and revising International Auditing Standards.
- Recognition of the accomplishments, importance, and needs of Regional INTOSAI bodies, especially regarding communication, resources, and technology.
- Continued focus on use of key tools and initiatives, including 3i, IntoSAINT, and SAI PMF.
- Use of accumulated surplus INTOSAI funds to facilitate progress in achievement of INTOSAI's mission and strategic plan.



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Overall, INTOSAI is demonstrating strong progress toward its goals and priorities and has already achieved numerous accomplishments.

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A MESSAGE FROM THE INTOSAI GS AND PFAC

On behalf of the INTOSAI General Secretariat and the PFAC, we are pleased to present the first INTOSAI Performance and Accountability Report identifying progress in implementing the 2017-2022 Strategic Plan adopted in December 2016 at the INTOSAI Congress in Abu Dhabi, United Arab Emirates.

Overall, INTOSAI is demonstrating strong progress toward its goals and priorities, and in this report we detail numerous accomplishments that have already been achieved. We also provide a list of action items for the Governing Board to consider as part of its efforts to further advance progress toward the plan's goals and priorities.

We would like to extend our gratitude to all of the INTOSAI bodies that contributed to this report, including the INTOSAI Chairman, Dr. Harib

Saeed Al Amimi (United Arab Emirates); the INTOSAI First Vice Chairman, Alexey Kudrin (Russian Federation); the Professional Standards (Brazil and European Court of Audit), Capacity Building (South Africa and Sweden), and Knowledge Sharing (India) Committees; the Supervisory Committee on Emerging Issues (United Arab Emirates); the seven INTOSAI Regional Organizations (AFROSAI, ARABOSAI, ASOSAI, CAROSAI, EUROSAI, OLACEFS, and PASAI); the INTOSAI Development Initiative; and members of the INTOSAI Governing Board.

Signed,

—Dr. Margit Kraker, INTOSAI Secretary General
—Dr. Hussam Alangari, PFAC Chair
—Mr. Gene L. Dodaro, PFAC Vice Chair

Organization & Mission

INTRODUCTION



INTOSAI is an autonomous, independent, professional, and nonpolitical organization that was established to provide mutual support; foster the exchange of ideas, knowledge, and experiences; act as a recognized voice

of Supreme Audit Institutions (SAI) within the international community; provide high-quality auditing standards for the public sector; promote good governance; and foster SAI capacity development and continuous performance improvement.

The organization's mission is to promote good governance by enabling SAIs to help their respective governments improve performance, enhance transparency, ensure accountability, maintain credibility, fight corruption, promote public trust, and foster the efficient and effective receipt and use of public resources for the benefit of their citizens.

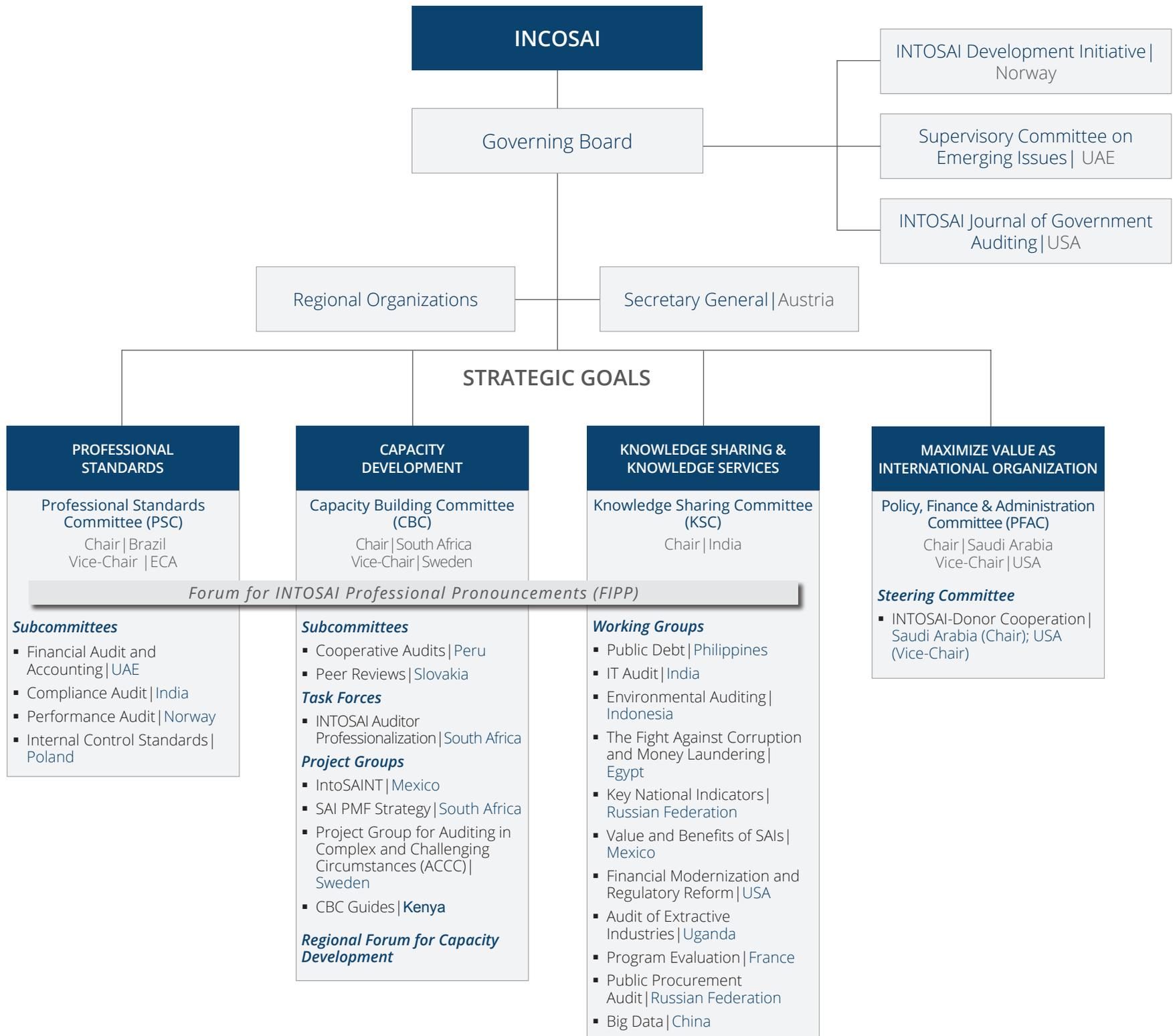
The 2017-2022 INTOSAI Strategic Plan is organized around four key goals and five crosscutting priorities that provide the overall strategic direction for INTOSAI; guide its efforts to provide mutual support to SAIs; and foster the exchange of ideas, knowledge, and experience among the international accountability community.

Recognizing the importance of performance assessment, the Strategic Plan calls for the Secretariat and PFAC—in coordination with other key INTOSAI bodies—to gather and review information on progress toward the Plan's goals and crosscutting priorities, develop a prioritized list of action items for consideration by the Governing Board, and present that information in a performance assessment report. In accordance with the Strategic Plan, this report will be provided to each INTOSAI member and external stakeholders, publicized in the International Journal of Government Auditing, and made publicly available on the INTOSAI website.

The report follows the structure of the Strategic Plan, highlighting progress and key accomplishments relative to its four strategic goals and five crosscutting priorities.



Organization Chart



Goal 1 Professional Standards



Promote strong, independent, and multidisciplinary SAIs and encourage good governance by: 1) advocating for, providing, and maintaining International Standards of Supreme Audit Institutions (ISSAI); and 2) contributing to the development and adoption of appropriate and effective professional standards.

STRATEGIC OBJECTIVES

- 1.1 Provide a strong organizational framework to support INTOSAI's standard setting including a permanent standard-setting board (the Forum for INTOSAI Professional Pronouncements), a technical support function, and an independent advisory function.
- 1.2 Ensure ISSAIs are sufficiently clear, relevant and appropriate to make them the preferred solution for INTOSAI's members. The ISSAIs should be widely recognized by all stakeholders as the authoritative framework for public sector auditing.
- 1.3 Promote the ISSAIs as a source for the development of auditor education and certification programs, as well as education and training standards.
- 1.4 Work toward and ensure the continued development and maintenance of the INTOSAI Framework of Professional Pronouncements.
- 1.5 Monitor the implementation and adoption of standards and feed any problems or issues back into the standard-setting process to ensure the standards are as useful and relevant as possible.



Under the leadership SAI Brazil (Chair) and the European Court of Audit (Vice Chair), the Professional Standards Committee (PSC) has made substantial progress toward the strategic objectives of Goal 1. Key accomplishments to date include:

- Consolidation of new structures and processes approved at INCOSAI 2016, such as the Forum for INTOSAI Professional Pronouncements (FIPP), new Due Process application, new INTOSAI Framework for Professional Pronouncements (IFPP) migration and Strategic Development Plan (SDP) implementation.
- Approval of a proposal to implement a proof-of-concept for a Technical Support Function for standard setting—mainly based on in-kind contributions—as well as the establishment of an enlarged Advisory Body for standard setting.
- Advancements in discussions on INTOSAI's standard setting strategy at the 2017 INTOSAI Governing Board Meeting and through the development of a concept paper presented to the PSC's Steering Committee in May 2018.



- Approval by the PSC Steering Committee on recommendations to strengthen its role in governance of the FIPP.
- Inclusion in the ISSAI.org webpage links to translations of ISSAI's for use by auditors worldwide.
- Advancement on the implementation of projects in the current Goal 1 Strategic Development Plan (SDP), revision and approval by the INTOSAI Governing Board of the current SDP, and approval of the next SDP planning process by the PSC Steering Committee.
- Contributions to the IDI ISSAI Implementation Initiative (3i) Program according to the Terms of Reference signed by the IDI, the PSC, and its Subcommittees.
- The PSC reports observing delays in the development of certain pronouncements, stressing the need to monitor and strengthen communication to ensure that all projects be developed within a reasonable timeframe. In addition, new structures and processes (IFPP, Due Process, FIPP and SDP) are still not widely known by the INTOSAI community, which has required the PSC to develop and disseminate additional information to bridge this gap.
- The PSC has encountered some challenges related to the availability of feedback and reliable monitoring data on ISSAI implementation. To address these challenges, the PSC is enhancing communication, promoting the use of tools, such as the SAI Performance Measurement Framework (PMF), and encouraging members to share ISSAI implementation results.

While the PSC has made substantial progress toward Goal 1, it is closely monitoring several areas where progress is behind schedule and is taking appropriate mitigating actions. Specifically:

Goal 2 Capacity Building



Support SAIs in developing capacity to maximize their value and benefits to society by: 1) promoting the development of capabilities and professional capacities of independent SAIs and regional organizations; 2) informing INTOSAI decision-making on SAI capacity development matters; and 3) cooperating with donors, relevant partners, and stakeholders.

STRATEGIC OBJECTIVES

- 2.1 Identify capacity development challenges and opportunities to facilitate access to solutions, including accessing the INTOSAI–Donor Cooperation.
- 2.2 Strengthen structured INTOSAI professional development as an anchor for professional capacity development and potential INTOSAI auditor professionalization.
- 2.3 Advocate for and support the development of capacity at both the SAI and regional level and maintain and enhance the usefulness and use of SAI PMF.
- 2.4 Share capacity development insights and ensure responsiveness to SAI needs through, for example, communities of practice.
- 2.5 Engage strategically with the wider international development community in the interest of SAI capacity development.



Under the leadership of SAI South Africa (Chair) and SAI Sweden (Vice Chair), the Capacity Building Committee (CBC) has made substantial progress toward Goal 2. Key accomplishments to date include:

- Completing and obtaining feedback through the Task Force on INTOSAI Auditor Professionalization (TFIAP) on the first draft of a guide on pathways for auditor professionalization in SAIs. This includes analyzing options for including SAIs with jurisdictional responsibilities, developing an informational video, and launching a pilot for using the TFIAP/INTOSAI competency framework for auditor certification.
- Expanding the IDI Regions Annual Workshop into an INTOSAI Regions Coordinating Platform that met in June 2018. The platform provides a single forum for tactical and operational coordination and alignment of common efforts. It also maintains the importance of capacity development and professionalization as an INTOSAI priority while strongly supporting crosscutting priority 5—building upon, leveraging, and facilitating cooperation and professionalism among the INTOSAI Regional Organizations.
- Continuing to make available expertise, knowledge, and guidance materials through work streams focused on peer reviews and cooperative audits to enhance capacity building efforts among SAIs.
 - The Subcommittee on Peer Reviews completed a survey in 2017 that shows 107 peer reviews had been completed across the INTOSAI



community from 1999 through 2017. The survey also shows widespread support for peer reviews as a means for continuous improvement. In addition, the subcommittee held a meeting in June 2018 to exchange information and best practices.

- Development of an online course on cooperative audits through the Subcommittee on Cooperative Audits to be delivered in Spanish and English, as well as a virtual catalogue of completed cooperative audits.
- Approving the 2018 annual global implementation plan for the SAI PMF, as well as continued promotion of the PMF tool among regional INTOSAI bodies.
- Working with Regional Organizations and other partners to roll out the IntoSAINT tool as part of the commitment to strengthening SAI integrity and credibility at a global level. A portion of the funds the CBC received from INTOSAI will be used to harmonize materials, integrate lessons learned, and coordinate with regional bodies to support the global roll out. Additional funding will be required to support related training efforts.
- Conducting a meeting with the project group on SAIs in fragile situations in which the group identified opportunities for additional interactions to address common challenges.

While the CBC has made substantial progress toward Goal 2, it is closely monitoring several areas where progress is behind schedule and is taking appropriate mitigating actions. Specifically:

- CBC has experienced slight delays updating one of its guides and will either identify volunteers to conduct the update or outsource the work. CBC also has concerns about the level of use of its website and its relevance and seeks to continuously update the website and broaden its use.
- The IntoSAINT integrity tool has been rolled out to the INTOSAI regions, but implementation has been delayed, and additional funding is required to launch a train-the-trainer program. As a mitigating measure, the CBC is requesting additional funds from INTOSAI for this purpose and will also cooperate with regional secretariats in advancing use of IntoSAINT.
- CBC seeks to further enhance coordination among INTOSAI bodies interacting with the development community and increase the availability of CBC leadership for meetings and engagement with key actors, and it has increased its engagement in these areas.



The Self-Assessment of Integrity (IntoSAINT) contributes to the achievement of Strategic Objective 2.2 of the INTOSAI Strategic Plan 2017-2022: Strengthen structured INTOSAI professional development as an anchor for professional capacity development and potential INTOSAI auditor professionalization.

The application of IntoSAINT helps toward this objective by: (1) making SAIs and their staff aware of the relevance of integrity for public sector institutions, especially for SAIs as watchdogs of public resources; (2) helping SAIs identify their integrity risks and assess the maturity level of their integrity control systems; and (3) providing SAIs with tailored recommendations to better manage organizational integrity.

In addition, IntoSAINT contributes to creating the appropriate environment for SAIs to implement the first level of the ISSAI Framework. Specifically, by conducting self-assessment workshops in their institutions, SAIs are likely better positioned to apply the *Code of Ethics* (ISSAI 30) and establish controls that link to the institutional *Quality Control Framework* (ISSAI 40).

Goal 3 Knowledge Sharing & Services



Encourage SAI cooperation, collaboration, and continuous improvement through knowledge development, knowledge sharing, and knowledge services, including: 1) producing and revising INTOSAI products; 2) providing benchmarks and operating a community portal; and 3) conducting best practice studies and performing research on issues of mutual interest and concern.

STRATEGIC OBJECTIVES

- 3.1 Develop and maintain expertise in various fields of public sector auditing and help to provide content to the INTOSAI Framework of Professional Pronouncements.
- 3.2 Enable wide exchange of knowledge and experience among INTOSAI members.
- 3.3 Working with CBC, IDI, and other INTOSAI entities, facilitate continuous improvement of SAIs through knowledge sharing on the crosscutting lessons learned from the results of peer reviews and SAI PMF.

Under the leadership of SAI India (Chair) the Knowledge Sharing and Knowledge Services Committee (KSC) has made substantial progress toward Goal 3. Key accomplishments to date include:

- The KSC has undertaken several key efforts to streamline and harmonize professional pronouncements, especially in light of the new IFPP. Five of its working groups are preparing new guidance materials for the IFPP, as well as revising and consolidating existing pronouncements.
- In June 2018, KSC completed a major revamp of the INTOSAI Community Portal to incorporate the websites of all of its Working Groups. The portal focuses on helping auditors and provides multilingual support in all of the INTOSAI languages and works on different types of portable devices. It also includes a video-conference facility, polling and survey features, and chat forums.
- In advance of INCOSAI 2019, KSC has undertaken crosscutting research projects on auditing emergency preparedness and citizen participation in public audit, led by SAI Guatemala and SAI Indonesia, respectively.
- KSC has also focused extensively on generating and disseminating knowledge and experiences through country paper presentations, training programs, databases including key audits and good practices, seminars and workshops, social media, and the INTOSAI and ASOSAI Journals.
- KSC and its working groups have enhanced stakeholder engagement with key international bodies such as the Basel Committee, the International Monetary Fund, the World Bank, United Nations bodies, IDI, and INTOSAI regions.

While the KSC has made substantial progress toward Goal 3 and is on track to achieve the strategic objectives, it identified resource constraints as a key risk to fully achieving the vision of the INTOSAI Strategic Plan. Specifically, KSC identified limited funding and a reliance on in-kind contributions from the Goal Chair and Working Group Chairs and members as a source of unpredictability.



NEW INTOSAI COMMUNITY PORTAL

In June 2018, KSC completed a major revamp of the INTOSAI Community Portal to incorporate the websites of all of its Working Groups. The portal focuses on helping auditors and provides multilingual support in all of the INTOSAI languages and works on different types of portable devices. It also includes a video-conference facility, polling and survey features, and chat forums.

Goal 4 Maximize INTOSAI Value



Organize and govern INTOSAI in ways that promote economical, efficient, and effective working practices; timely decision-making; and effective governance practices, while maintaining due regard for regional autonomy, balance, and the different models and approaches of member SAs.

STRATEGIC OBJECTIVES

- 4.1 Monitor the implementation of the INTOSAI Strategic Plan, including INTOSAI's performance management efforts and contributions to the follow-up and review of the Sustainable Development Goals.
- 4.2 Manage and oversee INTOSAI's resources to carry out the tasks outlined in the Strategic Plan in the best possible manner.
- 4.3 Sustain and further develop the efforts of the INTOSAI Donor Cooperation.
- 4.4 Ensure INTOSAI's organizational structure, outreach, communications, and decision-making processes operate in an efficient, effective, and economical manner to the maximum benefit of SAs.

Under the leadership of SAI Saudi Arabia (Chair) and SAI USA (Vice Chair), the Policy, Finance, and Administration Committee (PFAC) has actively engaged with the INTOSAI community in fulfilling its responsibilities under Goal 4. Key accomplishments to date include:

- The PFAC has worked closely with the General Secretariat in monitoring and maintaining INTOSAI's finances to ensure that it remains in a sound financial position (see Annexes I and II).
- INTOSAI has received a clean audit opinion on its financial statement, which included an external review from the Auditors General of Ghana and Lithuania. The PFAC coordinated closely with the INTOSAI Secretariat and the INTOSAI Chairman in overseeing improvements to the financial statement that enhance its clarity.
- The PFAC has worked extensively to facilitate the success of the INTOSAI Donor Cooperation and contribute to its policy direction with a focus on the Tier 2 Program targeting SAs in fragile situations. Between 2012 and 2017, support from donors to SAs has increased from \$54 million to over \$68 million annually, an increase of over 25 percent. Working with the donor leadership and the Donor Cooperation Secretariat, the PFAC has helped guide the implementation of Tier 2 for nine developing nations in sub-Saharan Africa. The PFAC is closely monitoring the Tier 2 process—which relies heavily on peer-to-peer support—to identify opportunities for more widespread dissemination across INTOSAI regions.
- An independent 2018 review of the Donor Cooperation found that the Donor Cooperation leadership had fully addressed its commitments stemming from recommendations in a 2015 evaluation report that identified several challenges and opportunities. For example, the 2018 review found that key results indicators were aligned with the key principles of the Cooperation's Memorandum of Understanding. The review also found that the Cooperation had an adequate results system and framework for results reporting.
- Actively monitoring implementation of the Strategic Plan, including coordinating with the Chairs of Goals 1-3 and other key INTOSAI bodies in obtaining performance data on progress toward the plan's Goals, Strategic Objectives, Key Strategies, and Crosscutting priorities. This information was presented at the PFAC meeting in September 2017 and at the November 2017 Governing Board Meeting, and it is also



featured in this report. In addition, the Goal Chairs will provide updated information on their progress toward the Strategic Plan at the November 2018 Governing Board meeting.

- Enhancing communication within INTOSAI through the rollout of a new IJGA website. Launched in May 2018, the new website facilitates communication across the INTOSAI community through enhanced emphasis on social-media, real-time reporting, multi-media tools, and interactive features.

While INTOSAI is largely on track in achieving the goals and objectives of the Strategic Plan, a key challenge involves the status of an accumulated surplus in INTOSAI accounts. The PFAC has actively sought to distribute a portion of this funding to the Chairs of Goals 1-3 for efforts that would advance implementation of the Strategic Plan. However, distribution of the surplus funds has been temporarily delayed while INTOSAI revises its Statutes and Financial Regulations

and Rules to generally clarify the process for using surplus funds. The PFAC is closely monitoring this situation and will continue to encourage the use of surplus funds for activities that contribute to achievement of the Strategic Plan.

\$68 MILLION +

The PFAC has worked extensively to facilitate the success of the INTOSAI Donor Cooperation and contribute to its policy direction with a focus on the Tier 2 Program targeting SAIs in fragile situations. Between 2012 and 2017, support from donors to SAIs has increased from \$54 million to over \$68 million annually, an increase of over 25 percent.

Crosscutting Priorities

CROSSCUTTING PRIORITY 1

Advocating for and supporting the independence of SAIs

INTOSAI strongly advocates for and supports constitutional and legal frameworks that call for comprehensive audit mandates, unlimited access to needed information, and allow for the unrestricted publication of SAI reports. INTOSAI supports organizational and financial independence in accordance with the Lima (ISSAI 1) and Mexico (ISSAI 10) declarations and their underlying principles of independence.

In 2017, IDI reported the results of its most recent global survey and analysis of related data at the PFAC and Governing Board Meetings, including information on SAI independence.

Overall, the survey identified ongoing challenges related to SAI independence, including:

- Globally, 44 percent of SAIs met IDI's benchmark on SAI independence.
- Most SAI budgets continue to be overseen by bodies the SAI audits.
- Some SAI's are experiencing increased executive interference in their budget processes.
- SAIs reporting executive interference in their budget process rose from 41 percent in 2014 to 75 percent in 2017.
- Fewer audit reports are being published around the world.

Subsequently, the INTOSAI Secretary General summarized these findings in a letter to the United Nations to raise awareness among the UN Member States regarding the important role of providing SAIs with adequate independence to conduct their work.

CROSSCUTTING PRIORITY 2

Contributing to the follow-up and review of the Sustainable Development Goals

SAIs play an important role in the implementation of the SDGs. Therefore, INTOSAI has launched numerous initiatives to support SAIs in making an essential contribution to the success of the 2030 Agenda and the SDGs. The role of SAIs with regard to reviewing and monitoring the implementation of the SDGs was, for example, one of the two focal

themes taking center stage at INCOSAI XXII in Abu Dhabi in 2016. The Congress confirmed the avid interest of SAIs in carrying out audits and reviews with regard to the SDGs via the following four approaches:

- Assessing the preparedness of national governments to implement the SDGs;
- Undertaking performance audits in the context of the SDGs;
- Contributing to the implementation of SDG 16, which envisages effective, accountable, and transparent institutions; and
- Possibilities for SAIs to act as models of transparency and accountability in their own operations.

Since INCOSAI XXII, more than 100 SAIs have shown concrete interest in carrying out SDG-related audits. INTOSAI is therefore intensively concerning itself with the implementation of the SDGs from the viewpoint of auditors. In doing so, it has also taken into account the need for a comprehensive audit approach and the inclusion of external stakeholders in audits. This approach also includes providing a stimulus for the implementation of the SDGs through audits or the application of indicators. Coordinated audits are, moreover, valuable opportunities for the mutual exchange of knowledge and experience. INTOSAI plans to publish completed SDG-related audits on its website.

In addition, INTOSAI aims to play an active role in the follow-up and review of the 2030 Agenda for Sustainable Development and the SDGs in context of the UN High-level Political Forum on Sustainable Development, which is the central global platform in this regard.

On 18 July 2018, the INTOSAI General Secretariat, in cooperation with the UN and the Permanent Representations of Austria and Canada to the UN, organized a side event in the framework of the HLPF 2018. The roundtable discussion focused on the results achieved in the framework of auditing the preparedness of national governments to implement the SDGs. Representatives of SAIs that had already conducted performance audits presented their experiences in carrying out these preparedness audits. The exchange of experiences confirmed that through preparedness audits, SAIs can assume an important advisory function. In addition, the discussions provided vital insights into the various approaches of SAIs in auditing the implementation of the SDGs.

The “SAI Leadership and Stakeholder Meeting” on “Contributions of Supreme Audit Institutions,” which was jointly organized by the IDI and the UN from 19 to 20 July 2018, aimed at the exchange of knowledge and experiences of SAIs from all INTOSAI regions against the backdrop of the “Auditing the SDGs” program of IDI and the INTOSAI KSC. The “Auditing the SDGs” program supports more than 70 SAIs around the world in carrying out SDG-related performance audits. The exchange of experiences focused on different approaches that should be taken into account in the context of SDG audits, possibilities of building capacities for SAIs with regard to the conduct of SDG audits, and the expectations of different stakeholders toward SAIs in this regard. The discussions showed that in general SDG audits had a positive effect on the national governments’ awareness of the role of SAIs in the implementation of the SDGs. However, they also revealed that SAIs contributing to the Agenda 2030 are still facing challenges relating to their mandate, capacities, methodologies, and resources.

CROSSCUTTING PRIORITY 3

Ensuring effective development and coordination across Goals 1-3

Representatives of the chairs and vice-chairs of INTOSAI’s three main committees—the PSC, CBC and KSC—meet regularly to coordinate their respective activities and shared responsibilities. In February 2018, the CBC Chair (Auditor-General of South Africa) welcomed the other committees to Cape Town.

In addition to general coordination of respective activities, such as the revised INTOSAI Community Portal and the June 2018 INTOSAI-Regions Coordination Platform meeting in Oslo, the Goal Chair secretariats discussed processes to establish the new strategic development plan for INTOSAI standards (2020-2025) along with a wide range of aspects related to FIPP functions. FIPP leadership met via teleconference to align efforts and enhance effective communication.

The Goal Chairs have highlighted several key challenges for consideration by the Governing Board, including:

- Funding constraints and related dependence on in-kind support from goal chairs, vice chairs, and work stream chairs and members that may result in capacity constraints affecting accomplishment of the Strategic Plan.

- The availability of INTOSAI surplus funds to support activities and work streams of Goals 1-3.
- Issues pertaining to FIPP operations, including awareness of FIPP roles and responsibilities and resistance to the new structure and work procedures.
- Availability of systematic monitoring data on ISSAI implementation to inform the work of INTOSAI bodies.

CROSSCUTTING PRIORITY 4

Creating a strategic and agile INTOSAI that is alert to and capable of responding to emerging international opportunities and risks

The Supervisory Committee on Emerging Issues (SCEI) formed an expert group to accelerate collaboration across INTOSAI bodies and identify emerging issues for consideration by the Governing Board. The expert group developed templates to standardize data collection from INTOSAI organs and related bodies and to enhance subsequent analysis. In its first round of scanning this year, SCEI identified 3 major categories of emerging issues, with strategic, global, regional and local implications for INTOSAI and its members. These emerging issues include the impact of technologies like blockchain, automation, and AI on audit processes and standards; the impact of social, environmental and economic trends like aging populations, migration, climate change, and increases in global debt on elements of sustainable development; and growing threats from international corruption, including illicit financial flows. The SCEI further made recommendations on the best ways for the GB to consider addressing these emerging issues within the context of INTOSAI.

SCEI’s analysis and reports are available on the KSC portal to enhance knowledge sharing. The SCEI also plans annual reviews of identified emerging issues unless matters are deemed immediate by the Chair or Secretary General.

To ensure a more agile approach is followed by the INTOSAI community, the SCEI’s Terms of Reference now includes an option for immediate responses, as elaborated above.

Crosscutting Priorities

CROSCUTTING PRIORITY 5

Building upon, leveraging, and facilitating cooperation and professionalism among the regional organizations of INTOSAI

INTOSAI's seven regional organizations provide an essential means of accomplishing INTOSAI's goals across diverse cultural and geographic contexts. In turn, the experiences of the regional organizations provide an essential and mutually beneficial perspective that informs and guides INTOSAI's efforts.

2017 marked an important milestone for cooperation across the INTOSAI enterprise, with the creation of an INTOSAI-Regions Coordinating Platform that includes all INTOSAI organs and regional organizations. The Platform was an outgrowth of the existing INTOSAI-Regions annual workshop. The new Platform held its first meeting in June 2018, and participants shared information on quality assurance, communications platforms, capacity development, auditor professionalization, and risks and emerging issues.

The following summarizes key accomplishments and challenges across the INTOSAI regions.

AFROSAI

Key Accomplishments

- Sixteen AFROSAI members participated in an IDI program on the state of preparedness for the implementation of the SDGs.
- AFROSAI has undertaken numerous initiatives targeting illicit financial flows, including:
 - Conducting a joint audit of illicit financial flows with 11 African SAIs. The results of this audit were presented at the African Union summit in Mauritania in June 2018.
 - Meeting to discuss various means of fighting illicit financial flows as part of the Revision of the National Processes of Transparency, Risk Management, and Fraud Protection, and in partnership with the African Financial Governance Network (African Organization of Public Accounts Committees (AFROPAC), the Forum on African Tax Administration (ATAF), and the African Concerted Initiative on Budget Reform (CABRI)).
 - Establishing and piloting in five African nations a country risk profile tool to effectively fight against illicit financial flows.

- A group of Francophone SAIs developed and adopted audit tools for use in the extractive industries sector and trained 30 auditors in its use.
- As part of the Women African SAIs Leadership Program, AFROSAI members have sought to enhance the capacity of female leaders. The program has enabled 18 women to increase their leadership and strategic thinking skills and to implement strategic reform projects within their respective SAIs.
- Emphasis has been placed on auditor professionalization with numerous related efforts, including the development of a competency framework for auditors and an accelerated learning curriculum, as well as the expansion of professionalization efforts across sub-regional bodies to create the "African Professionalization Initiative."
- AFROSAI and EUROSAI have adopted an Action Plan to implement a memorandum of understanding signed in 2014 as part of the partnership between INTOSAI Regional Organizations, and AFROSAI has begun implementing a coordinated audit with OLACEFS.

Challenges

AFROSAI is developing a platform for management and knowledge sharing, and it has raised questions about how best to operationalize this platform in a way that reinforces the coherence of actions among member SAIs and different linguistic subgroups while also streamlining communication with external stakeholders.

ARABOSAI

Key Accomplishments

- Developing a state of the region report regarding the capability of SAI's to respond to the expectations resulting from agenda 2030 (inception report approved by the Governing board March 2018).
- Carrying out a self-evaluation in collaboration with AFROSAI-E and IDI. This evaluation is expected to be completed in 2019.
- Conducting a joint-scientific event with AFROSAI-E on the sideline of the ARABOSAI's Governing Board (late March 2018) where experiences of the two regions and Arab SAI's were discussed. A report on this event has been circulated.

- Holding two joint workshops with AFROSAI-E on audit of SDG's and quality assurance during the fourth quarter of 2018.
- Joining the INTOSAI working group on the audit of extractives industries.
- Finalizing and implementing the 2018-2020 ARABOSAI Strategic Plan.
- Redrafting ARABOSAI's statutes in line with the INTOSAI statutes.

Challenges

ARABOSAI identified challenges related to resource constraints, including human resources to address technical issues and financial resources. They also cited differences among their members in their awareness of SDGs and implications for SAIs. Lastly, ARABOSAI reported challenges in maintaining the Arabic version of the IDI-KSC portal and using the IDI e-learning platform.

ASOSAI

Key Accomplishments

ASOSAI has pursued numerous opportunities to collaborate with other INTOSAI regional bodies, including:

- Developing Terms of Reference for a EUROSAI-ASOSAI Joint Conference supporting inter-regional cooperation.
- Signing a memorandum of understanding between AFROSAI and ASOSAI to expand knowledge sharing across regions.
- Providing member SAIs with opportunities for capacity development and knowledge sharing, and organizing capacity development programs.
- Launching a new blended capacity development program that combines e-learning and face-to-face meetings to allow more participants to join the program.
- Improving the ASOSAI website home page, including the creation of communities of practice for participants in the ASOSAI capacity development program that facilitates access to sharing information and opinions.

Challenges

ASOSAI identified challenges related to ensuring alignment of its activities to other INTOSAI initiatives and staying informed about

current discussions and developments within INTOSAI. ASOSAI also highlighted the importance of capacity development activities and the need to explore cooperative and parallel audits as potential ways (outside of traditional training programs) to enhance the capacity of its members.

CAROSAI

Key Accomplishments

- The four strategic goals defined by INTOSAI have been fully integrated in CAROSAI's Strategic Business Plan 2017-2021, which identifies three priority areas to guide the region in its efforts to increase the capacity and competence of its SAIs. The three areas are: 1) High Quality Audits Creating Regional Impact, 2) Strategic Performance Measurement and Reporting for Effectiveness, and 3) Effective Stakeholder Engagement to Maintain Relevance.
- As a means of implementing its SBP, the CAROSAI Executive Council and its operational arm the Secretariat, led by the General Secretary, has sought to maintain inclusiveness as a means of maintaining the momentum gained at CAROSAI's 10th Congress in 2016, where the three priority areas were defined. This focus on momentum has led to the SAIs participating in several initiatives geared toward both the regions' strategic priorities and INTOSAI's strategic goals.
- To increase regional cooperation and leverage institutional relations and synergies, CAROSAI has increased its collaboration with bodies such as IDI and donor organizations, among others. These relationships have afforded support in capacity building, especially in conducting audits using ISSAIs. CAROSAI sees a link between high-quality audits and its ability to advocate for SAI independence. For example, in 2017, CAROSAI embarked on a Collaborative Procurement (Compliance) Audit Programme. The Inter-American Development Bank (IDB) supported the programme from its inception is providing assistance in developing the programme and, most importantly, remained committed to completing the programme. The audit reports are being finalized at the SAI level and are to be presented to their respective legislatures; after which, a compendium report will be developed and published with support from the IDB. This will be a first for the region, and it is a success that the region intends to build on as it seeks to fully implement the ISSAI standards.

Crosscutting Priorities

- The region has sought to complete the SAI PMF for all SAIs. Of the six completed, four were financed by an international donor. The remaining SAIs opted for a self-assessment. Each SAI is now actively seeking to address the findings, to improve where needed, and build on gains made. This information will then be translated into developed strategic business plans from which individual SAI's performance can be monitored and evaluated.
- The region completed the second workshop, entitled "Report Writing," in its collaborative Compliance Procurement Program. It was the first program of its kind undertaken by the region, involving ISSAI-trained facilitators to support program specialists who were funded by the IDB and the World Bank.
- The region signed a memorandum of understanding with the Institute of Chartered Accountants for the Caribbean (ICAC), which allows for support in capacity development in both regional bodies and technical expert support where needed. CAROSAI intends to similarly engage other regional stakeholders. A stakeholder engagement plan is to be completed for CAROSAI, utilizing the same methodology executed by 11 SAIs in the region that participated in the IDI Strategic Stakeholder Engagement Program.

Challenges

Competing demands and limited human resources continue to be a constraint for the SAIs within the region. While the SAIs would like to participate in programs such as the SDG, SAI-PMF, and SAIs Fighting Corruption, the limited number of auditors available restricts their participation. Travel within the region is also very expensive and has forced the region to find alternative means of maintaining communication and collaboration consistent with the Region's Strategic Business Plan.

EUROSAI

Key Accomplishments

- Approval of the EUROSAI Strategic Plan 2017-2023, its Operational Plan, and the General Procedures for the ESP (March 2018).
- Extensive collaboration with other INTOSAI Regional Organizations, including:

- Identification of topics of mutual interest for inter-regional cooperation at the 2017 Oslo Regions Platform meeting; approval of Terms of Reference (ToR) for future Joint Conferences with OLACEFS, ARABOSAI, and ASOSAI; and agreement on a EUROSAI-AFROSAI cooperation framework.
 - Selection of SAIs to host joint conferences with ASOSAI and OLACEFS (Israel, 2019 and Hungary, 2020).
 - Inclusion, following the EUROSAI Secretariat's proposal, of region-to-region practical knowledge-sharing sessions at the INTOSAI-Regions Coordinating Platform meetings. The EUROSAI Secretariat chaired the first such session, with very positive feedback from the participating Regions on its usefulness and added value.
- Achievements in the field of IT audits, including development of an Active IT Audit Manual in collaboration with INTOSAI experts that provides an automated solution to support IT audits at the planning and implementation stages. An international workshop on this topic was held in Portugal in 2017. In addition, an international report of the EUROSAI parallel audit on data protection was finalized.
 - Achievements in the field of environmental audits, including membership of the EUROSAI Working Group on Environmental Auditing (WGEA) in a new high-level expert group on Environmental Compliance and Governance established by the European Commission. EUROSAI is also participating in three cooperative audits under WGEA focused on energy efficiency, multilateral environmental agreements on air pollution, and Mediterranean Marine Protected Areas. Other key initiatives include organizing a 2017 training seminar on data analysis in environmental audits, cooperating with INTOSAI by participating in the 2017 AFROSAI WGEA Annual Meeting, the 2017 INTOSAI Working Group on Environmental Audit meeting, and the 2018 ASOSAI WGEA Working meeting. In addition, an online open course on auditing water issues will be launched in 2018.
 - Achievements in auditing funds allocated to disasters and catastrophes, including launching three coordinated audits related to flooding, earthquakes, and waste management under a EUROSAI Working Group; promoting the implementation of relevant ISSAIs; developing a new structure for good practice recommendations related to flood management; contributing

to relevant Sustainable Development Goals, such as making cities inclusive, safe, resilient, and sustainable; and developing indicators for the SDGs as well as ideas for new topics on auditing implementation of relevant SDGs.

- Achievements in the field of audit ethics, including finalizing two guidelines, approving a guideline for conducting INTOSAI self-assessments, cooperating with OECD, participating in relevant conferences such as the Auditors Alliance, and assisting SAIs in building ethics control systems.
- Achievements in auditing municipalities, including cooperation with the European Organization of Regional External Public Finance Audit Institutions (EURORAI) through the EUROSAI Task Force on Municipality audit; analyzing the external audit systems of 26 TFMA members' countries as well as related audit methodologies; and identifying the most relevant areas for conducting cooperative audits.

Challenges

- Improving communication, especially challenges attributable to the high number of different languages spoken by EUROSAI members. This can limit access to the Organization's activities (seminars, the translation of ISSAIs, cooperative audits, and dissemination of its products among members).
- Member SAIs represent nations with different stages of development. For example, 37 members are in developed countries and 13 are in developing countries. This challenge does provide an opportunity for peer-to-peer support.
- There are 29 members that belong to the EU Contact Committee (CC), some of which are focusing their international cooperation more in that sphere than in EUROSAI and INTOSAI, given the limited resources for these activities.
- External cooperation needs to be improved not only with professional organizations, but also with civil society.
- Managing and auditing ethics are still challenges for SAIs, especially considering that the new version of ISSAI 30 is very recent and has not yet been implemented.
- The profound and rapid changes in the operational environment and the emerging issues SAIs face related to the SDGs, technology,

strategic issues, change management, population and demography, and European Union political developments.

OLACEFS

Key Accomplishments

- Achieving numerous successful outcomes related to engagement with regional INTOSAI bodies and international organizations, including adoption of the terms of reference for joint meetings with EUROSAI, reaching agreement with AFROSAI on a coordinated audit of biodiversity (with support from the German Gesellschaft für Internationale Zusammenarbeit), development of a coordinated audit on gender equity with IDI, and training of mentors and adaption of the eLearning course material for auditing SDGs and anti-corruption in cooperation with IDI.
- Facilitating substantial cooperation through coordinated audits on roadworks, governance of border areas, compliance with the SDGs, and renewable energy. Additionally, OLACEFS developed an application to consolidate all the results of coordinated audits on SDGs.
- Creating a task force within its Capacity Building Committee to develop a postgraduate certification program in external control. Other educational efforts included development of an Educational Management System and related training plan involving 35 courses.
- Adoption IntoSAINT through various mechanisms, including organizing a regional course for moderators and promoting its use among SAIs based on the experiences and lessons learned through use of the tool by Chile, Ecuador, and Mexico.
- Presenting the index of availability of information to the public on the institutional management of the Supreme Audit Institutions (IDIGI-EFS) in October 2017 and developing pilots for the improvement of the index during 2018. OLACEFS also developed the 2nd Edition of the Internal Control Index Project with COSO approach (ICI).
- Supporting the use of ISSAIs through a training course, web-based resources, and updating the ISSAI Awareness Strategy.

Crosscutting Priorities

- Promoting the use of SAI PMF among 11 SAIs that have used the tool and developing courses on SAI PMF methodology and dissemination.
- Updating the OLACEFS communications policy and disseminating news bulletins and journals.
- Emphasizing the role of citizen participation in audits, including an effort in Bolivia to involve citizens in recommendation follow-up, and developing a course on citizen participation in SDG audits.
- Developing two “massive online open courses” (MOOCs)—one on the role of SAIs and Sustainable Development Goals and the other on Performance Audit, which will both be made available to the entire INTOSAI community.
- Enhancing the use of big data in audit functions, including through a related theme at the 2017 General Assembly.

Challenges

OLACEFS identified the process for applying to the INTOSAI Donor Cooperation as a challenge, as some members see opportunities for clarifying and simplifying the process. In addition, OLACEFS highlighted the important role of regional bodies in INTOSAI, especially in communicating about key INTOSAI decisions. Lastly, OLACEFS encouraged INTOSAI to evaluate the format of its meetings to ensure they focus on decision-making and substantive discussions.

among SAIs; promoting use of the SAI PMF by 11 SAIs to enhance strategic planning and related funding proposals; and providing training and workshops on auditing standards, communication, and other capacity development topics.

- Implementing a communication strategy involving the PASAI website and social media networks to share PASAI programs and activities in real time.
- Developing a funding strategy and establishing collaborative relationships with development partners.
- Establishing a Monitoring, Evaluation, and Reporting (MER) framework to monitor and report performance relative to the strategic plan.

Challenges

PASAI has identified funding as its greatest challenge and has suggested a special funding scheme for small island states as well as support for SAIs to access funds from international bodies, such as the Global Environment Facility and the Green Climate Fund. PASAI would also like to see INTOSAI support region-to-region programs and advocate for international and multilateral donor and accounting bodies to recognize and invite INTOSAI regions and SAIs to participate in relevant capacity building programs. PASAI would also like for INTOSAI to consider providing technical support to assist in implementing the MER framework to track progress.

PASAI

Key Accomplishments

- Collaborating with SAI Kiribati and SAI Tuvalu to obtain enhanced audit legislative authority, developing an independence resource kit used by SAIs as part of their efforts for legislative reforms and increased independence, conducting advocacy and engagement programs for SAIs stakeholders and Public Accounts Committees, and providing specific technical support to update and improve the quality of audits.
- Facilitating a cooperative audit involving 10 members focused on auditing preparedness for implementation of the SDGs; encouraging intra-regional cooperation and twinning projects

INTOSAI DEVELOPMENT INITIATIVE

The INTOSAI Development Initiative (IDI) has played a critical role in advancing INTOSAI's Strategic Plan implementation, as IDI is an essential INTOSAI mechanism that provides on-site support for professional standards, capacity development, and knowledge sharing. Through concentrated efforts toward the five crosscutting priorities, IDI's work in 2017 included a portfolio of 13 programs, all of which were based on SAI needs developed from extensive dialogue with SAI's and INTOSAI regions. The programs, delivered in cooperation with numerous INTOSAI bodies, regional organizations and other partners, such as the United Nations Department of Economic and Social Affairs, included a variety of support structures—global public goods, cooperative audit assistance, blended learning programs, communities of practice, regional resource person pools, bilateral support, and leadership dialogue and development.

The IDI reports on its performance targets in an annual organizational Performance and Accountability Report. The 2017 report can be found at <http://www.idi.no/en/about-idi/reports>. The IDI's outreach performance did not meet planned objectives in terms of coverage for developing countries and SAIs working in challenging contexts, and, due to delays in launching some programs in certain regions, the IDI was unable to meet its intended aim to support 281 SAI teams. However, several goals were met, and exceeded, in providing regional coverage, multilingual programs, bilateral support and professional staff development (103 competency-based certificates were issued for eLearning and blended learning specialists). The IDI also made history in 2017, as it met its gender balance target of 44% female participation in its programs.

Continuing its efforts toward strengthening the INTOSAI regions, the IDI provided support to ARABOSAI and CAROSAI CREFIAF in developing new regional strategic plans. The IDI also continued to host the INTOSAI-Donor Secretariat (IDS), which established key 2017 achievements, including the new Global Call for Proposals with two tiers and continued SAI Capacity Development Database maintenance. The IDI led the 2017 Global SAI Stocktaking development, an initiative providing global data on SAI performance and challenges facing the SAI community. The initiative has received considerable interest from stakeholders both internal and external to INTOSAI.

To learn more about the IDI, its programs, innovations, lessons learned, and success stories, visit www.idi.no.

INTERNATIONAL JOURNAL OF GOVERNMENT AUDITING

The Journal remains in a sound financial position and has received another clean audit opinion from its external auditors for the year

2017. In addition, the Journal continues to maintain adequate financial reserves and will continue exercising a level of budgetary oversight and diligence to ensure innovative and efficient continued operations. In August 2018, the Journal's Board of Directors appointed a new, permanent Vice President.

The Journal's mandate is to share information about public sector auditing through traditional and social media. A key aspect of this mandate is to lead the Journal's transformation toward a more dynamic online presence. In April 2018, the Journal launched its new website to further engage the INTOSAI audience and improve knowledge sharing and capacity building. The new, responsively designed website features relevant and timely content, current trends affecting the audit community, imagery, and video productions from various INTOSAI bodies and events.

The Journal continues to have an active presence on social media, including significant growth on Twitter with nearly 1,100 followers as of July 2018, and it has increased coverage at key meetings to better reach those who aspire to best practices in good governance and public auditing. This includes expanding real-time audience engagement through live on-site event reporting at Goal Committee meetings, as well as Regional Congresses and General Assemblies. The Journal is also increasing its coordination to share live news posted by delegates reporting from events Journal staff are not able to attend.

The Journal is also exploring options to create thematically based editions with feature stories that highlight important topics applicable to the INTOSAI community and remains steadfast in its endeavors to collaborate with other INTOSAI bodies (including regional leadership) to find ways to facilitate, enhance, and streamline communications, knowledge sharing, and outreach. The Journal is also investigating ways to further improve cooperative efforts, such as researching mechanisms to highlight public audit reports and connect auditors to share information and best practices on audits as they happen.

In April 2018, Journal staff traveled to INTOSAI Development Initiative (IDI) headquarters in Oslo, Norway, to discuss communication challenges, opportunities, and ideas to better synergize exposure strategies and efforts for IDI and INTOSAI-Donor Cooperation events, initiatives, and programs that greatly impact INTOSAI, its members, and its partners.

The Journal recognizes, and is grateful for, the invaluable role of in-kind contributions and acknowledges the continued support from member SAIs that generously share news, editorials, and articles.

INTERNATIONAL ORGANIZATION OF SUPREME AUDIT INSTITUTIONS
ORGANISATION INTERNATIONALE DES INSTITUTIONS
SUPERIEURES DE CONTROLE DES FINANCES PUBLIQUES
INTERNATIONALE ORGANISATION DER OBERSTEN RECHNUNGSKONTROLLBEHÖRDEN
ORGANIZACIÓN INTERNACIONAL DE LAS ENTIDADES FISCALIZADORAS SUPERIORES
المنظمة الدولية للأجهزة العليا للرقابة المالية العامة والمحاسبة

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INTOSAI - ANNUAL REPORT 2017

2017 Financial Statements of INTOSAI

Report of the External Auditors

Content of the External Auditors Report

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Foreword

It gives me great pleasure to present the 2017 financial statements of INTOSAI. As the first year of my Chairmanship, I am delighted that this coincided with the 40th Celebration of the Lima Declaration our founding principle in our International Framework for Professional Pronouncements. This journey from an aspiration to a reality mirrors the journey into professionalization of our esteemed organization.

The involvement with other international donors, standard setters and public sector leaders places INTOSAI at the heart of many initiatives, as reflected in our new Strategic Plan. Thinking about independence of SAIs and advocacy for more financial and administrative independence lies behind the Lima and Mexico Declarations this ongoing work has carried into a strategic objective. This is also linked to our contributions as SAIs to international trends and initiatives, such as how do we contribute to the Development Agenda 2030 (the Sustainable Development Goals). Our role in creating a global public voice has resulted in interactions with civil society, statistical commissions and UN organizations. This has also led to engagement with national stakeholders aiming at increasing our relevance.

All this initiatives and successes would not be possible without a constant effort from all our membership. The credibility of what we say is linked to the quality of what we do. The introduction of the revised Due Process for INTOSAI products began in 2017 and early indications are that we will enhance our current and future publications to meet the high expectation we place upon ourselves.

I would like to thank the Secretary General and her team on the hard work they have given this organization over the past six decades and their continued support of our organization.

(Signed) Dr. Harib Saeed Al Amimi

President of the State Audit Institution
of the United Arab Emirates
Chairman of the INTOSAI Governing Board

I Introduction

I.1 Organizational background

The International Organization of Supreme Audit Institutions (INTOSAI) is an autonomous, independent, professional and non-political organization established as a permanent institution in order to foster the exchange of ideas and experiences on government auditing among Supreme Audit Institutions. Its headquarters are in Vienna, Austria. The Statutes of INTOSAI (<http://www.intosai.org/en/about-us/statutes.html>) and the INTOSAI Strategic Plan (<http://www.intosai.org/about-us/strategic-plan-of-intosai.html>) are the main basis for its activities. The preparation of the Financial Statements is governed specifically by the INTOSAI Financial Regulations and Rules. INTOSAI is primarily funded by in-kind contributions as well as membership dues and voluntary payments.

I.2 Legal status of INTOSAI

Since July 2006, INTOSAI has enjoyed the legal status of a non-governmental international organization (Austrian Federal Act on the Granting of Privileges to Non-Governmental Organizations, Federal Law Gazette No. 174/1992).

I.3 INTOSAI General Secretariat

Since 1968 (by resolution of the VI INTOSAI Congress in Tokyo) the General Secretariat of INTOSAI has been permanently based in Vienna, Austria, at the Court of Audit of the Republic of Austria. It provides central administrative support to INTOSAI, manages the INTOSAI budget, including the preparation of the INTOSAI Financial Statements, assists the Board and Congresses, facilitates communication among members, and organizes symposia and special projects.

The President of the Court of Audit of the Republic of Austria is the Secretary General of INTOSAI.

In accordance with Article 12, para 3 of the Statutes of INTOSAI (Version 2016), the Court of Audit of the Republic of Austria shall provide the staff and office premises for the General Secretariat and bear the related expenditure.

I.4 Statement from the Secretary General of INTOSAI

In accordance with Article 6, para 2 (f) of the Statutes of INTOSAI (Version 2016), the General Secretariat herewith submits to the Governing Board its annual report containing the Financial Statements for 2017.

The Financial Statements have been audited by the external auditors in accordance with Article 13 of the Statutes of INTOSAI (Version 2016).

The 2017 Financial Statements have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS) and give a fair representation of the financial position, the financial performance and the cash flow of INTOSAI.

In conclusion, the General Secretariat wishes to convey its thanks and appreciation to the Supreme Audit Institutions of Ghana and Lithuania, appointed as auditors of INTOSAI's Financial Statements 2017, for their excellent cooperation and valuable expert input.

(Signed) Dr. Margit Kraker

The Secretary General of INTOSAI
President of the Court of Audit
Austria

(Signed) Herbert Baumgartner

Financial Officer
General Secretariat of INTOSAI
Austria

II. Activity Report and highlights regarding the decisions taken in 2017

II.1 General

In accordance with the INTOSAI Statutes, the INTOSAI Strategic Plan 2017–2022, namely the strategic priorities and the four Strategic Goals, Goal 1: Accountability and Professional Standards, Goal 2: Institutional Capacity Building, Goal 3: Knowledge Sharing and Knowledge Services and Goal 4: Model International Organization – the INTOSAI Communication Policy and the Due Process for INTOSAI Professional Standards all INTOSAI organs and bodies worked, in 2017, towards the implementation of the decisions and results of INCOSAI XXII, which was excellently hosted by the State Audit Institution of the United Arab Emirates (UAE) in Abu Dhabi in December 2016.

Among the list of decisions taken, the most important and future-oriented was without doubt the adoption of the new Strategic Plan, which meets INTOSAI's objective to be a voice for Supreme Audit Institutions around the world, and strengthens the cooperation among the INTOSAI bodies. In putting this resolution into practice, INTOSAI's goal chairs joined forces and developed a common dashboard for reporting on the activities and progress of the goal committees.

A commitment for enhanced cooperation has also been made by the Regional Organizations of INTOSAI, which, in the framework of the Regional Forum for Capacity Development, agreed on the creation of the INTOSAI Regions Cooperation Platform to provide for a single point of coordination of regional capacity-building efforts. This will enable INTOSAI to work in a more streamlined manner and to establish clear lines of communication.

On the occasion of the 2017-Governing Board meeting in 2017, vivid discussions were held within the breakaway sessions, which had taken place for the third time in a row and provided all Governing Board members with the opportunity to voice their opinions on the topical matters of SDG audits and INTOSAI's standard setting mechanism. The vibrant exchange of viewpoints proved that the organization continues to be a lively and open-minded community, which encourages the optimization of its working methods and which continuously strives to harness its diversity and create, in line with its motto, mutual benefits for all – be it INTOSAI's member SAIs, its external stakeholders or the public at large.

II.2 Highlights regarding the decisions taken in 2017

The follow-up on INTOSAI's Strategic Plan 2017–2022 adopted in 2016, the contribution of SAIs to the implementation of the United Nations Sustainable Development Goals (SDGs) and the further development of INTOSAI's standard setting process were some of INTOSAI's core themes in 2017. The following presents the main future-oriented decision taken by Governing Board in 2017:

- Adoption of the following main themes for INCOSAI XXIII in Moscow to be held in the fourth week of September 2019:
 - Theme I: “Information technologies for the development of the public administration” under the chairmanship of the SAI of China, and
 - Theme II: “The role of the Supreme Audit Institutions in the achievement of the national priorities and goals” under the chairmanship of the SAI of the Russian Federation;
- Admittance of the SAI of Guam as Affiliate Member;
- Approval of the SAI of Brazil as candidate of the INTOSAI Governing Board for hosting INCOSAI XXIV in 2022;
- Creation of a Task Force within the Governing Board for the Revision of three INTOSAI Handbooks (Handbooks for Committees, Governing Board Meetings and Congresses);
- Approval of the revised Strategic Development Plan for the INTOSAI Framework of Professional Pronouncements (IFPP) 2017–2019;
- Approval of the appointment of three new FIPP members from the SAIs of Bhutan, Costa Rica and Norway;
- Approval of the interpretation that new (and revised) pronouncements are able to take effect after the Governing Board has referred them to the final endorsement by INCOSAI;
- Creation of the INTOSAI Regions Cooperation Platform as a single point of conduct and coordination of capacity-building efforts;
- Approval of the proposal on quality assurance of INTOSAI Public Goods that are developed and published outside of the Due Process of the IFPP.

II.3 24th UN/INTOSAI Symposium

The 24th UN/INTOSAI Symposium took place in Vienna, Austria, from 31 May to 2 June 2017. It revolved around the following topic:

Digitalization, open data and data mining: relevance and implications for SAIs' audit work and for enhancing their contributions to the follow-up and review of the SDGs

The symposium gave representatives of the United Nations and INTOSAI, its participating members as well as additional participants the opportunity to reflect on the issues outlined above. The aim of the symposium was to include the different regional points of view, to compare different levels of development and to discuss the current implications and relevance of digitalization, open data and data mining for SAIs, as well as possibilities for enhancing their contributions to the follow-up and review of the SDGs.

II.4 Audit of the 2016 INTOSAI Financial Statements

In conformity with Article 13 of the Statutes of INTOSAI, an audit of the 2016 Financial Statements was conducted in March 2017 by the Supreme Audit Institutions (SAIs) of Ghana and Lithuania as auditors appointed by the XXII Congress of INTOSAI. The auditors gave an unqualified audit opinion.

In the course of the revision of the INTOSAI Financial Regulations and Rules in the year 2017 it was found that it would be expedient to prepare the INTOSAI Financial Statements in full accordance with IPSAS, while up to then they were prepared only on the basis of IPSAS.

In order to guarantee the necessary continuity and comparability, the Financial Statements 2016 had to be redrafted (no change of the actual figures was necessary) to fully comply with the IPSAS regulations. Due to that, the Financial Statements 2016 have been revised once again by the INTOSAI auditors in March 2018 together with the Financial Statements 2017.

II.5 INTOSAI Circular 79

The INTOSAI Circular 79 gives a detailed overview of the INTOSAI's activities in 2017. The Circular 79 is available on the INTOSAI website at:

<http://www.intosai.org/documents/intosai/group012.html>.¹

¹ User name: members and password: intmemb1953



III. Independent Auditor's Report – March 9th, 2018

To the General Secretariat of INTOSAI

Opinion

We have audited the financial statements of INTOSAI for the year ending 31 December 2017, consisting of the Statement of Financial Position, the Statement of Financial Performance, the Statement of Changes in Net Assets/Equity, the Cash Flow Statement, the Statement of Comparison of Budgeted and Actual Amounts, and the notes, including the summary of significant accounting policies, for the year ended.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of INTOSAI as at December 31, 2017, and of financial performance and its cash flows for the financial year then ended in accordance with the International Public Sector Accounting Standards (IPSAS).

Basis for Opinion

We conducted our audit in accordance with International Standards of Supreme Audit institutions (ISSAI). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Financial Statements* section of our report. We are independent from INTOSAI and INTOSAI General Secretariat in accordance with the INTOSAI *Code of Ethics* (ISSAI 30), and we have fulfilled our other ethical responsibilities in accordance with the INTOSAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in the auditor's professional judgment, were of most significance in the audit of the financial statements of INTOSAI for the year ending 31 December 2017. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's opinion thereon, and the auditor does not provide a separate opinion on these matters.

We observed that the General Secretariat of INTOSAI (hereinafter – the General Secretariat) transfers funds to IDI, IJGA and Strategic Goals to finance their operations. Though the

beneficiaries of these transfers do not render accounts to the General Secretariat with respect to the use of those funds, we noted that the General Secretariat reported such transfers as part of its expenditure in its Statement of Financial Performance. Over the last 2 years for instance, we noted that a total of EUR 32,763, EUR 130,302 and EUR 82,931 transferred to IDI, IJGA and Strategic Goals respectively were treated as actual expenditure in the Statement of Financial Performance and Statement of Comparison of Budgeted and Actual Amounts although there were no evidence of such actual expenditures in the books of the General Secretariat.

We carried out audit procedures to get assurance that the funds transferred to these beneficiary bodies have been entered in the accounts of the General Secretariat correctly. Whereas we do not object to the related expenditures of such transfers being audited by the auditors of the beneficiary bodies, the current practice requires the beneficiary bodies to submit periodically to the General Secretariat, the statement of their actual expenditure.

Alternatively, the General Secretariat may consider maintaining transit accounts for the related bodies through which funds attributable to them would be transferred. In such instance where there are outstanding, it would be expected that the balances would be disclosed as assets and liabilities in the Statement of Financial Position.

The General Secretariat informed us that INTOSAI beneficiaries by the end of the year will be requested to submit the detailed information about a statement of their actual expenditure and/or where-used lists for 2018, with respect to the transferred contributions.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The General Secretariat is responsible for the preparation of financial statements in accordance with the Financial Regulations and Rules for INTOSAI and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the financial reporting process.

Auditor's Responsibility for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 ISSAI 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 financial statements.

As part of an audit in accordance with ISSAI, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of 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 material misstatement resulting from fraud is higher than the 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 effectiveness of the General Secretariat's internal control.
- Evaluate the appropriateness of accounting policies used.
- Evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(Signed) **Daniel Yaw Domelevo**

Auditor General
Ghana

(Signed) **Dr. Arūnas Dulkys**

Auditor General
Lithuania

Annex I Annual Report 2017

IV. Financial Statements 2017

IV.1 Statement of Financial Position

as of 31 December 2017
in EUR

	Notes	2017	2016
ASSETS			
Current assets			
Cash and cash equivalents	6.2.1	252,366	257,650
Receivables	6.2.2	149,994	133,380
INTOSAI prepayments	6.2.3	754	405
Fixed deposit accounts	6.2.4	700,077	750,058
Total current assets		1,103,191	1,141,493
Non-current assets			
Other receivables	6.2.5	91	233
Fixed deposit accounts	6.2.6	300,000	250,000
Property, plant and equipment	6.2.7	519	778
Intangible assets	6.2.8	15,566	13,698
Total non-current assets		316,176	264,709
TOTAL ASSETS		1,419,367	1,406,202
LIABILITIES			
Current liabilities			
Other current liabilities	6.2.9	147,501	110,562
Short-term provisions	6.2.10	14,893	10,136
Membership contributions advance receipt	6.2.11	20,769	38,274
Total current liabilities		183,163	158,972
Non-current liabilities			
Other non-current liabilities	6.2.12	32,809	16,176
Total non-current liabilities		32,809	16,176
TOTAL LIABILITIES		215,972	175,148
Rounding compensation		+3	+1
NET ASSETS		1,203,398	1,231,055
NET ASSETS/EQUITY			
Accumulated surpluses from previous years	-	1,231,055	1,093,518
Deficit/Surplus for the period	6.3.13	-27,657	137,537
TOTAL NET ASSETS/EQUITY		1,203,398	1,231,055

IV.2 Statement of Financial Performance

for the financial year ended 31 December 2017
in EUR

	Notes	2017	2016
REVENUE			
Contributions			
Revenue from assessed contributions	6.3.1	348,947	329,975
Other revenue			
Other revenue	6.3.2	4,939	3,146
Interest on INTOSAI accounts	6.3.3	1,344	1,913
TOTAL REVENUE		355,230	335,034
EXPENDITURES	6.3.4		
Contribution to Strategic Goals	6.3.5	-82,931	-
Travel	6.3.6	-82,116	-53,914
Contribution to IJGA	6.3.7	-66,223	-64,079
Translation/Interpretation	6.3.8	-65,247	-34,310
Conference service	6.3.9	-21,960	-236
Contribution to Congress	6.3.10	-16,645	-16,118
Contribution to IDI	6.3.11	-16,645	-16,118
Other expenditures	6.3.12	-31,120	-12,722
TOTAL EXPENDITURES		-382,887	-197,497
DEFICIT/SURPLUS FOR THE PERIOD	6.3.13	-27,657	+137,537

IV.3 Statement of Changes in Net Assets/Equity

for the financial year ended 31 December 2017
in EUR

	Notes	2017	2016
NET ASSETS/EQUITY			
Balance as at 1 January (Accumulated surpluses from previous years)	-	1,231,055	1,093,518
Deficit/Surplus for the period	6.3.13	-27,657 ²	137,537 ³
Balance as at 31 December (Accumulated surplus⁴)		1,203,398	1,231,055

² Deficit for 2017 includes EUR 120 for expenditures from previous periods.

³ Surplus for 2016 includes EUR 7 for expenditures from previous periods.

⁴ The accumulated surplus represents an accumulation of unspent INTOSAI member contributions of several years including several prior trienna that have now concluded.

IV.4 Cash Flow Statement

for the financial year ended 31 December 2017
in EUR

CASH FLOW FROM OPERATING ACTIVITIES	Notes	2017	2016
DEFICIT/SURPLUS FROM ORDINARY ACTIVITIES	6.3.13	-27,657	137,537
Non-cash movements			
Depreciation	6.2.7, 6.2.8	7,172	2,539
Increase in payables (non current liabilities)	6.4.1	16,633	16,040
Increase (+) / Decrease (-) in payables (current liabilities)	6.4.2	36,939	-81,420
Decrease in payables (membership contributions advance receipt)	6.4.3	-17,505	-4,125
Increase (+) / Decrease (-) in payables (short term provisions)	-	4,757	-904
Increase (-) / Decrease (+) in other current assets (INTOSAI prepayments)	-	-350	665
Increase in receivables (membership fee)	6.4.4	-17,044	-9,054
Decrease in receivables (other receivables - current)	-	430	86
Decrease in receivables (other receivables - non current)	-	142	222
NET CASH FLOW FROM OPERATING ACTIVITIES		3,517	61,586
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of plant and equipment (infrastructure)	6.2.7	0	-1,867
Purchase of plant and equipment (intangible assets)	6.2.8	-8,782	-14,940
Decrease (+) / Increase (-) other current assets (fixed deposit accounts)	6.4.5	49,981	-350,058
Increase (-) / Decrease (+) other non-current assets (fixed deposit accounts)	6.4.6	-50,000	50,000
NET CASH FLOW FROM INVESTING ACTIVITIES		-8,801	-316,865
NET INCREASE (+)/DECREASE (-) IN CASH AND CASH EQUIVALENTS		-5,284	-255,279
Cash and cash equivalents as at 1 January	-	257,650	512,929
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER		252,366	257,650

IV.5 Statement of Comparison of Budgeted and Actual Amounts

for the financial year ended 31 December 2017
in EUR

	Notes	Budgeted Amounts	Actual Amounts	Difference
REVENUE				
Contributions				
Revenue from assessed contributions		348,947	348,947	0
Other revenue				
Other revenue		-	4,939	+4,939
Interest on INTOSAI accounts		3,002	1,344	-1,658
TOTAL REVENUE	6.5	351,949	355,230	+3,281
EXPENDITURES				
Contribution to Strategic Goals		-81,708	-82,931	-1,223
Travel		-85,000	-82,116	+2,884
Contribution to IJGA		-65,717	-66,223	-506
Translation/Interpretation		-81,000	-65,247	+15,753
Conference service		-9,500	-21,960	-12,460
Contribution to Congress		-16,541	-16,645	-104
Contribution to IDI		-16,391	-16,645	-254
Entertainment		-14,000	-10,773	+3,227
Depreciation		-8,972	-7,172	+1,800
Other expenditures		-2,000	-3,116	-1,116
Bank charges		-4,100	-2,641	+1,459
IT		-1,900	-2,520	-620
Rewards to staff		-2,000	-2,000	0
Transport		-4,000	-1,905	+2,096
Postage		-3,500	-353	+3,147
Withholding tax on interest		-752	-336	+416
Technical literature		-500	-167	+334
Expenditures from previous periods		0	-120	-120
Office supplies		-900	-17	+883
Printing		-500	0	+500
TOTAL EXPENDITURES	6.5	-398,981	-382,887	+16,096
DEFICIT FOR THE PERIOD	6.5	-47,032	-27,657	+19,377

IV.6 Notes

6.1 Significant accounting policies

6.1.1 Legal basis and accounting rules

The accounts of INTOSAI are kept in accordance with Article IV of the Financial Regulations and Rules. Article IV states that the Financial Statements will be prepared on an accrual basis of accounting in accordance with the International Public Sector Accounting Standards (IPSAS). The accounts are kept in Euro on the basis of the calendar year except where specific IPSAS standards require otherwise.

6.1.2 Accounting principles

The objective of the Financial Statements is to provide information about the financial position, performance, cash flows, change of net assets/equity and a budget comparison of INTOSAI that is useful for decision making, and to demonstrate the accountability of the resources entrusted to INTOSAI.

It is with these goals in mind that the present document has been prepared.

The accounting principles to be followed when preparing the Financial Statements are laid down in Article IV.3 of the Financial Regulations and Rules and include fair presentation, going concern, consistency, materiality and aggregation, offsetting and comparative information.

The qualitative characteristics of financial reporting as stated in the IPSAS Conceptual Framework apply in the context of INTOSAI and are relevance, reliability, understandability and comparability.

The preparation of the Financial Statements in accordance with the above-mentioned rules and principles requires management to make estimates that affect the reported amounts of certain items in the Statement of Financial Positions and Statement of Financial Performance, as well as the disclosures related to financial instruments and contingent assets and liabilities.

Due to INTOSAI's character as an organization that is driven by in-kind contributions, key management personnel (Chair, Governing Board members, Secretary General, Chairs of the INTOSAI Goal Committees etc.) was not remunerated by INTOSAI, but by INTOSAI member SAIs directly. In-kind services from INTOSAI members are not recognized and presented neither as revenue nor as an asset.

6.1.3 Basis of preparation

6.1.3.1 Currency

The Financial Statements are presented in Euros (EUR), the functional currency of INTOSAI's geographical location, which is Vienna, Austria.

6.1.3.2 Rounding

All financial figures have been rounded to the nearest Euro. Small differences (EUR 1 to EUR 3) in the summation lines of charts (e.g. Statement of Financial Positions, Statement of Financial Performance etc.) can occur due to rounding.

6.1.3.3 Use of estimates

In accordance with IPSAS and generally accepted accounting principles, the Financial Statements necessarily include amounts based on estimates and assumptions by management based on the most reliable information available (professional judgement). Significant estimates include, but are not limited to: financial risk on accounts receivable, accrued income, contingent assets and liabilities and the degree of impairment of intangible assets and property, plant and equipment. Actual results could differ from those estimates. Changes in estimates are reflected in the period in which they become known and accounted for.

6.1.4 Statement of financial position

6.1.4.1 Intangible assets

Acquired computer software licenses are stated at historical cost (acquisition price) less accumulated amortization and impairment losses. The assets are amortized on a straight-line basis over their estimated useful lives. The estimated useful lives of intangible assets depend on their specific economic lifetime or legal lifetime determined by an agreement.

6.1.4.2 Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition, construction or transfer of the asset.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential associated with the item will flow to INTOSAI and its costs can be measured reliably. Repairs and maintenance costs are charged to the statement of financial performance during the financial period in which they incur.

6.1.4.3 Depreciation

Depreciation of assets is calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives, as follows:

Type of asset straight-line depreciation rate:

Intangible assets	3 to 4 years
Computer hardware	3 years

Gains or losses on disposals are determined by comparing proceeds less selling expenditures with the carrying amount of the disposed asset and are included in the statement of financial performance.

6.1.4.4 Impairment of non-financial assets

Assets that are subject to amortization/depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable (service) amount. The recoverable (service) amount is the higher of an asset's fair value less costs to sell and its value in use.

Intangible assets and property, plant and equipment residual values and useful lives are reviewed, and adjusted if appropriate once per year. An asset's carrying amount is written down immediately to its recoverable (service) amount if the asset's carrying amount is greater than its estimated recoverable (service) amount. If the reasons for impairments recognized in previous years no longer apply, the impairment losses are reversed accordingly.

6.1.4.5 Non-exchange receivables

Receivables from non-exchange transactions are carried at original amount less write-down for impairment. A write-down for impairment of receivables from non-exchange transactions is established when there is objective evidence that INTOSAI will not be able to collect all amounts due according to the original terms of receivables from non-exchange transactions.

The amount of the write-down is the difference between the asset's carrying amount and the recoverable amount. The amount of the write-down is recognized in the statement of financial performance.

6.1.4.6 Cash and cash equivalents

Cash and cash equivalents are financial assets and classified as available for sale financial assets. They include cash at hand, deposits held at call or at short notice with banks and other

short-term highly liquid investments with original maturities of three months or less and are accounted for on a fair value basis.

6.1.4.7 Fixed deposit accounts

When investing INTOSAI funds, INTOSAI applies the utmost caution. Therefore, a 100% deposit guarantee via insurances or the Republic of Austria exists for all INTOSAI fixed deposit accounts. To ensure that funds are always sufficiently available to finance ongoing activities of INTOSAI, long term deposits (> 3 years maturity date = budget period) were avoided.

6.1.4.8 Provisions

Provisions are recognized when INTOSAI has a present legal or constructive obligation towards third parties as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognized for future operating losses. The amount of the provision is the best estimate of the expenditures expected to be required to settle the present obligation at the reporting date. Where the provision involves a large number of items, the obligation is estimated by weighting all possible outcomes by their associated probabilities ("expected value" method).

6.1.4.9 Payables

The majority of the payables of INTOSAI are not related to exchange transactions such as the purchase of goods or services – instead they are unpaid funds for beneficiaries of the six major programs disclosed in Article III.5 of the Financial Regulations and Rules.

They are recorded with the unpaid amount at the end of the reporting date.

Payables arising from the purchase of goods and services are recognized at invoice reception for the original amount and corresponding expenditures are entered in the accounts when the supplies or services are delivered and accepted by INTOSAI.

6.1.4.10 Accrued and deferred revenue and charges

Transactions and events are recognized in the Financial Statements in the period to which they relate. At year's-end, if an invoice has not yet been issued but the service has been rendered, the supplies have been delivered by INTOSAI or a contractual agreement exists, an accrued revenue will be recognized in the financial statements. In addition, at year's-end, if an invoice is issued but the services have not yet been rendered or the goods supplied have not yet been delivered, the revenue will be deferred and recognized in the subsequent accounting period. Expenditures are also accounted for in the period to which they relate. At the end of the accounting period, accrued expenditures are recognized based on an estimated amount of the transfer obligation of the period.

6.1.4.11 Grants and donations

Grants and donations for the purpose of INTOSAI generally are recognized as assets and revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

Grants and donations received for the purpose of INTOSAI generally or for a purpose designated by the grantor or donor that explicitly refer to Article 12, para 1, letter (b) of the INTOSAI Statutes are not subject to the allocation and distribution pursuant to Chapter III.5 of the INTOSAI Financial Regulations and Rules. These grants and donations are recognized as assets and liabilities to the designated recipient when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

6.1.5 Statement of financial performance

6.1.5.1 Revenue and expenditures from non-exchange transactions

6.1.5.1.1 Revenue

INTOSAI's sole source of revenue, namely membership fees, is classified as non-exchange transaction. The amount of the membership fee is set out in the Appendix of the Financial Regulations and Rules of INTOSAI.

Receivables from membership fees and related revenue are recognized in accordance with Article 12 para 1, letter (a) + (d) of the Statutes of INTOSAI when the annual classification used by the United Nations is made public and therefore the respective membership fee can be measured reliably.

6.1.5.1.2 Expenditures

Expenditures arise from the contributions of INTOSAI members to the major activities described in Article III.5 of the Financial Regulations and Rules of INTOSAI. As stated in this Article III.5 the measurement basis for these contributions is the cash received from the annual membership fees. The last payment to the beneficiaries is made in late December, so at year's end all the received cash from membership fees will have been transferred to the beneficiaries.

Expenditures from exchange transactions arising from the purchase of goods and services are recognized when the supplies are delivered and accepted by INTOSAI. They are valued at original invoice amount. Furthermore, at the date of the Financial Statements (31/12/2017), expenditures related to the service delivered during the period for which an invoice has not yet been received or accepted are estimated and recognized in the statement of financial performance.

6.1.6 Contingent assets

A contingent asset is a possible asset that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of INTOSAI. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

6.1.7 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of INTOSAI; or a present obligation that arises from past events but is not recognized because: it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation or in the rare circumstances where the amount of the obligation cannot be measured with sufficient reliability.

6.2 Notes to the Statement of Financial Position

6.2.1 Cash and cash equivalents – current assets

as of 31 December	2017	2016	
	Balance in EUR		
Cash on hand	134	353	-
Current account (maturing daily)	133,311	157,863	Main account for receiving contribution payments and current payments
Current account (maturing daily)	69,198	80,368	Special purpose: ADA peer review; see 6.2.9
Current account (maturing daily)	49,724	19,066	Special purpose: voluntary internal financing; see 6.2.9
Rounding compensation	-1	-	-
Total	252,366	257,650	

6.2.2 Receivables – current assets

As of 31 December 2017, accounts receivable from membership contributions (non-exchange transaction) from 77 INTOSAI members amounted to EUR 149,299. Ten INTOSAI members owe appr. 68% of this amount and further 13 INTOSAI members owe between EUR 1,000 and EUR 5,200 (see Annex IV.6).

as of 31 December	2017	2016
	Balance in EUR	
Assessed contributions to full members	146,619	132,197
Assessed contributions to associate members	2,680	58
Total (Assessed contributions to members)	149,299	132,255
Other receivables	695	1,125
Total Receivables	149,994	133,380

Other receivables of EUR 695 relate to non-paid interest revenue from fixed-term deposit accounts (listed under 6.2.4) accrued and allocated to 2017.

6.2.3 Prepayments – current assets

According to the principle of accrual accounting, prepayments for credit card fees, travel insurances, the INTOSAI website domain fee and a software licence fee were entered and accrued at EUR 754 in 2017.

6.2.4 Fixed deposit accounts – current assets

As of 31 December 2017, INTOSAI has EUR 700,077 for disposal on four different fixed deposit accounts.

as of 31 December 2017	Interest	Carrying amount	Receivables from these accounts
		Balance in EUR	
Fixed deposit account (1 month) maturing 18 January 2018	0.000%	400,000	0
Fixed deposit account (18 months) maturing 23 February 2018	0.375%	100,000	386
Fixed deposit account (24 months) maturing 26 March 2018	0.150%	150,000	303
Fixed deposit account (12 months) maturing 5 September 2018	0.050%	50,077	6
Total		700,077	695

6.2.5 Other receivables – non-current assets

Other receivables of EUR 91 relate to non-paid interest revenue from a fixed-term deposit account (maturity longer than 12 months; listed under 6.2.6) accrued and allocated to 2017.

6.2.6 Fixed deposit accounts – non-current assets

As of 31 December 2017, INTOSAI has EUR 300,000 for long-term deposit on one fixed deposit bank account.

as of 31 December 2017	Interest	Carrying amount	Receivables from this account
		Balance in EUR	
Fixed deposit account (24 months) maturing 18 March 2019	0.050%	300,000	91
Total		300,000	91

6.2.7 Property, plant and equipment – non-current assets

In 2017, no hardware components were purchased.

2017 – computer hardware	Balance in EUR
Opening Balance	778
Additions	-
Disposals	-
Depreciations (as per Statement of Financial Performance)	259
Revaluations (net)	-
Closing Balance (as per Statement of Financial Position)	519
Sum of Revaluation Surpluses	-
Sum of Revaluation Deficits	-
Gross Carrying Amount	1,867
Accumulated Amortization/Depreciation	1,348
Net Carrying Amount	519

6.2.8 Intangible assets – non-current assets

In 2017, four software products were purchased (database, website content software).

2017 – Computer software	Balance in EUR
Opening Balance	13,698
Additions	8,782
Disposals	-
Depreciations (as per Statement of Financial Performance)	6,913
Revaluations (net)	-
Closing Balance (as per Statement of Financial Position)	15,566
Sum of Revaluation Surpluses	-
Sum of Revaluation Deficits	-
Gross Carrying Amount	26,981
Accumulated Amortization/Depreciation	11,415
Net Carrying Amount	15,566

6.2.9 Other current liabilities – current liabilities

Liability to ...	2017	2016
	Balance in EUR	
Special purpose: ADA peer review	69,198	80,368
Special purpose: Voluntary internal funding	49,524	18,866
Strategic Goals	12,048	-
IJGA (International Journal of Government Auditing)	9,714	8,286
IDI (INTOSAI Development Initiative)	2,503	2,155
Other liabilities	4,515	887
Rounding compensation	-1	-
Total	147,501	110,562

ADA peer review: In 2015 and 2016 the Austrian Development Agency (ADA) provided a voluntary subsidy amounting to EUR 210,000.00 for a peer review with a designated purpose⁵ to INTOSAI. These voluntary subsidies are not subject to the allocation and distribution pursuant to Chapter III.5 of the INTOSAI Financial Regulations and Rules. For the financial year 2017, EUR 11,170 were accessed. The total amount is available on an extra current bank

⁵ The goal of the peer review was to evaluate whether the framework conditions at the reviewed SAIs matched the international standards (ISSAI) on SAI independence (first and foremost ISSAI 10: Mexico Declaration and ISSAI 11: INTOSAI Guidelines and Good Practices Related to SAI Independence) and to prepare recommendations for actions. The peer review focused on the eight core principles on SAI independence.

account. In the Statement of Financial Position this was recorded in the balance as a current liability of EUR 69,198.

Voluntary internal financing: In 2017, INTOSAI received a voluntary subsidy of EUR 40,500 from the SAI of the Russian Federation with a designated purpose, namely the introduction of Russian as additional (non-official) language of INTOSAI according to a decision of the Governing Board in 2015. From previous years, an amount of EUR 18,866 was available for professional standard setting developments, PFAC programmes and capacity building projects as of 1 January 2017. Such voluntary subsidies are not subject to the allocation and distribution pursuant to Chapter III.5 of the INTOSAI Financial Regulations and Rules. With the exception of EUR 9,695 for professional standard setting, the designated beneficiaries did not access the last years' subsidies. They were held on a current account established by INTOSAI for that purpose, which generated expenditures of EUR 148. The total amount plus EUR 200 from INTOSAI (initial deposit) is available on an extra current bank account. In the Statement of Financial Position this resulted in a reduced amount as current liability accounting for EUR 49,524.

Liabilities consist of liabilities to the Strategic Goals, the International Journal of Government Auditing (IJGA), and the INTOSAI Development Initiative (IDI). These concern remittances to be carried out from earmarked membership payments from the second half of 2017.

Other liabilities: Other liabilities as of 31 December 2017 in the amount of EUR 4,515 concern unsettled payments for running expenditures arising from the activities of the General Secretariat (travel expenditures).

6.2.10 Short-term provisions – current liabilities

Provisions of EUR 14,893 have been made for expected payments incurred in the financial year 2017 (translations of the Circular for the 70th Governing Board meeting as well as travel and postage expenditures).

6.2.11 Membership contributions advance receipt – current liabilities

Advance receipts of membership contributions accrued as of 31 December 2017 in the amount of EUR 20,769 consisted exclusively of membership contributions for the INTOSAI budget received in 2017 or earlier for 2018 and subsequent years (see Annex IV.6).

6.2.12 Other non-current liabilities

Other non-current liability to next congress host	Total	5%
Basis for liability:	Balance in EUR	
Received contributions from INTOSAI members for 2017 (see Annex IV.6)	312,926	15,646
Received contributions from INTOSAI members for previous periods (see Annex IV.6)	18,977	949
Interest on INTOSAI accounts (see 6.3.3)	1,008	50
Total		16,645

In accordance with INTOSAI's Financial Regulations and Rules, 5% of INTOSAI's received revenue (membership fees and net interest) is allocated to the next congress host, the SAI of the Russian Federation. For 2017 an amount of EUR 16,645 was allocated. The amount, plus EUR 16,118 from 2016 as well as the allocation for 2018 will be transferred in 2019.

Further EUR 45 from interest revenue from fixed deposit accounts (non-current; see 6.2.6) were allocated to INTOSAI's Strategic Goals, IJGA and IDI and transferred in 2018.

6.3 Notes to the Statement of Financial Performance

6.3.1 Revenue from assessed contributions

The system of INTOSAI membership assessments, effective since 1984, organizes INTOSAI members into seven contribution groups. Classification of INTOSAI members in the various contribution groups is based on the United Nations (UN) scale of assessments for the respective states.

INTOSAI contribution group	INTOSAI annual contribution in EUR	% range contributed to the UN budget
VII	459	≤ 0.049
VI	672	0.050 – 0.099
V	2,665	0.100 – 0.999
IV	5,331	1 – 3.999
III	10,661	4 – 10.999
II	17,783	11 – 19.999
I	26,663	≥ 20

The annual membership contribution for associate members corresponds to that of contribution group V.

The INTOSAI assessment for 2017 is based on the UN scale of assessments for the year 2017. The UN scale of assessment is available on the UN website at <http://undocs.org/en/ST/ADM/SER.B/955>.

The amount of EUR 348,947 is the INTOSAI assessment for 200 INTOSAI members for 2017 (see Annex IV.6). Out of this, EUR 335,622 are assessed to full members and the remaining EUR 13,325 to associate members.

Annex IV.6 contains also further information for 2017 regarding outstanding contributions, the current year situation and advance payments of each INTOSAI member.

6.3.2 Other revenue

Other revenue includes reverse accruals for provisions for the translation of documents related to the 69th and 70th Governing Board meetings of EUR 4,560 and EUR 379 from travel abroad and postage expenditures for 2016.

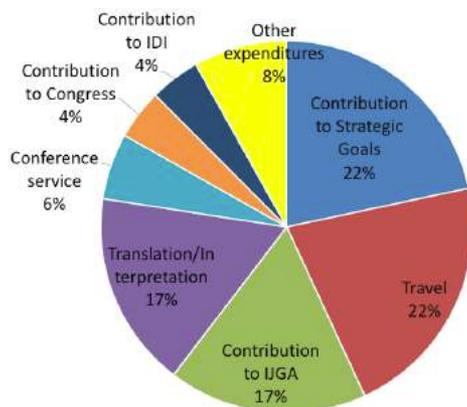
6.3.3 Interest on INTOSAI accounts

Gross interest revenue from the fixed deposit accounts amounted to EUR 1,344 in the financial year 2017, resulting in net interest revenue of EUR 1,008, after deduction of EUR 336 of withholding tax on interest according to Austrian Income Tax Law, articles 93-97.

Type of account	Name of bank (short form)	Gross interest revenue	Withholding tax on interest	Net interest revenue
in EUR				
Fixed deposit account	Erste Bank	69	17	52
Fixed deposit account	HYPO Landesbank Vorarlberg	157	39	118
Fixed deposit account	OEBFA – Austrian Treasury	25	6	19
Fixed deposit account	OEBFA – Austrian Treasury	228	57	171
Fixed deposit account	OEBFA – Austrian Treasury	278	69	208
Fixed deposit account	Raiffeisen	118	30	88
Fixed deposit account	BAWAG	88	22	66
Fixed deposit account	HYPO NOE Landesbank	380	95	285
Rounding compensation		+1	+1	+1
Total		1,344	336	1,008

6.3.4 Expenditures

Total expenditures from operating activities amounted to EUR 382,888. The main groups of expenditures are shown in the following pie chart:



6.3.5 Allocation to Strategic Goals

In accordance with INTOSAI's Financial Regulations and Rules, 25% of INTOSAI's received revenue (membership fees and net interest), less bank charges, is allocated to the chairs of INTOSAI's Strategic Goals (PSC, CBC, KSC, PFAC). For 2017 an amount of EUR 82,931 was allocated.

6.3.6 Travel

In the year 2017, travel expenditures of EUR 82,116 were incurred, among other things, for the following events:

- 24th UN/INTOSAI Symposium Vienna, Austria (18 participants financed by INTOSAI; EUR 23,183),
- 70th Meeting of the INTOSAI Governing Board in Graz, Austria,
- 14th Meeting of the Policy, Finance and Administration Committee in Washington D.C., United States of America,
- Several goal steering committees, subcommittees and working groups meetings,
- IDI Board Meeting, Oslo, Norway.

6.3.7 Contribution to IJGA

Contribution to IJGA	Total	20%
Basis for contribution:		
Balance in EUR		
Received contributions from INTOSAI members for 2017 (see Annex IV.6)	312,926	62,585
Received contributions from INTOSAI members for previous periods (see Annex IV.6)	18,977	3,795
Interest on INTOSAI accounts (see 6.3.3)	1,008	202
Total		66,582

In accordance with INTOSAI's Financial Regulations and Rules, 20% of INTOSAI's received revenue of EUR 66,582 (membership fees and net interest), less bank charges of EUR 359 is allocated to the International Journal of Government Auditing (IJGA). For 2017 an amount of EUR 66,223 was allocated.

6.3.8 Translation/Interpretation

The official working languages of INTOSAI are Arabic, English, French, German and Spanish. Numerous documents were translated by the staff of the INTOSAI General Secretariat. For additional translation services, external translator expenditures of EUR 28,949 were incurred for 2017.

For the 24th UN/INTOSAI Symposium and the 70th Governing Board meeting interpretation expenditures of EUR 36,298 were incurred for 2017.

6.3.9 Conference Service

For the 24th UN/INTOSAI Symposium and the 70th Governing Board meeting conference service expenditures of EUR 21,960 were incurred for 2017. For the 24th UN/INTOSAI Symposium and the 70th Governing Board meeting, EUR 3,706 and EUR 18,254 were incurred respectively.

6.3.10 Contribution to Congress

In accordance with INTOSAI's Financial Regulations and Rules, 5% of INTOSAI's received revenue (membership fees and net interest), less bank charges, is allocated to the next congress host, the SAI of the Russian Federation. For 2017 an amount of EUR 16,645 was allocated (see 6.2.12).

6.3.11 Contribution to IDI

Contribution to IDI	Total	5%
Basis for contribution:	Balance in EUR	
Received contributions from INTOSAI members for 2017 (see Annex IV.6)	312,926	15,646
Received contributions from INTOSAI members for previous periods (see Annex IV.6)	18,977	949
Interest on INTOSAI accounts (see 6.3.3)	1,008	50
Total		16,645

In accordance with INTOSAI's Financial Regulations and Rules, 5% of INTOSAI's received revenue (membership fees and net interest), less bank charges, is allocated to the INTOSAI Development Initiative (IDI). For 2017 an amount of EUR 16,645 was allocated.

6.3.12 Other expenditures

Other expenditures of EUR 31,120 include the following items for 2017:

	Balance in EUR
Entertainment	-10,773
Depreciation	-7,172
Other expenditures	-3,116
Bank charges	-2,641
IT	-2,520
Rewards to staff	-2,000
Transport	-1,905
Postage	-353
Withholding tax on interest	-336
Technical literature	-167
Expenditure for previous periods	-120
Office supplies	-17
Total	-31,120

6.3.13 Deficit for the period

Total revenue of EUR 355,230 and total expenditures of EUR 382,888 result in a deficit of EUR 27,658 for the financial year 2017.

6.4 Notes to the Cash Flow Statement

Cash flow information is used to provide a basis for assessing INTOSAI's ability to generate cash and cash equivalents, and its needs to use these cash flows.

The cash flow statement is prepared by applying the indirect method. This means that the economic result for the financial year 2017 is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of revenue or expenditures associated with investing cash flows.

Operating activities are the activities of INTOSAI that do not fall under investing activities. Investing activities concern the acquisition and disposal of intangible assets and property, plant and equipment and of other investments that are not included in cash equivalents.

6.4.1 Increase in payables (non-current liabilities)

Payables (non-current liabilities) increased by EUR 16,633 from EUR 16,176 to EUR 32,809. A significant portion is the liability to the next congress host, the SAI of the Russian Federation, which had increased by EUR 16,645 (see also 6.2.12).

6.4.2 Increase in payables (current liabilities)

In 2017, payables (current liabilities) increased by EUR 36,939 from EUR 110,562 to EUR 147,501. This is largely due to a rise in liabilities to the Strategic Goals (EUR 12,048) and to a payment received for the purpose of internal financing by the SAI of the Russian Federation for Russian as an additional INTOSAI language (EUR 30,657).

6.4.3 Decrease in payables (membership contributions advance receipt)

As of 31 December, advance payments from INTOSAI decreased by EUR 17,505 from EUR 38,274 to EUR 20,769. The reason for the reduction was the rescheduling of the assessment process for 2018 from the fourth quarter 2017 to the first quarter 2018.

6.4.4 Increase in receivables (membership fees)

In 2017, an increase of receivables for assessed membership fees (outstanding contributions, see Annex IV.6) from EUR 132,255 to EUR 149,299 resulted in a difference of EUR 17,044.

6.4.5 Decrease other current assets (fixed deposit accounts)

Due to the restructuring of the fixed deposit accounts regarding the maturity date, the decrease from EUR 750,058 in 2016 to EUR 700,077 in 2017 resulted in a difference of EUR 49,981, which increased the cash flow from investing activities.

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6.4.6 Increase other non-current assets (fixed deposit accounts)

Due to the restructuring of the fixed deposit accounts regarding the maturity date, the increase from EUR 250,000 in 2016 to EUR 300,000 in 2017 resulted in a difference of EUR 50,000, which decreased the cash flow from investing activities.

6.5 Notes to the Statement of Comparison of Budgeted and Actual Amounts

The comparison of budgeted and actual amounts for 2017 shows a positive deviation.

The budgeted deficit for the period of EUR 47,032 was reduced by more than 40% to EUR 27,658.

Total revenue exceeded the budgeted amount of EUR 351,949 by a deviation of EUR 3,281 and resulted in EUR 355,230.

Total expenditures reached EUR 382,888, which equalled 96% of the budgeted amount. Almost all types of expenditures showed an economical financial management. Most notable are expenditures for translation/interpretation, entertainment and postage. These three types of expenditures enhanced the result for 2017 with a positive deviation of EUR 18,980.

Annex IV.6 INTOSAI Members

AS OF 31 DECEMBER 2017			OUT- STANDING CONTR.	2017 CURRENT YEAR SITUATION			PREVIOUS YEARS	FOLLOWING YEARS
Members	Contri- bution group	% of UN Budget 2017	TOTAL	Assessment	Payments	Outstanding	Payments	Advance
			in EUR					
1	Afghanistan	VII	0.006	12.00	459.00	447.00	12.00	
2	Albania	VII	0.008		459.00	459.00	0.00	
3	Algeria	V	0.161		2,665.00	2,665.00	0.00	
4	Andorra	VII	0.006		459.00	459.00	0.00	
5	Angola	VII	0.010	12.00	459.00	447.00	12.00	12.00
6	Antigua-Barbuda	VII	0.002	459.00	459.00	0.00	459.00	
7	Argentina	V	0.892		2,665.00	2,665.00	0.00	
8	Armenia	VII	0.006		459.00	459.00	0.00	0.78
9	Australia	IV	2.337		5,331.00	5,331.00	0.00	35.00
10	Austria	V	0.720		5,230.00	5,230.00	0.00	2,665.00
11	Azerbaijan	VI	0.060		672.00	672.00	0.00	
12	Bahamas	VII	0.014	20.00	459.00	439.00	20.00	10.00
13	Bahrain	VII	0.044		459.00	459.00	0.00	
14	Bangladesh	VII	0.010		459.00	459.00	0.00	
15	Barbados	VII	0.007	459.00	459.00	0.00	459.00	
16	Belarus	VI	0.056		672.00	672.00	0.00	
17	Belgium	V	0.885		2,665.00	2,665.00	0.00	
18	Belize	VII	0.001	459.00	459.00	0.00	459.00	
19	Benin	VII	0.003	1,770.00	459.00	0.00	459.00	
20	Bhutan	VII	0.001	12.00	459.00	447.00	12.00	
21	Bolivia	VII	0.012		459.00	459.00	0.00	
22	Bosnia Herzegovina	VII	0.013		459.00	459.00	0.00	
23	Botswana	VII	0.014	25.00	459.00	434.00	25.00	25.00
24	Brazil	IV	3.823		5,331.00	5,331.00	0.00	
25	Brunei Darussalam	VII	0.029		459.00	459.00	0.00	
26	Bulgaria	VII	0.045		459.00	459.00	0.00	
27	Burkina Faso	VII	0.004		459.00	459.00	0.00	2,430.52
28	Burundi	VII	0.001		459.00	459.00	0.00	2,415.27
29	Cambodia	VII	0.004		459.00	459.00	0.00	
30	Cameroon	VII	0.010	1,266.38	459.00	0.00	459.00	
31	Canada	IV	2.921		5,331.00	5,331.00	0.00	
32	Cap Verde	VII	0.001		459.00	459.00	0.00	
33	Central African Republic	VII	0.001	12,289.82	459.00	0.00	459.00	
34	Chad	VII	0.005		459.00	459.00	0.00	
35	Chile	V	0.399		2,665.00	2,665.00	0.00	
36	China	III	7.921		10,661.00	10,661.00	0.00	10,661.00
37	Colombia	V	0.322		2,665.00	2,665.00	0.00	
38	Congo	VII	0.006	2,618.00	459.00	0.00	459.00	
39	Congo Dem. Rep.	VII	0.008		459.00	459.00	0.00	884.00
40	Cook Islands	VII	-	467.00	459.00	0.00	459.00	
41	Costa Rica	VII	0.047		459.00	459.00	0.00	
42	Cote d'Ivoire	VII	0.009	15.00	459.00	444.00	15.00	17.00
43	Croatia	VI	0.099		672.00	672.00	0.00	1,246.00
44	Cuba	VI	0.065		672.00	672.00	0.00	
45	Cyprus	VII	0.043		459.00	459.00	0.00	
46	Czech Republic	V	0.344		2,665.00	2,665.00	0.00	
47	Denmark	V	0.584		2,665.00	2,665.00	0.00	
48	Djibouti	VII	0.001	6,237.88	459.00	0.00	459.00	
49	Dominica	VII	0.001	5,565.44	459.00	0.00	459.00	
50	Dominican Rep.	VII	0.046	901.00	459.00	0.00	459.00	
51	ECA	II	-		17,783.00	17,783.00	0.00	
52	Ecuador	VI	0.067		672.00	672.00	0.00	46.01
53	Egypt	V	0.152	5,230.00	2,665.00	0.00	2,665.00	
54	El Salvador	VII	0.014		459.00	459.00	0.00	
55	Equat. Guinea	VII	0.010	12,289.82	459.00	0.00	459.00	
56	Eritrea	VII	0.001		459.00	459.00	0.00	20.00
57	Estonia	VII	0.038		459.00	459.00	0.00	
58	Ethiopia	VII	0.010	459.00	459.00	0.00	459.00	
59	Fiji	VII	0.003	18.00	459.00	441.00	18.00	18.00

AS OF 31 DECEMBER 2017				OUT- STANDING CONTR.	2017 CURRENT YEAR SITUATION			PREVIOUS YEARS	FOLLOWING YEARS
Members	Contri- bution group	% of UN Budget 2017	TOTAL		Assessment	Payments	Outstanding		
				in EUR					
60	Finland	V	0.456		2,665.00	2,665.00	0.00		
61	France	III	4.859		10,661.00	10,661.00	0.00		
62	Gabon	VII	0.017	459.00	459.00	0.00	459.00		
63	Gambia	VII	0.001	1,360.50	459.00	0.00	459.00		
64	Georgia	VII	0.008		459.00	459.00	0.00		
65	Germany	III	6.389		10,661.00	10,661.00	0.00		
66	Ghana	VII	0.016	459.00	459.00	0.00	459.00		
67	Greece	V	0.471		2,665.00	2,665.00	0.00		
68	Grenada	VII	0.001	903.00	459.00	0.00	459.00		
69	Guam	VII	-	-	-	-	-		
70	Guatemala	VII	0.028		459.00	459.00	0.00		
71	Guinea	VII	0.002	12,289.82	459.00	0.00	459.00		
72	Guinea Bissau	VII	0.001	7,246.53	459.00	0.00	459.00		
73	Guyana	VII	0.002	14.50	459.00	444.50	14.50	5.50	
74	Haiti	VII	0.003	69.50	459.00	389.50	69.50	68.00	
75	Honduras	VII	0.008	901.00	459.00	0.00	459.00		
76	Hungary	V	0.161		2,665.00	2,665.00	0.00		
77	Iceland	VII	0.023		459.00	459.00	0.00		
78	India	V	0.737		2,665.00	2,665.00	0.00		0.36
79	Indonesia	V	0.504		2,665.00	2,665.00	0.00		
80	Iran	V	0.471	15,021.25	2,665.00	0.00	2,665.00		
81	Iraq	V	0.129		2,665.00	2,665.00	0.00		115.00
82	Ireland	V	0.335		2,665.00	2,665.00	0.00		
83	Israel	V	0.430		2,665.00	2,665.00	0.00		
84	Italy	IV	3.748		5,331.00	5,331.00	0.00		
85	Jamaica	VII	0.009		459.00	459.00	0.00	17.00	
86	Japan	III	9.680		10,661.00	10,661.00	0.00		
87	Jordan	VII	0.020	459.00	459.00	0.00	459.00		
88	Kazakhstan	V	0.191		2,665.00	2,665.00	0.00		
89	Kenya	VII	0.018		459.00	459.00	0.00	894.00	
90	Kiribati	VII	0.001	15.00	459.00	444.00	15.00	459.00	
91	Korea	IV	2.039		5,331.00	5,331.00	0.00		
92	Kuwait	V	0.285		2,665.00	2,665.00	0.00		
93	Kyrgyzstan	VII	0.002		459.00	459.00	0.00	2.00	
94	Lao People's Democratic Republic	VII	0.003		459.00	459.00	0.00		
95	Latvia	VI	0.050		672.00	672.00	0.00		
96	Lebanon	VII	0.046	460.50	459.00	0.00	459.00		
97	Lesotho	VII	0.001	459.00	459.00	0.00	459.00		
98	Liberia	VII	0.001		459.00	459.00	0.00	3,344.00	91.63
99	Libya	V	0.125	5,230.00	2,665.00	0.00	2,665.00		
100	Liechtenstein	VII	0.007		459.00	459.00	0.00		
101	Lithuania	VI	0.072		672.00	672.00	0.00	647.00	
102	Luxembourg	VI	0.064		672.00	672.00	0.00		
103	Macedonia (FYR of Macedonia)	VII	0.007		459.00	459.00	0.00		
104	Madagascar	VII	0.003	23.77	459.00	435.23	23.77	1,335.07	
105	Malawi	VII	0.002	459.00	459.00	0.00	459.00		
106	Malaysia	V	0.322		2,665.00	2,665.00	0.00		
107	Maldives	VII	0.002	459.00	459.00	0.00	459.00		
108	Mali	VII	0.003	1,034.97	459.00	0.00	459.00	442.00	
109	Malta	VII	0.016		459.00	459.00	0.00		
110	Marshall Islands	VII	0.001		459.00	459.00	0.00	1,260.37	8.73
111	Mauritania	VII	0.002	2,482.76	459.00	0.00	459.00		
112	Mauritius	VII	0.012		459.00	459.00	0.00		
113	Mexico	IV	1.435		5,331.00	5,331.00	0.00		
114	Micronesia	VII	0.001	0.36	459.00	458.64	0.36	10.84	
115	Moldova	VII	0.004		459.00	459.00	0.00		
116	Monaco	VII	0.010		459.00	459.00	0.00		
117	Mongolia	VII	0.005	5.00	459.00	454.00	5.00	8.00	
118	Montenegro	VII	0.004		459.00	459.00	0.00		
119	Morocco	VI	0.054	248.52	672.00	423.48	248.52	155.31	

AS OF 31 DECEMBER 2017				OUT- STANDING CONTR.	2017 CURRENT YEAR SITUATION			PREVIOUS YEARS	FOLLOWING YEARS
Members	Contri- bution group	% of UN Budget 2017	TOTAL		Assessment	Payments	Outstanding		
				in EUR					
120	Mozambique	VII	0.004		459.00	459.00	0.00	67.00	
121	Myanmar	VII	0.010	17.00	459.00	442.00	17.00		
122	Namibia	VII	0.010		459.00	459.00	0.00		
123	Nauru	VII	0.001		459.00	459.00	0.00	1,734.00	85.55
124	Nepal	VII	0.006		459.00	459.00	0.00		58.70
125	Netherlands	IV	1.482		5,331.00	5,331.00	0.00		
126	Netherlands Antilles	VII	-		459.00	459.00	0.00		
127	New Zealand	V	0.268		2,665.00	2,665.00	0.00		
128	Nicaragua	VII	0.004		459.00	459.00	0.00		
129	Niger	VII	0.002	11,405.82	459.00	0.00	459.00		
130	Nigeria	V	0.209	7,077.00	2,665.00	0.00	2,665.00		
131	Norway	V	0.849		2,665.00	2,665.00	0.00		
132	Oman	V	0.113		2,665.00	2,665.00	0.00	25.00	
133	Pakistan	VI	0.093	30.00	672.00	642.00	30.00	20.00	
134	Palau	VII	0.001		459.00	459.00	0.00	408.45	145.34
135	Palestine	VII	-	37.50	459.00	421.50	37.50		
136	Panama	VII	0.034	0.03	459.00	458.97	0.03	10.03	
137	Papua New Guinea	VII	0.004	1,361.00	459.00	0.00	459.00		
138	Paraguay	VII	0.014		459.00	459.00	0.00		
139	Peru	V	0.136		2,665.00	2,665.00	0.00		
140	Philippines	V	0.165		2,665.00	2,665.00	0.00	25.67	353.61
141	Poland	V	0.841		2,665.00	2,665.00	0.00		
142	Portugal	V	0.392		2,665.00	2,665.00	0.00		
143	Puerto Rico	VII	-	476.00	459.00	0.00	459.00		
144	Qatar	V	0.269		2,665.00	2,665.00	0.00		
145	Romania	V	0.184		2,665.00	2,665.00	0.00		
146	Russian Federation	IV	3.088		5,331.00	5,331.00	0.00		
147	Rwanda	VII	0.002	12.00	459.00	447.00	12.00	12.00	
148	Samoa	VII	0.001	18.00	459.00	441.00	18.00	17.00	
149	São Tomé and Príncipe	VII	0.001	49.00	459.00	410.00	49.00		
150	Saudi Arabia	IV	1.146		5,331.00	5,331.00	0.00	2,566.00	
151	Senegal	VII	0.005	16.90	459.00	442.10	16.90		
152	Serbia	VII	0.032		459.00	459.00	0.00		
153	Seychelles	VII	0.001	2.00	459.00	457.00	2.00		
154	Sierra Leone	VII	0.001		459.00	459.00	0.00		
155	Singapore	V	0.447		2,665.00	2,665.00	0.00		
156	Slovakia	V	0.160		2,665.00	2,665.00	0.00		
157	Slovenia	VI	0.084		672.00	672.00	0.00		
158	Solomon Islands	VII	0.001	17.00	459.00	442.00	17.00	17.00	
159	Somalia	VII	0.001	12,006.11	459.00	0.00	459.00		
160	South Africa	V	0.364		2,665.00	2,665.00	0.00		
161	South Sudan	VII	0.003		459.00	459.00	0.00	442.00	0.01
162	Spain	IV	2.443		5,331.00	5,331.00	0.00		
163	Sri Lanka	VII	0.031		459.00	459.00	0.00		
164	St. Kitts and Nevis	VII	0.001		459.00	459.00	0.00	15.52	
165	St. Lucia	VII	0.001	13.84	459.00	445.16	13.84	14.55	
166	St. Vincent and the Grenadines	VII	0.001	13.93	459.00	445.07	13.93	14.60	
167	Sudan	VII	0.010	925.00	459.00	0.00	459.00		
168	Suriname	VII	0.006	459.00	459.00	0.00	459.00		
169	Swaziland	VII	0.002	459.00	459.00	0.00	459.00		
170	Sweden	V	0.956		2,665.00	2,665.00	0.00		
171	Switzerland	IV	1.140		5,331.00	5,331.00	0.00		
172	Syrian Arab Republic	VII	0.024	1,767.89	459.00	0.00	459.00		
173	Tajikistan	VII	0.004		459.00	459.00	0.00		388.00
174	Tanzania	VII	0.010	13.59	459.00	445.41	13.59	10.00	
175	Thailand	V	0.291		2,665.00	2,665.00	0.00		
176	Timor-Leste	VII	0.003	911.94	459.00	0.00	459.00		
177	Togo	VII	0.001	918.00	459.00	0.00	459.00	1,262.00	
178	Tonga	VII	0.001	25.48	459.00	433.52	25.48	24.73	
179	Trinidad and Tobago	VII	0.034		459.00	459.00	0.00		
180	Tunisia	VII	0.028		459.00	459.00	0.00		

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AS OF 31 DECEMBER 2017			OUT- STANDING CONTR.	2017 CURRENT YEAR SITUATION			PREVIOUS YEARS	FOLLOWING YEARS
Members	Contri- bution group	% of UN Budget 2017	TOTAL	Assessment	Payments	Outstanding	Payments	Advance
			in EUR					
181	Turkey	IV		5,331.00	5,331.00	0.00		
182	Tuvalu	VII	2,573.00	459.00	0.00	459.00		
183	Uganda	VII		459.00	459.00	0.00		
184	Ukraine	V		2,665.00	2,665.00	0.00		
185	United Arab Emirates	V		2,665.00	2,665.00	0.00		
186	United Kingdom	III		10,661.00	10,661.00	0.00		
187	United States of America	I	22,000	26,663.00	26,663.00	0.00		
188	Uruguay	VI		672.00	672.00	0.00	16.00	16.00
189	Vanuatu	VII	459.00	459.00	0.00	459.00		
190	Vatican	VII	-	459.00	459.00	0.00		
191	Venezuela	V	2,646.36	2,665.00	18.64	2,646.36	2,565.00	
192	Viet Nam	VI		672.00	672.00	0.00	7.00	
193	Yemen	VII	901.07	459.00	0.00	459.00		
194	Zambia	VII	459.00	459.00	0.00	459.00		
195	Zimbabwe	VII	901.00	459.00	0.00	459.00		
Associated Members								
196	AISCCUF	V	-	2,665.00	2,665.00	0.00		
197	CPLP	V	-	2,665.00	2,665.00	0.00		6.73
198	IAA	V	-	2,665.00	2,665.00	0.00	25.50	
199	UEMOA	V	15.00	2,665.00	2,650.00	15.00	32.00	
200	World Bank	V	-	2,665.00	0.00	2,665.00		
TOTAL			149,298.78	348,947.00	312,925.72	36,021.28	18,977.14	20,769.24

Annex II Financial Overview

In the first 6 months in 2018, the INTOSAI General Secretariat received more than 150 payments from INTOSAI members. These payments amounted to approximately 321,000 EUR. In March 2018, the INTOSAI General Secretariat received a generous voluntary contribution of 10,000 EUR from the SAI of Kuwait.

Total expenditure amounted to approximately 203,000 EUR for the first 6 months in 2018, of which approximately 179,000 EUR are allocations for the INTOSAI Development Initiative, the INTOSAI Congress, the International Journal of Government Auditing and the 4 Strategic Goals.

As of 31 December 2017, the 2017 Financial Statements of INTOSAI showed an accumulated surplus (= net assets/equity) of approximately 1.20 million EUR. Adjusted for receivables (outstanding membership payments) of approximately 0.15 million EUR, an amount of approximately 1.05 million EUR exists as available cash and cash equivalents or is available on fixed deposit accounts. In the first 6 months of 2018, the amount increased slightly.



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