

INTERNATIONAL CRIMINAL POLICE ORGANIZATION – INTERPOL (ICPO-INTERPOL)



ANNUAL FINANCIAL REPORT AND FINANCIAL STATEMENTS 2019

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ANNUAL FINANCIAL REPORT 2019

Financial Statement Highlights

Financial year 2019 was characterised by the budgeted use of reserves delivering on long-term investments in member-country infrastructure and strategic priorities including planning the enhancements of our policing capabilities and commencing the development of our corporate capabilities to ensure they can support the growth and development of our policing capabilities.

Key Financial Indicators	Budget 2019	2019	2018	Annual Change
Regular Budget Execution	100%	106%	91%	+15%
Revenue (EUR millions)	138.9	141.9	134.2	+5.8%
Operating Result (EUR millions)	(3.8)	(4.7)	3.8	(224%)
Statutory Contribution Collection	100%	98.5%	98.7%	0%
Regulatory Compliance (Reserves)	100%	138%	154%	(16%)

In 2019, the execution of the Organization's budgets was significantly higher than in 2018: Regular Budget execution was 106¹%, Trust Funds and Special Accounts was 97% and the Capital Budget at 107%.

Total revenue increased by EUR 7.7 million compared to 2018 to EUR 141.9 million (+5.8%). The main driver of the increased revenue was the Regular Budget (+ EUR 6.3 million) from increased activity, notably in the increase of *in-kind* revenues. Expenditures increased significantly, by EUR 16.3 million (+12.5%), to EUR 146.7 million, primarily from the *in-kind* expenses, in the budgeted use of the reserves for specific projects and a sharp increase in the level of bad debt. The financial operating result was a deficit of EUR 4.7 million, slightly lower than the budgeted deficit of EUR 3.8 million mainly as a result of the unplanned EUR 1.1 million of bad debt expense, and compared to the surplus of EUR 3.8 million registered in 2018.

The operating result reduced net assets by EUR 4.7 million (-9.7%) to EUR 44.3 million with accumulated reserve funds decreasing to EUR 28.2 million. The level of the General Reserve Fund decreased by EUR 4.3 million to EUR 16.0 million, but remains EUR 6.4 million (+38%) above the level mandated by the Financial Regulations. This level of excess reserves is earmarked for investment in strategic projects, previously approved by the General Assembly.

Total assets also increased by EUR 11.1 million (+7.5%) to EUR 159.4 million of which cash, cash equivalents and investments represent 72%. Total liabilities increased by EUR 15.9 million (+16.0%) to EUR 113.2 million primarily as a consequence of increasing employee-related liabilities. The current ratio is 0.73, a significant reduction from 2018 of 1.11, showing the transition from short-term cash to longer-term investments. Overall liabilities to assets increased slightly from 66% to 71% reflecting the planned use of reserves.

Cash flow from operating activities was positive, EUR 6.0 million, although this represents a decline compared with the 2018 operating cash flow of EUR 9.8 million. Total cash and cash equivalents were EUR 56.1 million at the end of 2019, down from EUR 98.8 million, as investments increased by EUR 43.5million. The in-year collection rate of statutory contributions for 2019 remained high at 98.5%. Only 13 of the 194 member countries are in long-term payment arrears and therefore subject to the Organization's administrative sanctions.

¹ Includes use of carry-forward reserve projects

Introduction

The International Criminal Police Organization (ICPO-INTERPOL, the “Organization”) was created to facilitate international law enforcement cooperation. It is the world’s largest international police organization by number of member states, having 194 members. Its role is to enable law enforcement agencies around the world to work together with the ultimate goal of making the world a safer place. The Organization helps provide the tools, services and sets standards to enable the secure exchange of information between law enforcement agencies.

The Organization’s financial objectives are to ensure that it has sufficient funds to conduct its Programme of Activities, to have a balanced budget in the long-term, to have sufficient reserves to overcome temporary shortfalls and to react to operational emergencies and to protect the Organization’s assets.

Strategy and Operating Environment

The Organization operates globally by connecting law enforcement organizations from different countries.

Global policing goals; strategic framework, goals and objectives²

To ensure that international policing efforts are coordinated and consistent, law enforcement agencies must work towards the same outcomes. The Organization has developed seven “Global Policing Goals”³ which address a range of issues relating to international crime and security. Linked to these Global Policing Goals, the Organization has defined its own organizational goals. These organizational goals are further sub-divided into specific objectives, against which progress is monitored.

Vision - Connecting police for a safer world

The Organization’s vision is that every law enforcement official can communicate through its secure channels to access and interpret vital police information whenever and wherever needed, to help ensure the safety of the world’s citizens.

Mission - Preventing and fighting crime through enhanced cooperation and innovation on police and security matters

Defined in its Constitution, the Organization’s mandate is “to ensure the widest possible cooperation between all criminal police authorities and to suppress ordinary law crimes”. The Organization ensures law enforcement agencies can communicate securely with each other. It enables access to police data and information. It provides operational support on priority crime areas. It fosters continuous improvement in the capacity of law enforcement for more effective international policing.

Financial support and relations with other entities

Transnational crime cannot be countered by national law enforcement agencies in isolation. The Organization has a number of key stakeholders. It works closely with its members through coordination offices in each member country that assist in collecting data, organizing and conducting operations and providing criminal analysis reports and capacity building sessions. Law enforcement agencies and selected national organizations may “second” personnel who provide expertise and resources for the delivery of the Organization’s programmes. Member states provide the delegates of the Organization’s Executive Committee as well as funding which also includes the rent-free use of buildings and equipment and support for specific activities.

Partnerships to share expertise, technology and resources play an important role in coordinating operations and providing capacity building. The Organization cooperates closely with a number of

² <https://www.interpol.int/Who-we-are/Strategy/Strategic-Framework-2017-2020>

³ <https://www.interpol.int/Who-we-are/Strategy/Global-Policing-Goals>. The Global Policing Goals are aligned to the United Nations 2030 Agenda for Sustainable Development, notably Goal 16 “Peace, Justice and Strong institutions”.

partners, such as the European Union, UNODC, EUROPOL, ASEANAPOL, the World Customs Organization, CEMAC and government agencies. It works with selected partners from the private sector, primarily non-governmental organizations and foundations, notably the INTERPOL Foundation for a Safer World.

Operating environment

The Organization has a contact bureau in every member country run by national authorities, conducts activities across the world and is impacted by the global security environment which itself is impacted by wider societal changes. These societal trends lead to new ways of committing transnational crime, requiring the Organization to develop tools and services to further enable its membership to coordinate a response.

Organization Structure, Operations and Governance

Organization Structure

The Organization coordinates its activities through the General Secretariat, led by the Secretary General. The Secretary General manages the Organization's activities and coordinates them through four Executive Directorates via its General Secretariat headquarters, the Global Complex for Innovation, Special Representatives, Regional Bureaus and Liaison Offices. Each member country also maintains a National Central Bureau staffed by its own law enforcement officials, which does not form part of these financial statements.

Main Operations and sources of funding

Operational implementation of the Organization's mission is defined in the annual work plan, the Programme of Activities, which includes: the secure exchange of law enforcement information; the maintenance of specific criminal databases; the conduct of operations; capacity building and training; the provision of intelligence analysis. The Organization provides support across a wide range of different crimes areas⁴. It implements its Programme of Activities through different budgets, its Regular Budget – for continuing operations – and Trust Funds and Special Accounts' budget which are voluntary contributions, generally from member countries for specific, project activities.

The Organization's principal source of funding is the annual statutory contribution provided by its members. Each member country contributes on the basis of an approved scale for a stated period. Member countries and other organizations may also make additional voluntary contributions, which may be monetary or "in kind", such as the free-use of equipment and services. Voluntary contributions for pre-determined activities, are managed separately in the Trust Funds and Special Accounts. The Organization is also able to generate some of its own funding such as through financial investments or shop sales.

Governance and Oversight

The Organization functions under international law and is recognized as an International Organization by the United Nations. The Organization is established and controlled by its legal texts including its Constitution and Financial Regulations. The governance structure ensures control and oversight and is independent of operational management. The Organization's supreme governing body is its General Assembly, composed of delegates from each member country. The General Assembly elects the Organization's Executive Committee to oversee its decisions and the delivery of the Programme of Activities. The Executive Committee is headed by the President and has representatives from each region. External advisors provide independent oversight and report directly to the General Assembly.

⁴ Additional details are available at <https://www.interpol.int/Crime-areas>.

Financial Performance

Operating result

In 2019 the organisation made a deficit of EUR 4.7 million mainly as a result of planned strategic investments, using its reserves in excess of their regulatory limits. This was EUR 0.9 million more than the planned use of reserves of EUR 3.8 million, primarily as a result of an increase in unpaid statutory contributions. The “underlying” result – excluding one-off items and the budget use of reserves – remains balanced, continuing the recent trend of a positive underlying financial performance.

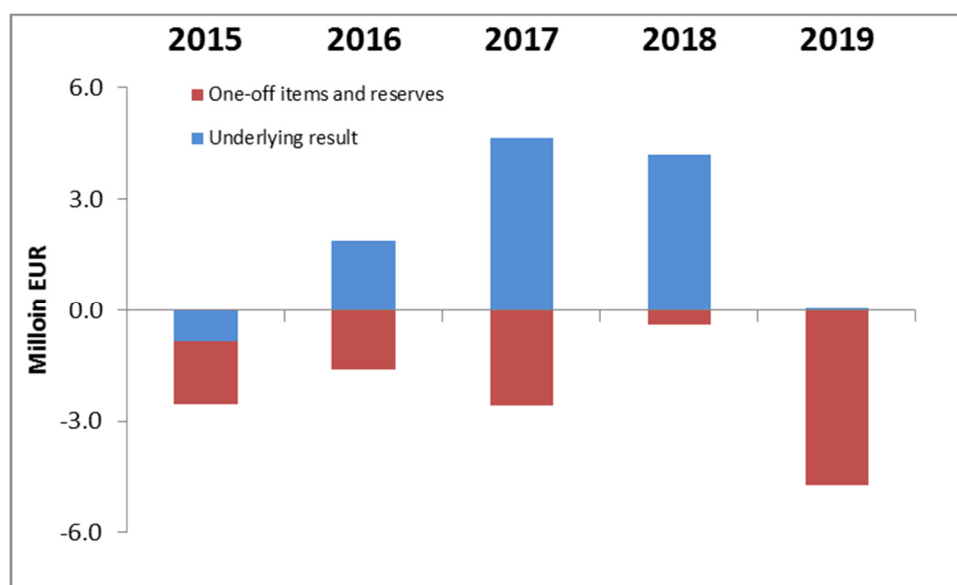


Figure 1: Financial Performance: five-year view of operating result

Income overview

By type: Total revenues increased to EUR 141.9 million in 2019 (+5.8% vs 2018) and comes from three main sources: statutory contributions of EUR 58.7 million (+2.3% versus 2018); in-kind contributions valued at EUR 34.5 million (+11.3%) and other voluntary contributions of EUR 45.2 million (+7.6%), that includes the Trust Funds and Special Accounts.

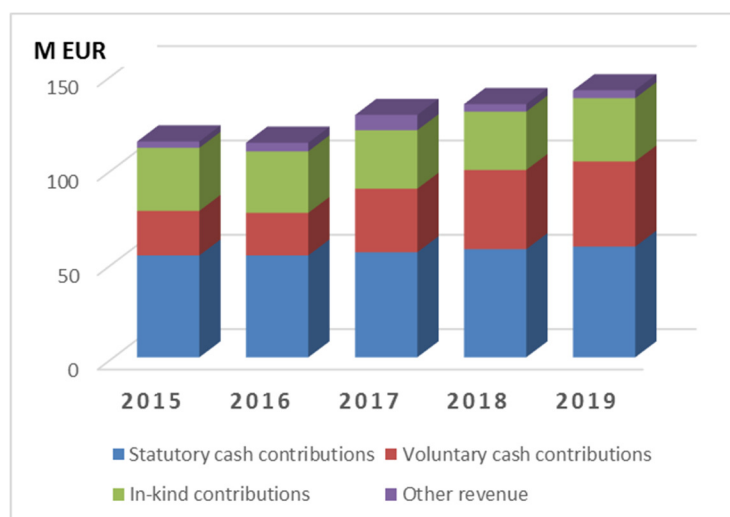


Figure 2: Five-year evolution of operating income

The relatively higher increase in voluntary and in-kind contributions means that statutory (cash) contributions as a percentage of total revenue fell to 41% in 2019. This proportion has been decreasing as

the Organization has sought to supplement and diversify its revenue streams with the implementation of specific projects. Statutory contributions represent two thirds of revenue less than 10 years ago.

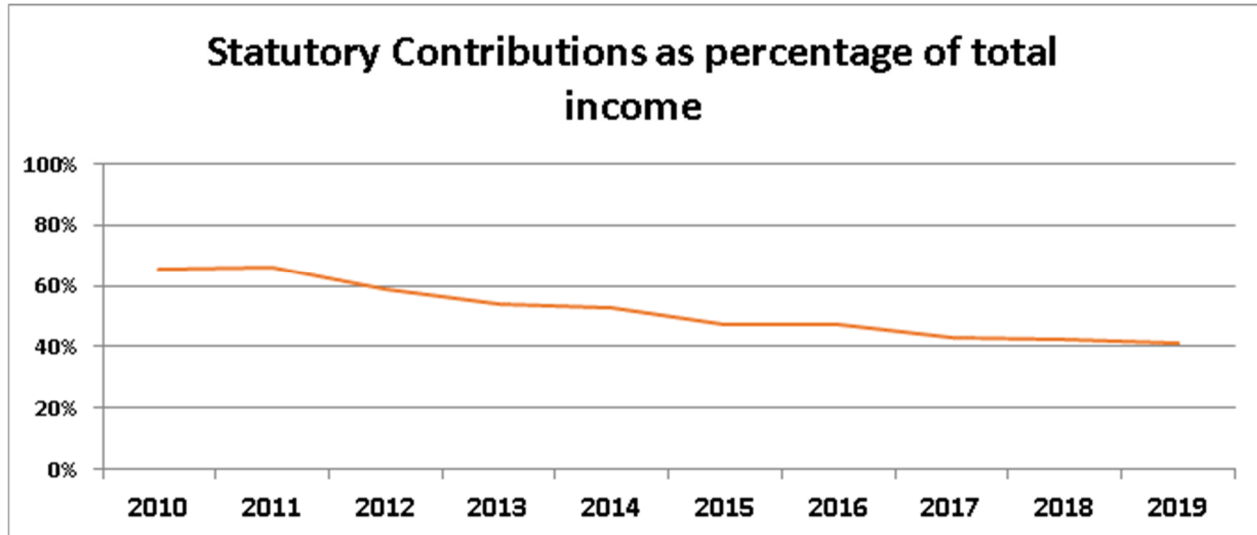


Figure 3: Ten-year trend in the share of statutory contributions as a percentage of total revenue

By region: The statutory contributions are contributed according to a defined scale, whereas voluntary contributions, both in cash and in-kind, are made for specific activities. Of the statutory contributions, slightly under half (44%) come from Europe.

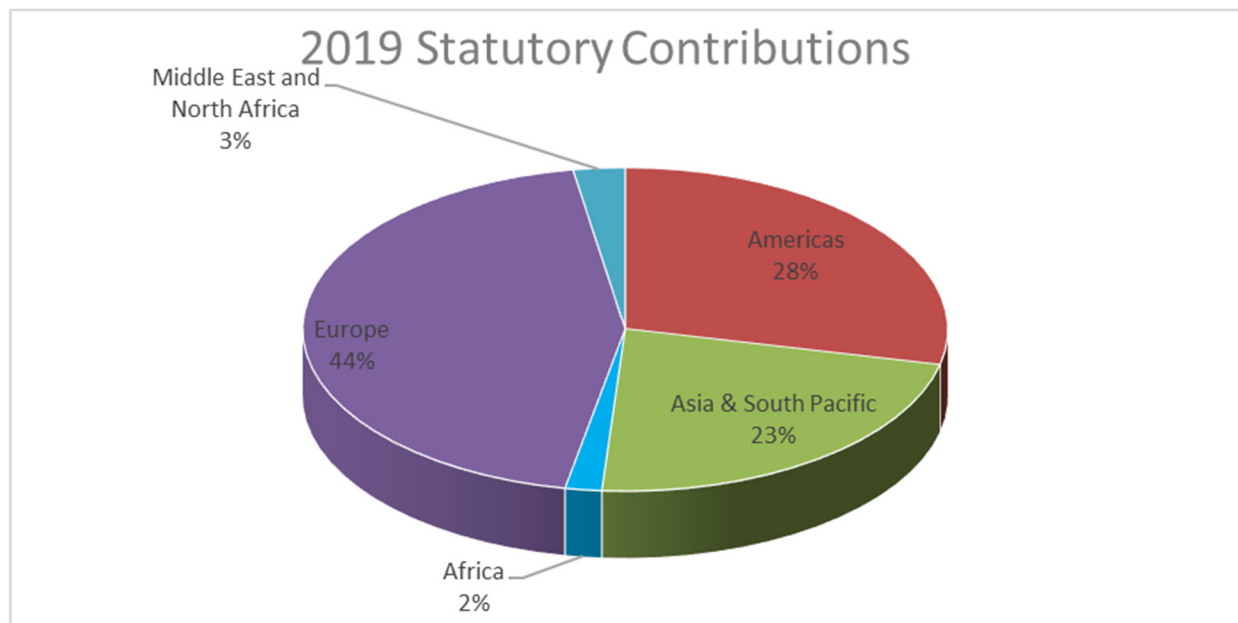


Figure 4: Share of 2019 statutory revenue by INTERPOL region

Of total revenue, which includes voluntary contributions such as those in-kind for buildings and seconded officials and income for projects, the amount for Europe reduces to 40%, Americas to 26% and Asia and South Pacific to 20% whereas Africa increases to 6% and Middle East and North Africa to 8%.

Expenses overview

Total expenses also increased in 2019 to EUR 146.7 million (+12.5% compared to 2018), driven by the increase in Trust Fund and Special Account activity. Total employee costs are the main expense type, accounting for nearly two-thirds (62%) of the total costs in 2019, including the in-kind pay costs.

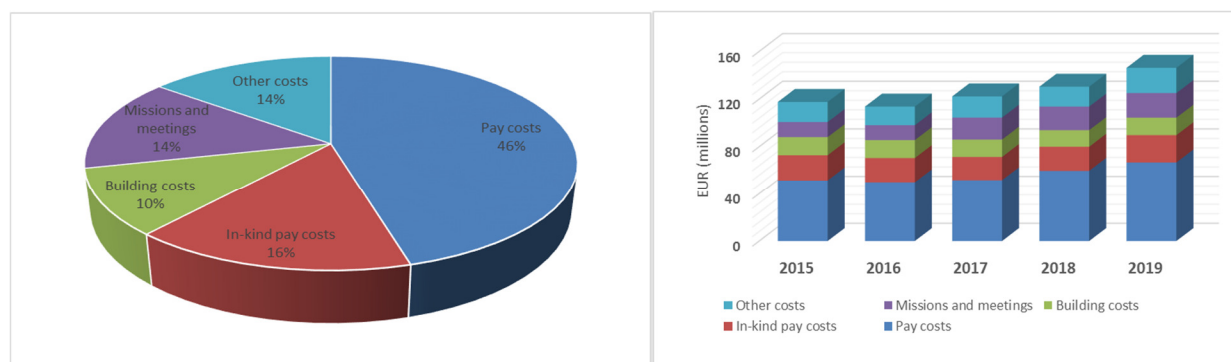


Figure 5: 2019 Operating expenses by type and five-year evolution

Financial Performance by Budget Segment

The Regular Budget including the Capital Budget represented 69% of total expenditures with the remainder being the Trust Funds and Special Accounts. The diversification of revenues has increased the relative proportion of the Trust Funds and Special Accounts to 31% whereas it represented only 20% of the total budget five years ago.

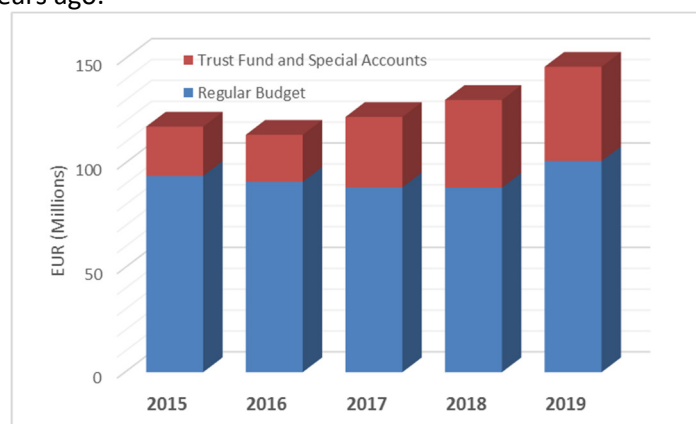


Figure 6: Five-year evolution of budgets by type

EUR millions	Budget 2019	Actual 2019	Implementation Rate %
Regular Budget	101.4	107.8	106%
Capital Budget	5.0	5.3	107%
Trust Funds and Special Account Budget	46.3	45.2	97%

Table 1: Execution rate (expenses) by budget type

Regular Budget including Capital Budget

Execution of the Regular Budget was higher in 2019 at 106% (2018: 91%), primarily from the carry-forward of prior-period projects that had been budgeted to use the excess reserves above the compliance limits for strategic investments. The 2019 operating result is a deficit of EUR 4.7 million compared with a budgeted deficit of EUR 3.8 million (2018: surplus EUR 3.8 million). Provision for doubtful debts against member country contributions (EUR 1.1 million) was the main cause of the budgetary variance.

Capital Budget

The Capital Budget forms part of the Regular Budget and had expenses of EUR 5.3 million in 2019. This is a reversal of the recent trend of under-execution against budget. Implementation of the Capital Budget increased significantly to 107% in 2019, up from 59% in 2018, primarily from the carry-forward of previous years' projects.

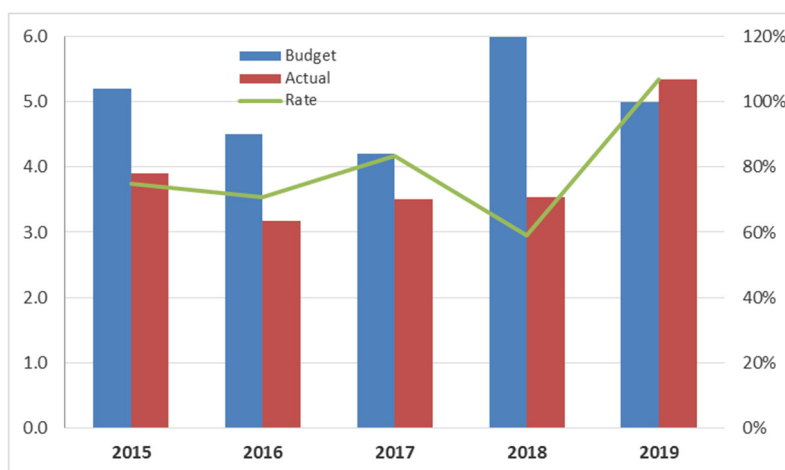


Figure 7: Five-year trend in Capital Budget implementation and execution % (line)

The improvement in implementation was mainly in IT communications and systems.

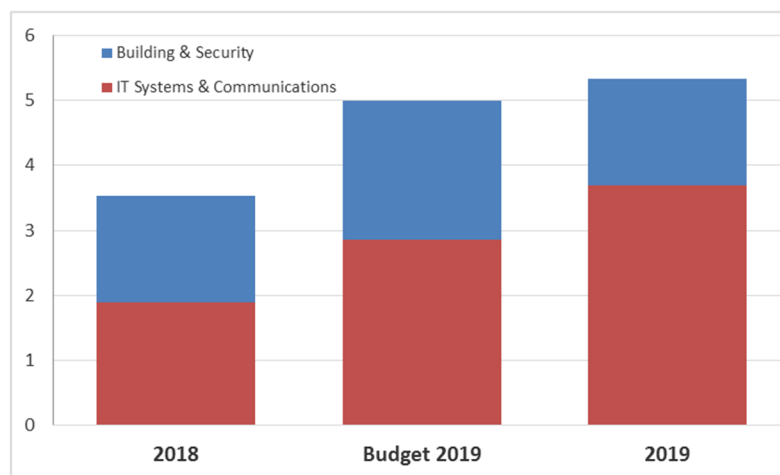


Figure 8: Capital Budget implementation versus budget and prior year

Trust Funds and Special Account Budgets

Trust Funds and Special Accounts' activity continues to increase, rising 8% in 2019, following the 25% rise in the previous year. Implementation of these specific projects improved in the year to 97% of the budget available, up from 83% in 2018.

Transfers between budgets (combination adjustment)

Certain services are shared between the different budgets, usually representing revenue to the Regular Budget, and eliminated when they are combined. The amount of these transfers increased to EUR 6.3 million in 2019, an increase of 38% on 2018 and higher than the EUR 5.1 million budget. This continues the recent trend of increased recovery to the Regular Budget for services provided, which increased to 16% of project expenditures in 2019 from 12% in 2018.

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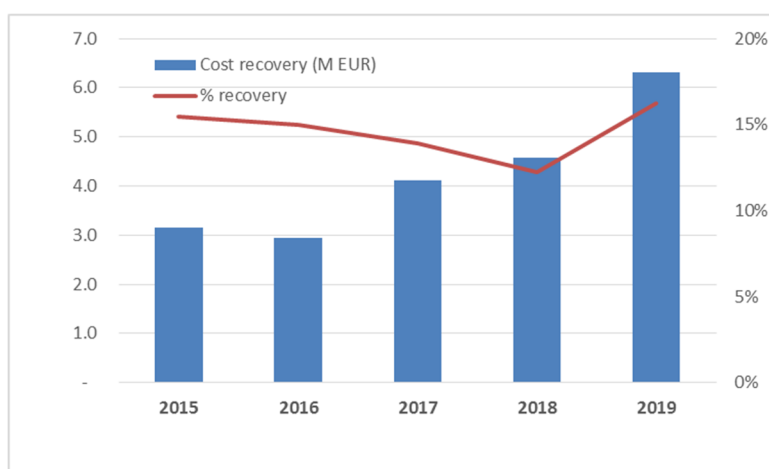


Figure 9: Five-year evolution in cost recovery from Trust Fund and Special Account projects (% of expenses (line))

Financial Position

Total assets increased by 8% from EUR 148.3 million to EUR 159.4 million, whereas total liabilities increased by 16% to EUR 115.2 million. Current assets significantly reduced as the Organization made longer-term investments. This is highlighted in the current ratio decreasing to 0.74 at the end of 2019 from 1.11 in 2018.

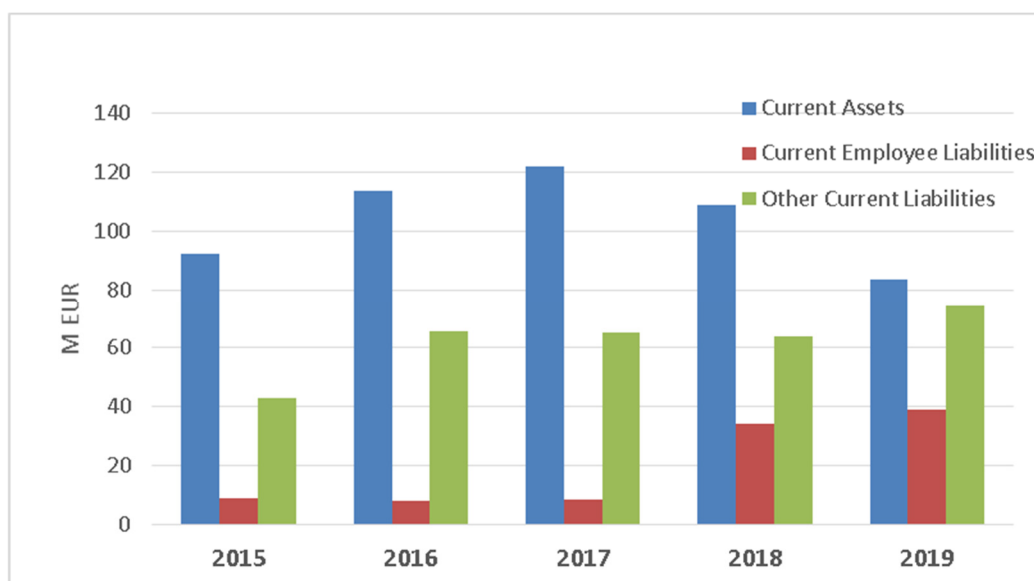


Figure 10: Five-year trend in current assets and liabilities

Assets

Driven by the holding of cash and cash equivalents and investments on behalf of third parties, current assets (including investments), represent 61% of total assets. Net asset values of long-term assets (capital items) have been decreasing in recent years, though not in 2019. This is consistent with the wider trend towards rental rather than ownership. The investment in intangible assets has seen the proportion of these assets rise in comparison with tangible assets.

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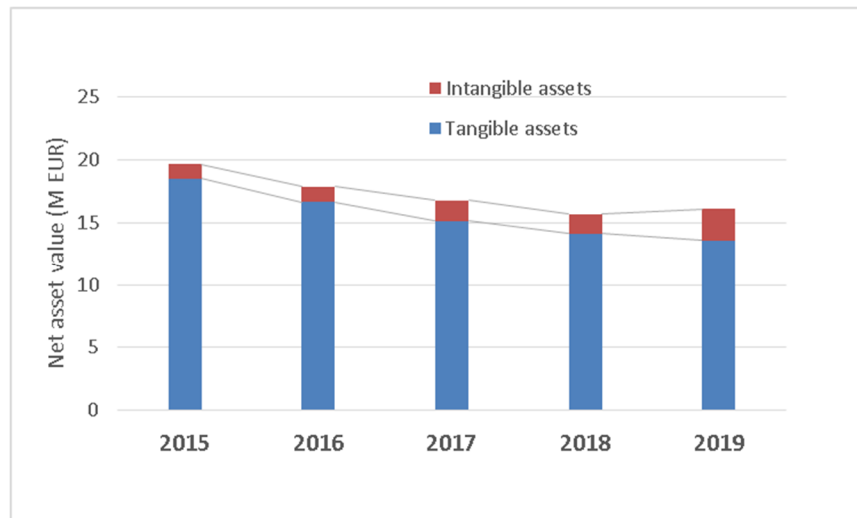


Figure 11: Five-year trend in net asset value by type of asset

Statutory contributions

On-time collection of statutory contributions is a key financial indicator as it impacts the overall budget available for implementation. Collection rates were slightly down on the General Budget, though not significantly, and there was a slight increase for Regional Bureau (RB) budgets. In-year collection rates remain above 98% on the General Budget and above 75% on RB budgets.

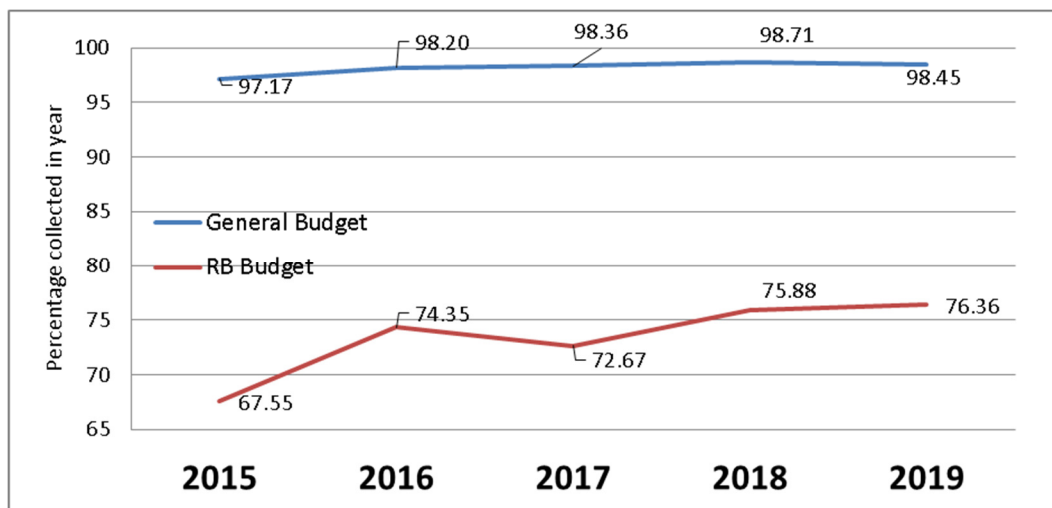


Figure 12: Five-year collection rates of statutory contributions General and RB budgets (% in the year)

Overall statutory contributions from member countries outstanding to be paid increased in the year by 17%: from a total owed of EUR 3.9 million at the end of 2018 (6.9% of the 2018 budget called) to a total owed of EUR 4.6 million at the end of 2019 (7.9% of the 2019 budget called). The main driver of this increase was from countries with longer outstanding payment arrears ("Article 52" countries).

Article 52 countries increased from EUR 2.3 million (9 countries, 5% of the total countries) to EUR 3.5 million (13 countries, 7% of the total countries). However, the number of countries and the total amount outstanding remains low in comparison with recent years, the total amount increase in 2019 being driven by one country that is not on the minimum scale of contribution.

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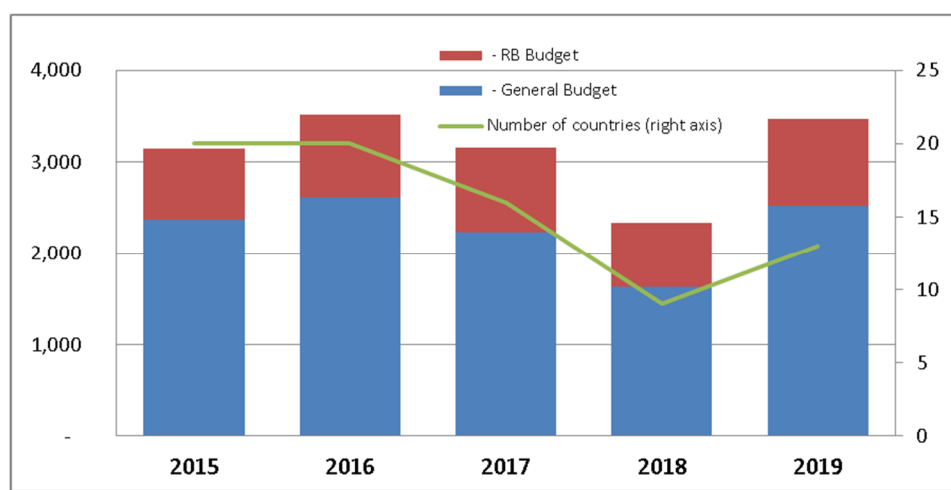


Figure 13: Five-year trend in the total amount of statutory contributions EUR (000s) outstanding at year-end for the General and RB Budgets from countries under article 52 only

Liabilities

The Organization has three principal sources of its liabilities: Accounts payable and accrued charges; employee future benefits; deferred revenue. Current liabilities from its accounts payable and accrued charges are normally covered by current assets. Employee future benefits and deferred revenue generally have an associated internally restricted asset in cash or cash equivalent or an investment that exactly matches the liability

Employee Future Benefits

The Organization offers a defined contribution pension to its employees under contract⁵. The number of employees affiliated to the scheme, together with the total liability continues to increase (to 448 persons and EUR 26.6 million of liabilities in 2019). The size of the scheme is similar to the entire accumulated reserves of the Organization.

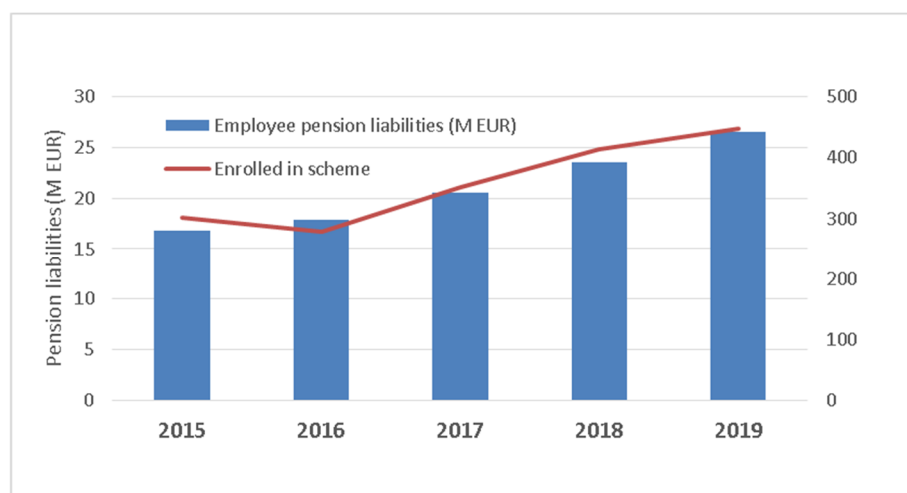


Figure 14: Five-year trend in liability and employees enrolled (line) in the defined contribution pension scheme

Deferred revenue: Trust Funds and Special Accounts

The Organization executes projects on behalf of third-party sponsors. It generally receives funding in advance of execution, and hence the revenue is deferred until the project is implemented. The

⁵ Employees under contract may also be enrolled in their national schemes, to which the Organization may also contribute, but considers that it has no further liability to the pensioner.

amount of Trust Fund and Special Account projects has been increasing and with it the liability to deliver the projects. At the end of 2019 the Organization held EUR 60.8 million for these projects, representing 1.3 years of project execution based on the most recent implementation rate. The higher implementation shows a slight decrease in both the actual value and the amount available.

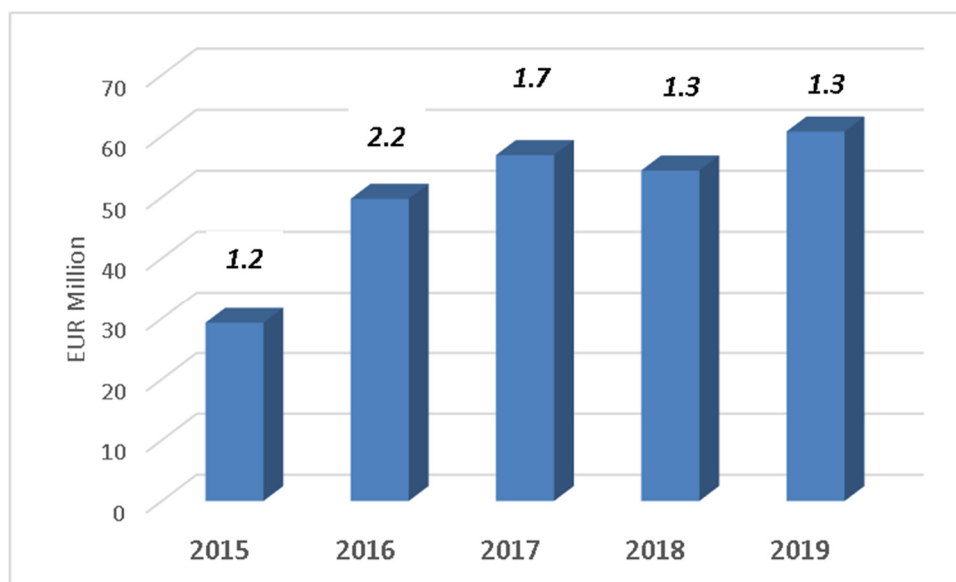


Figure 15: Five-year trend in funds available (year-end balance, EUR million) for the execution of Trust Fund and Special Account projects and number of years of execution (numbers)

Changes in Equity: Reserves

For a number of years, the Organisation has run an operating surplus, meaning that the level of the accumulated reserve funds had grown – to a level significantly higher than its statutory level, as defined in the Financial Regulations. The 2019 budget planned to use a part of the “excess” reserves, which is reflected in the operating result. The 2019 operating performance, a deficit of EUR 4.7 million, together with the higher implementation of the capital budget, led to a reduction in the accumulated reserves. The total reduction of EUR 5.1 million gave EUR 28.2 million of accumulated reserves at the end of 2019. These accumulated reserves represented 48% of the 2019 annual statutory contributions call and 38% of the Regular Budget cash expenditures.

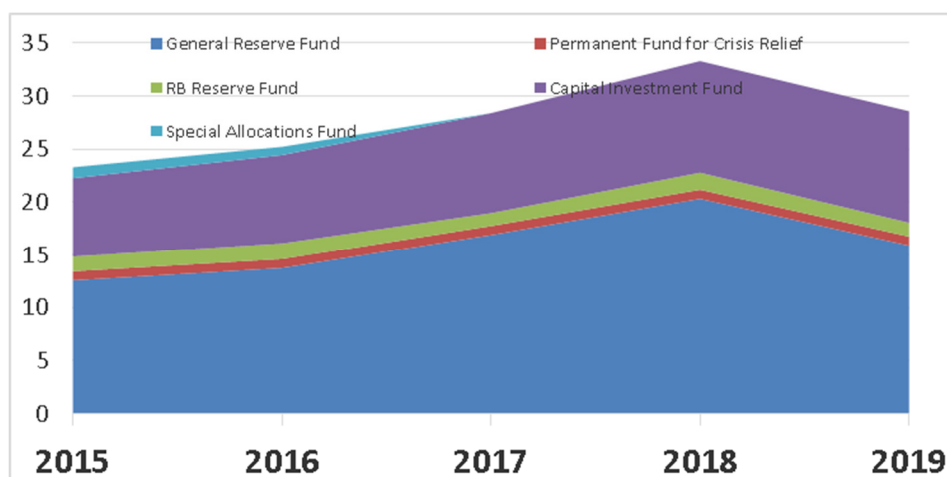


Figure 16: Five-year trend in the evolution of the level of accumulated reserve funds

To ensure operational continuity, the financial regulations stipulate a compliance level of the combined General Reserve Fund and Permanent Fund for Crisis Relief. The level of these funds are currently EUR 16.9 million which is a margin of EUR 6.4 million or 38% over the compliance limits⁶.

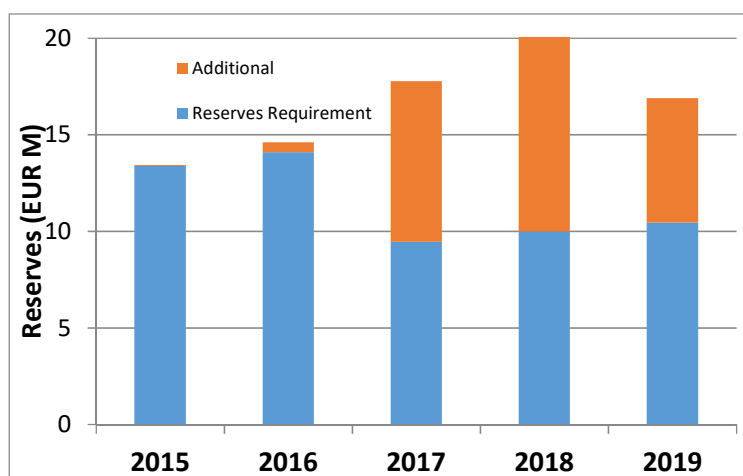


Figure 17: Five-year trend in the accumulated reserve funds and compliance with the Financial Regulations

Cash flow

Despite the operating deficit, operating cash flow remained strong in 2019 with the Organization generating EUR 6.0 million (2018: EUR 9.8 million). This led to an increase in cash, cash equivalents and investments to EUR 122.5 million. The main driver was the increase in internally-restricted cash for the settlement of future employee liabilities, which increased by EUR 5.3 million.

Internally-restricted cash, cash equivalents and investments

Total cash and cash equivalents and investments with internal restrictions, including for employees, increased from EUR 80.9 million to EUR 86.7 million in 2019, whereas unrestricted balances reduced by EUR 5.0 million. This meant that balances without restrictions represent only 29% of the total, down from 34% in 2018.

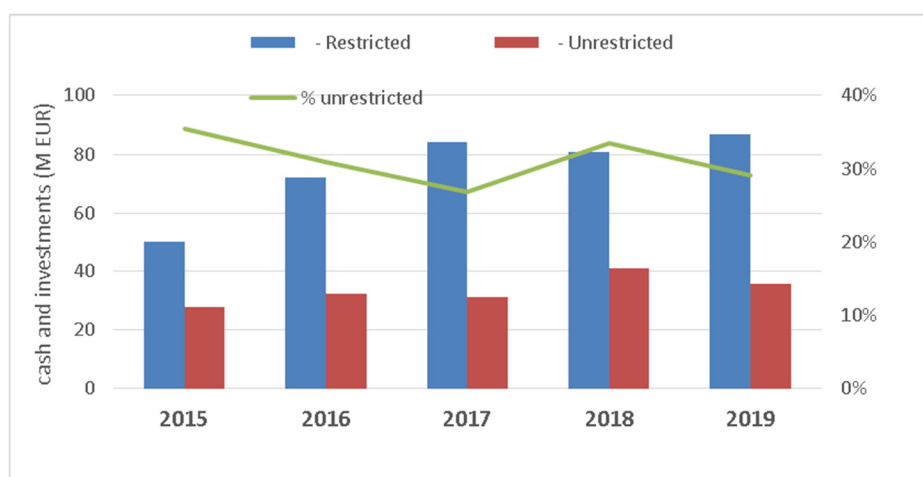


Figure 18: Evolution of the year-end cash and cash equivalents and investments by type (restricted vs unrestricted)

⁶ There are no statutory level of the capital reserve fund or RB reserve fund.

Financial risks and risk management

Principal financial risks

The Organization's operating environment means that it is constantly subject to financial risks that may significantly impact its financial position in the future. The Organization monitors its principal financial risks and prepares risk management measures to address them.

Revenue risk

Reliance on member country contributions

The Organization belongs to its members. It depends on their financial support (both in cash and in-kind) and their operational input for the delivery of its activities. Two-thirds of the Organization's revenue comes from statutory or in-kind contributions. Although support is divided between the 194 different member countries according to an agreed scale, a significant portion of the cash revenues is supplied by a smaller number of countries: the top ten (5% of the total countries) supplied over two-thirds of the cash contributions in 2019. Unpaid contributions can restrict the Organization's operational capability. The Organization also receives non-monetary support from its members, notably in the secondment of law enforcement officials that implement the Organization's activities. In 2019, over a quarter of staff were seconded to the Organization. In addition, the Organization receives free use of some of its buildings and equipment.

Reliance on Trust Fund and Special Account partners and voluntary contributions

The Organization leverages its member country contributions by seeking support for its activities from external partners, on a voluntary basis. Voluntary contributions made up nearly one-third of the Organization's revenues in 2019. A slow-down in this voluntary support could impact the overall activities delivered by the Organization. In addition, these voluntary activities may develop assets such as databases that require on-going servicing that may lead to a continued financial obligation to members.

Budget execution

The Organization operates different budgets, the implementation of which may impact future Organizational financial performance. This may include the renewal of revenues, the continued use of assets made available to the Organization and the voluntary contributions to specific projects.

Data volume and quality, operating environment and legal challenges

The Organization depends on its member countries for the input of notices and data in its databases. There has been an increase in the amount of data and records that are held by the Organization as well as the number of enquiries made on these data. Total records in the databases increased by 7% in 2019 to 99 million records. Total searches across databases also increased by 32% in 2019 to 7.2 billion searches. Searches that result in a positive result ("hit") increased by 13% to 1.3 million.

The Organization is exposed to risks in the quality of and in the implementation of new standards in the handling of data. Legal challenges and further costs in reviewing and ensuring data quality may result in future financial liabilities to the Organization. The Organization conducts its operations in high-risk areas and may be subject to other legal claims in the ordinary course of its operations.

Financial risks including inflation, currency risk, interest rate risk, credit risk, liquidity risk

The Organization operates internationally. High inflation, notably in certain duty stations, may impact the level of expenditures that the Organization can support. The Organization receives and makes transfers and holds cash and cash equivalents in a number of currencies. The Organization is subject to fluctuating exchange rates on these transactions and the positions it takes in these currencies.

The Organization invests some of its available funds in investment products – including on behalf of third parties such as employees and sponsors. It is subject to the credit quality of the products and the

institutions that manage them as well as to liquidity risk in accessing funds. This risk may be increased as the Organization is investing on behalf of third parties. The Organization is also subject to the credit quality of all of its accounts receivable, including the amounts receivable from its member countries.

Pension and social security schemes

For contracted employees who enrol, the Organization operates a defined contribution pension scheme. Other contracted employees may be affiliated to national pension schemes. A shortfall in funding of these schemes, the Organization's withdrawal from national schemes or other contributions to national social security, including on behalf of employees, may require additional contributions from employees or members. As the Organization plans to implement its own pension scheme⁷, the withdrawal from national pension and social security schemes may impact the Organization's financial position in the future.

Financial risk management

The Organization has a number of mitigating strategies to manage the financial risks highlighted above.

Revenue risk management: Relying on single types and sources of revenues has prompted the Organization to pursue a diversification of its revenue streams. In 2019, revenues from statutory contributions was 41% and is decreasing as an overall percentage. The Organization regularly monitors the payment of statutory contributions and makes assessments of recoverability, and, where necessary, makes a financial provision. In addition, the Organization encourages a wide contribution of in-kind support from its membership.

A further 34% of revenues came from Trust Funds and Special Accounts. In order not to become overly reliant on Trust Funds and Special Account revenues nor a single sponsor, the Organization's Financial Regulations protect against this risk by stipulating a limit of 50% of total operating revenue to be sourced from Trust Funds and Special Accounts for utilization in a year. Similarly, the total annual donation from a single donor in Trust Funds and Special Accounts, other than the INTERPOL Foundation, cannot exceed 15 per cent of total operating revenue in that year. No single donor exceeded this amount, including the INTERPOL Foundation, with the highest single sponsor being the European Union that contributed 7.0% of total revenue and only 22% of total Trust Fund and Special Account revenue. The total number of sponsors that contributed EUR 100 (000) or more in the year increased to 33.

Legal risk management: The Organization monitors the risks of litigation that occur in the conduct of its activities. It ensures the handling of data from member countries is made according to the rules. It has adopted mitigating measures and precautions to limit the financial impact of potential legal risks. Safeguards include better review of red notices and wanted persons diffusions; stricter criteria for publication of extracts on INTERPOL's public website; separation between notices and diffusions in the notice form; support and guarantees from member countries; third-party insurance coverage.

Operational financial risk management: The Organization has limits stipulated in its Financial Regulations to counter operational financial risks. The level of the funds subject to this requirement was EUR 6.4 million or 38% above its limit at the end of 2019. The Organization has a Treasury Policy that helps to address its currency, credit and interest rate risks. This includes limits on the amounts held with single institutions and the credit rating of the investment products it deals in. Currency risk management includes matching foreign currency inflows with expected outflows. Budget risk management includes not contracting with counterparties until funding is secured and to match contracts with the associated revenue streams. The Organization continues to discuss with its host member states on any potential ongoing pension liabilities.

Internal control system

The Organization addresses these and other risks by establishing an overall internal control system. A statement on internal control describes what is included in this system and is shown below.

⁷ GA Resolution AG-2016-RES-13.

STATEMENT OF INTERNAL CONTROL

22 May 2020

Scope of responsibility

As Secretary General of ICPO-INTERPOL, in accordance with Regulation 1.3 of the Financial Regulations, I am responsible and accountable for the proper financial management of the Organization. I have established mechanisms of internal oversight and financial control to ensure the effective and efficient use of the Organization's resources and the safeguarding of its assets.

Operating environment

ICPO-INTERPOL operates globally with a physical representation in all of its member countries. The diverse and challenging environments and the engagement with multiple funding and delivery partners expose the Organization to many potential risks and opportunities. There is a high level of inherent risk, including for the security of employees, which presents challenges in maintaining high standards of internal control.

Purpose of the system of internal control

ICPO-INTERPOL has designed an internal control system to reduce and manage the risk of failure to achieve its objectives within its budgets and according to its regulations. Internal control is an ongoing process that identifies and evaluates the principal risks and manages them efficiently, effectively and economically.

The system of internal control consists of a number of measures effected by the General Assembly, the Executive Committee, Advisors and the General Secretariat including senior management, the Office of Internal Oversight and other departments. It is not a single policy or procedure but a set of processes running continuously throughout the Organization at all levels. It is designed to provide reasonable assurance on achieving the internal control objectives:

- Effective and efficient conduct of its operations including all of its financial operations;
- Safeguard of its assets;
- Prevention, detection and reporting of fraud;
- Reliable, accurate and complete recording of its transactions and related financial reporting;
- Objective assessment of the risks and potential liabilities and their effective management;
- Compliance with its regulatory framework, notably its Financial Regulations.

Internal control framework and risk management

The Organization has implemented an internal control framework comprising but not limited to:

- Sets of regulations, policies and rules including the Code of Conduct, Financial Regulations, Staff Manual and data protection and due diligence procedures;
- Systematic automatic and regular manual controls and monitoring activities;
- Senior management accountability reinforced by specific declarations;
- An Office of Internal Oversight to provide regular reviews and internal audits;
- Governing and review bodies which are independent of management;
- Independent external audit and evaluation.

The Organization has established a risk management system. This includes the identification of risks, classified according to relevance, impact and probability of occurrence and their periodic review. The risk management system is implemented through regular operational reviews and is reinforced by external parties, notably with appropriate insurance cover.

ICPO-INTERPOL

Review of the effectiveness of ICPO-INTERPOL system of internal control 2019

My review of the effectiveness of the system of internal controls for 2019 is mainly informed by:

- Senior Management, who are formally accountable for results, performance and the control of their activities and the resources entrusted to them;
- Internal departments for ensuring the application of the Organization's regulatory texts including the Office of Legal Affairs for pending or potential legal actions;
- Audits, evaluations and investigations performed by the Office of Internal Oversight;
- Governing body observations and comments and independent advisors such as the Advisory Group on Financial Matters;
- External audit and other independent review committees including the Commission for the Control of INTERPOL files;
- Feedback from member countries including the Advisory Group on Financial Matters.

Internal control issues arising in the year

The system of internal control identified no major internal control weaknesses in 2019. Areas where further improvements in internal control may be required include:

Legal Framework: The Organization is subject to legal challenges and continues to update its operating processes and strengthen its legal reviews, notably in the processing of data;

Audit recommendations: The Office of Internal Oversight and the external auditors provide recommendations for improving management processes and financial reporting. The Organization addresses any weaknesses and regularly reports on the progress of the implementation of the recommendations to its governing bodies;

Budgetary management: At an operational level, different budgets have different people that are responsible for them. The nature of the Organization's resourcing often means that there is a relatively high turnover in officials. Continued training on budgetary management and the application of financial controls is required to ensure compliance with the Organization's financial rules and objectives;

Enterprise risk management: The Organization is strengthening its risk management systems, including its insurance cover. Systematic risk reporting, coordination review and management can be further improved;

Performance management: The implementation rate of certain programs can be improved, notably for Trust Fund and Special Accounts and capital expenditure. The Organization is reviewing its support processes, including its financial systems, in order to improve its ability to implement these projects.

Approval for the financial year 2019

No matter how well designed, effective internal control has inherent limitations including the possibility of circumvention. It can only provide reasonable not absolute assurance. The effectiveness of internal control may vary over time owing to changes in operating conditions. I am committed to the continuous development of the system of internal control, addressing weaknesses and taking timely remedial actions.

Based on the above, I conclude that, to the best of my knowledge, ICPO-INTERPOL has an effective system of internal control, that there are no material weaknesses nor are there other significant matters arising which would need to be raised in the present document for the year ended 31 December 2019 and up to the approval of the financial statements.

Jürgen Stock
Secretary General

APPROVAL OF THE 2019 FINANCIAL STATEMENTS

Regulation 6.3 of the ICPO-INTERPOL Financial Regulations gives the responsibility to management for the production of the financial statements. The Organization has adopted International Public Sector Accounting Standards (IPSAS) as its accounting reference standard. These financial statements have been prepared in accordance with IPSAS and the Financial Regulations and management considers that it has been compliant with both throughout the year.

The Secretary General is responsible for establishing and maintaining adequate internal financial controls. The Organization's system of internal financial control is designed to provide reasonable assurance on the reliability of financial reporting including detailed accounting procedures and operations and the prevention, detection and reporting of fraud. The system of internal control includes policies, procedures and approval of financial operations at both the organizational level and transactional level.

Organizational level controls include the policies and procedures that set the internal financial control environment, provide for the maintenance of records, the authorization levels of management and the Office of Internal Oversight that reports directly to the Secretary General. Management is responsible for establishing and maintaining transactional level controls that provide reasonable assurance that the Organization complies with its Financial Regulations and other approved policies and procedures including accounting for all authorized receipts and expenditures and for the prevention and detection of unauthorized acquisition, use or disposition of the Organization's assets. Senior Management makes a declaration on their or related parties' outside interests that may be conflictual or prejudicial to the Organization and that could call into question their independence in exercising their ICPO-INTERPOL functions. These Organizational level controls have identified no transactions that have not been included in these financial statements and may have a material impact on their reliability.

These financial statements include certain amounts that are based on Management's best estimates and probabilities on the likelihood of occurrence at the financial statement approval date.

Management establishes controls to investigate reported incidents of fraud. No reported incidents were substantiated during the year. Management has reasonable assurance that its system of internal financial control has been operating effectively during the year and that there are no material misstatement or omissions. Management therefore considers that these financial statements present a true and fair view of the Organization's financial position as at 31 December 2019 and the results of financial operations and cash flows for the year at that date.

The financial statements were approved by Management on 22 May 2020. The financial statements are audited by the Auditor General of Canada, who was re-appointed by the General Assembly⁸ for a second three-year term beginning in 2019.



Jürgen Stock
Secretary General



Alberto Varano
Executive Director, Resource Management

⁸ GA-2018-87-RES-12



INDEPENDENT AUDITOR'S REPORT

To the General Assembly of the International Criminal Police Organization - INTERPOL

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the International Criminal Police Organization - INTERPOL (the Organization), which comprise the statement of financial position as at 31 December 2019, and the statement of financial performance, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Financial Report and Financial Statements, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSASs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Compliance with Specified Authorities

Opinion

In conjunction with the audit of the financial statements, we have audited transactions of the International Criminal Police Organization - INTERPOL coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are the Constitution, General Regulations and Financial Regulations of the International Criminal Police Organization - INTERPOL.

In our opinion, the transactions of the International Criminal Police Organization - INTERPOL that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above. Further, as required by the Financial Regulations of the International Criminal Police Organization - INTERPOL, we report that, in our opinion, the accounting principles in IPSASs have been applied on a basis consistent with that of the preceding year.

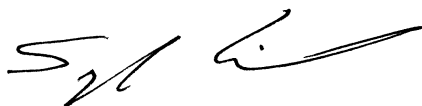
In addition, in accordance with Chapter 7, Section 2, Regulation 7.7 of the Financial Regulations of the International Criminal Police Organization - INTERPOL and Appendix 2 to these Financial Regulations, we have also issued a detailed report on our audit of the International Criminal Police Organization - INTERPOL to the General Assembly.

Responsibilities of Management for Compliance with Specified Authorities

Management is responsible for the International Criminal Police Organization - INTERPOL's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the International Criminal Police Organization - INTERPOL to comply with the specified authorities.

Auditor's Responsibilities for the Audit of Compliance with Specified Authorities

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.



Sylvain Ricard, FCPA, FCA
Interim Auditor General of Canada

Ottawa, Canada
22 May 2020

STATEMENT OF FINANCIAL POSITION

As at 31 December

<i>000s Euros</i>	Notes	2019	2018 Restated (Note 33)
ASSETS			
Current assets			
Cash and cash equivalents	8, 33	56,107	98,761
Investments	9	7,000	4,000
Statutory contributions receivable	10	731	870
Accounts receivable	11	15,753	6,055
Prepaid expenses		3,469	2,830
Inventories		484	467
Total current assets		83,544	112,983
Non-current assets			
Investments	9, 33	59,384	18,884
Statutory contributions receivable	10	413	726
Intangible assets	12	2,486	1,575
Plant, property and equipment	13	13,593	14,104
Total non-current assets		75,876	35,289
TOTAL ASSETS		159,420	148,272
LIABILITIES			
Current liabilities			
Accounts payable and accrued charges	14	12,314	8,285
Contributions received in advance	15	1,354	1,178
Deferred revenue	16	60,752	54,375
Employee future benefits	17	38,804	34,152
Total current liabilities		113,224	97,990
Non-current liabilities			
Employee future benefits	17	1,939	1,298
Total non-current liabilities		1,939	1,298
TOTAL LIABILITIES		115,163	99,288
NET ASSETS			
Capital financing reserve	19	16,079	15,679
Accumulated reserve funds	20	28,178	33,305
TOTAL NET ASSETS		44,257	48,984

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL PERFORMANCE
For the financial year ended on 31 December

<i>000s Euros</i>	Notes	Revised Combined Budget 2019	2019	2018
Operating revenue	27			
Statutory contributions		57,286	57,320	55,998
Regional Bureau financing		1,335	1,335	1,305
In-kind contributions		30,930	34,547	31,037
Voluntary contributions		3,566	3,493	3,553
Reimbursements and recoveries		45,000	44,207	41,183
Financial income		300	410	369
Other income		494	700	680
Exchange rate gains/(losses) net		0	(84)	75
Total operating revenue		138,911	141,928	134,200
Operating expenses	28			
Pay costs		62,047	66,755	59,678
In-kind pay costs		19,974	22,936	20,293
Other staff costs		2,650	2,504	2,462
Premises running costs		3,306	3,452	3,194
In-kind premises running costs		10,956	11,611	10,744
Maintenance		5,187	3,657	3,166
Missions and meetings		17,603	20,714	19,817
Office expenses		3,309	2,102	1,976
Telecommunication costs		1,197	1,172	943
Third party and other costs		11,484	6,818	3,502
Depreciation and amortization		4,982	4,934	4,610
Total operating expenses		(142,695)	(146,655)	(130,385)
Surplus / (deficit) for the year		(3,784)	(4,727)	3,815

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
For the financial year ended on 31 December

000s Euros	Total Net Assets	Capital Financing Reserve	Accumulated Reserve Funds	Breakdown of Accumulated Reserve Funds			
				General Reserve Fund	Permanent Fund for Crisis Relief	Capital Investment Fund	Regional Bureau Reserve Fund
Notes		19	20	21	22	23	24
Balance at 31 December 2017	45,169	16,766	28,403	16,905	855	9,428	1,215
Surplus for the year	3,815	0	3,815	3,427	0	0	388
<i>Items not in the Statement of Financial Performance</i>							
- Capital expenditure	0	3,538	(3,538)	0	0	(3,538)	0
- Depreciation and amortization	0	(4,610)	4,610	0	0	4,610	0
- Disposals	0	(15)	15	0	0	15	0
Balance at 31 December 2018	48,984	15,679	33,305	20,332	855	10,515	1,603
(Deficit) for the year	(4,727)	0	(4,727)	(4,300)	0	0	(427)
<i>Items not in the Statement of Financial Performance</i>							
- Capital expenditure	0	5,337	(5,337)	0	0	(5,337)	0
- Depreciation and amortization	0	(4,934)	4,934	0	0	4,934	0
- Disposals	0	(3)	3	0	0	3	0
Balance at 31 December 2019	44,257	16,079	28,178	16,032	855	10,115	1,176

The accompanying notes form an integral part of these financial statements

STATEMENT OF CASH FLOWS
For the financial year ended on 31 December

<i>000s Euros</i>	Notes	2019	2018 Restated (Note 33)
Cash flows from operating activities			
Surplus / (Deficit) for the financial year		(4,727)	3,815
Adjustments for non-cash movements			
Depreciation and amortization	12, 13	4,934	4,610
Effect of unrealized (gains) on foreign currency		(180)	(189)
Loss on disposal of assets	12, 13	3	15
<i>Changes in assets</i>			
(Increase) Decrease in statutory contributions receivable (net)	10	452	(532)
(Increase) Decrease in accounts receivable	11	(2,698)	1,471
(Increase) in prepaid expenses		(639)	(785)
(Increase) Decrease in inventories		(17)	9
<i>Changes in liabilities</i>			
Increase in accounts payable and accrued charges	14	4,029	1,183
Increase (Decrease) in contributions received in advance	15	176	(2,108)
Increase (Decrease) in deferred revenue	16	(623)	(2,520)
Increase in employee future benefits	17	5,293	4,863
Net Cash Flows from operating activities		6,003	9,832
Cash Flows from investing activities			
Purchases of plant, property and equipment	13	(3,350)	(2,691)
Purchases of intangible assets	12	(1,987)	(847)
Maturity of investments	9	4,000	4,879
Purchases of investments	9, 33	(47,500)	(18,853)
Net Cash Flows from investing activities		(48,837)	(17,512)
Effect of foreign currency exchange rates in cash and cash equivalents		180	189
Net change in cash and cash equivalents		(42,654)	(7,491)
Cash and cash equivalents at the beginning of period	8, 33	98,761	106,252
Cash and cash equivalents at the end of period	8, 33	56,107	98,761

EUR 170 (000) of interest received is included in the net cash flows from operating activities (2018: EUR 416 (000)).

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Note 1: General information

The International Criminal Police Organization – INTERPOL (ICPO-INTERPOL, “The Organization”) was founded in 1923 to enhance police co-operation around the world. The Organization is legally registered as an International Organization. It currently has 194 countries as equal members who effectively own and govern it by approving its governing texts including the Constitution and General Regulations. The Organization’s Financial Regulations are an appendix to its General Regulations.

As set out in Article 2 of its Constitution, the aims of the Organization are:

- To ensure and promote the widest possible mutual assistance between all criminal police authorities within the limits of the laws existing in the different countries and in the spirit of the “Universal Declaration of Human Rights”;
- To establish and develop all institutions likely to contribute effectively to the prevention and suppression of ordinary law crimes.

These aims are summarized by the vision and mission of the Organization:

Vision: *“Connecting Police for a Safer World”;*

Mission: *“Preventing and fighting crime through enhanced cooperation and innovation on police and security matters”.*

The Organization carries out its mission by focusing on achieving its five strategic goals:

1. To serve as the worldwide information hub for law enforcement cooperation;
2. To deliver state-of-the-art policing capabilities that support member countries to fight and prevent transnational crimes;
3. To lead globally innovative approaches to policing;
4. To maximize the Organization’s role within the global security architecture;
5. To consolidate resources and governance structures for enhanced operational performance.

The members meet annually at the General Assembly (GA). To oversee the Organization, the members elect representatives by region to the Executive Committee (EC), which meets regularly to provide oversight, and they elect the Secretary General, responsible for operational management. The current Secretary General was elected in November 2014 for a term of five years and re-elected for a second and mandated final term, in 2019.

The Organization has its General Secretariat headquarters (IPSG) in Lyon, France, and the INTERPOL Global Centre for Innovation (IGCI) in Singapore. It has representative Liaison Offices (LOs) in Brussels, Belgium; Bangkok, Thailand; Addis Ababa, Ethiopia; and New York, USA. The Organization has Regional Bureaus (RBs) in Abidjan, Côte d’Ivoire; Buenos Aires, Argentina; Harare, Zimbabwe; Nairobi, Kenya; San Salvador, El Salvador; Yaoundé, Cameroon. It has legal agreements with each of these countries and operates in each country in accordance with these agreements. The Organization may also have privileges and immunities in the countries in which it operates, notably that of being exempt from paying most forms of taxation. In addition to these offices, each member country has a representative office, known as the ICPO-INTERPOL National Central Bureau (NCB), through which the Organization coordinates its operational activities with each member.

Note 2: Management of the activities of the Organization

The Organization organizes and manages its activities through its Strategic Framework. The Strategic Framework defines the Organization's Operating Model, consisting of its three global programs against Counter Terrorism, Organized and Emerging Crime and Cybercrime through which the Organization develops its "Programme of Activities". The Programme of Activities is the Organization's annual plan and is financed by the "Combined Budget" for the period. The Programme of Activities and the Combined Budget are approved by the members at the GA.

The Secretary General is responsible for the delivery of the Programme of Activities within the Combined Budget and to ensure that controls are established to monitor their implementation. The Combined Budget for the Organization is the combination of the Organization's different operational budgets, further described in note 5 below, that may have different financial conditions.

The approval of the Combined Budget empowers the Secretary General to:

- Receive income and resources for the period, up to the approved limits;
- Commit and authorize expenditures for the period for approved activities up to the approved limits.

Minor changes to the Combined Budget allow for operational delivery. These changes result in a "Revised Combined Budget" against which financial performance is measured and reported.

Note 3: Basis of preparation of the financial statements

The financial statements have been prepared according to the Organization's governing texts: its Constitution, General Regulations, Financial Regulations, Financial and Staff Directives. The Financial Regulations establish International Public Sector Accounting Standards (IPSAS) as the Organization's appropriate governing financial accounting and reporting standard.

Going concern

Management has expressed confidence in the Organization as a going concern:

1. The Organization has the support of its members for long term initiatives:
 - 1.1 The Strategic Framework for the period 2017 - 2020 was approved at the 2016 GA⁹;
 - 1.2 The INTERPOL 2020 initiative¹⁰, an agenda for continuing activity and reform, was approved at the 2016 GA and the 2020+ initiative is proposed to continue it;
 - 1.3 The Programme of Activities and Draft Budget for 2020 and Budget Indications for 2021 and 2022 was approved at the 2019 GA¹¹;
2. The Organization has long-term financial support from its members and third parties:
 - 2.1 The revised scale of distribution between members of statutory contributions for the period 2020 - 2022 was approved at the 2018 GA¹² and some member countries have already made their contributions to the 2020 Budget;
 - 2.2 Commitment for the secondment of officials, free-use of assets and for the Trust Fund and Special Account projects, including those supported by the INTERPOL Foundation, runs to 2023 and beyond.

Financial statement presentation

The financial statements have been prepared on an accrual basis. The functional and presentation currency of the Organization is the Euro. Unless otherwise stated, information is presented to the nearest one thousand euros (EUR '000s).

⁹ GA-2016-85-RES-03

¹⁰ GA-2016-85-RES-02

¹¹ GA-2019-88-RES-09

¹² GA-2018-87-RES-14

Note 4: New accounting standards

The International Public Sector Accounting Standards Board (IPSASB) revises and issues new accounting standards.

New standards applicable from 1 January 2019

IPSAS 40 – Public Sector Combinations - came into effect from 1 January 2019. There is no impact of this standard on the financial statements.

Accounting standards issued but effective 1 January 2022

The IPSASB has issued two further standards: IPSAS 41 – Financial Instruments - and IPSAS 42 – Social Benefits. These standards have a future implementation date of 1 January 2022 and their impact on the Organization is currently being assessed. In addition to the standards, IPSASB published an update on improvements to IPSAS, 2019. The Organization considers that there is no impact on the Organization from these improvements.

Note 5: Budgets and budget approval

The Combined Budget of the Organization consists of the Regular Budget and Specific Budgets and is approved by the GA for a period of one-year.

The Regular Budget has two components: operating and capital budgets. The operating part consists of the General Budget and the Regional Bureau (RB) Budgets. The General Budget is the main operating budget of the Organization. It is primarily financed by all members, notably via an agreed statutory call for contribution, and supports all of the Organization's activities. The Organization's Capital Budget is financed via depreciation on the General Budget. Financial results from the General Budget, including the Capital Budget, pass to the Organization's General Reserve Fund (GRF) and Capital Investment Fund (CIF). RB Budgets are limited to the member countries that support operational activities at each RB. Financial results for each RB are allocated to the RB Reserve Fund. Pay Costs and Capital Expenditures at the RBs are supported by the General Budget.

Specific Budgets are composed of Trust Fund and Special Accounts. Trust Fund and Special Accounts support additional, specific activities. The Organization's Trust Fund was established to ensure common conditions for the management of donor funds and the activities that they finance. The Trust Fund has specific operating conditions; the funds are internally separated and managed for the agreed activities. Special Accounts are individual contracts negotiated separately with a funding party, usually national public agencies, for the execution of defined activities. Approval and implementation of Trust Fund and Special Accounts' projects does not necessarily follow the Organization's annual Regular Budget cycle as the projects may be approved at any time within a financial year and/or over multiple financial periods.

An adjustment for financial transactions and transfers between the different budgets, known as the Combination Adjustment, is made to ensure that transactions are not counted twice in the financial statements.

GA-approved budgets for a year may subsequently be reallocated and approved by the EC for operational implementation of the activities. The EC may also approve extensions and amendments to the Trust Fund and Special Accounts' Budgets that have been made with donor approval. Budget comparisons in the financial statements are made against the EC-approved budgetary revisions.

Note 6: Significant accounting policies

The principal accounting policies adopted by the Organization are set out below:

Revenue recognition

Statutory contributions are recognized as revenue in full in the period that they are due on the basis of the GA approval of the budget and are due by 30 April of that budget year. Member country statutory contributions are set according to an agreed scale of assessed contributions that is approved in advance by the GA. The scale of assessed contributions applied in these financial statements was approved by the GA for the period from 2015 to 2019.

Regional Bureau financing consist of statutory contributions from specific member countries linked to each RB and are recognized as revenue in full in the period that they are due on the basis of GA approval for the amount per member country for that year's budget.

In-kind contributions are non-cash, voluntary contributions, usually made from member countries. They consist of officials that are seconded to work under the control of the Organization from their national agencies and the rent-free use of buildings and equipment. There is usually a defined contract between the Organization and the member country or organization that defines the permitted use of the asset or service. The value of the use of these assets and services is estimated at fair-value where a corresponding value can be determined and recognised as revenue in the financial period that they are used. An equivalent expense for the use of the asset or service is also recognized at the same time in the financial statements. Where no value can reasonably be determined no revenue or expense is recognised in the financial statements.

Voluntary contributions are donations received with no specific or defined purpose and are recognized in the year they are received or become receivable. Voluntary contributions include amounts without restriction receivable from the INTERPOL Foundation for a Safer World ("INTERPOL Foundation"). Voluntary contributions may include donations of tangible and intangible assets which are accounted for at fair-value at the date of acquisition.

Revenue from statutory contributions, RB financing, in-kind and voluntary contributions are considered to be non-exchange transactions under IPSAS 23.

Reimbursements and recoveries include amounts reimbursed for operating expenses under a specific agreement or for revenues from conferences for the sale of exhibitor booths or for hosting events. The revenues are recognized when the right to receive them is established under the contract. The amounts received under Trust Fund and Special Accounts are within specific agreements with external donors, including the general conditions of the Trust Fund, for the implementation of defined project activities. These received amounts are initially accounted as deferred revenue of the Organization and are subsequently recognized as income to the extent of direct or accrued expenditure on the defined project activities.

Financial income or interest income from the Organization's bank accounts and other investments is accounted for on the effective yield basis as it is earned in the month or proportionally over the course of the investment, where the investment extends over multiple months.

Other Income includes income for the products and services that the Organization may provide including from the shop, for one-off items and any other income that does not easily fit into the remaining income categories.

Foreign currencies

The Organization holds and manages transactions in multiple currencies. All statutory contributions to the Organization's Regular Budget are payable in euros. Foreign currency transactions are recorded in euros at the exchange rates prevailing on the dates of the transactions for the settlement of invoices and for goods receipts, and at an average rate from the previous month for other accounting transactions. Assets and liabilities denominated in foreign currencies are translated into euros at the exchange rates prevailing on the date of the Statement of Financial Position. Both realized and unrealized gains and losses resulting from the settlement and revaluation of foreign currency

transactions are recognized under operating revenues in the Statement of Financial Performance as Exchange rate gains/(losses) net.

Offsetting assets and liabilities

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position if, and only if, there is a legally enforceable right to do so and the intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Plant, property and equipment (PP&E)

An item of PP&E is recognised as a non-current asset initially at historic cost if it is deemed probable that a future economic benefit or service potential will flow to the Organization and that the cost of the asset can be measured reliably. Historic cost includes any unrecoverable taxes and directly attributable costs associated with bringing the asset into service. Donated assets of PP&E, acquired through a non-exchange transaction, are recognised at their fair value at the date of transaction with the exception of the land on which the building is constructed which is not recognised as the fair value cannot be reliably estimated. An assessment of each category of assets is made at the reporting date for any potential impairment. If applicable, assets are written down to their estimated recoverable amount, being the higher of the fair value, less costs of sale, or its estimated value in use. PP&E are derecognised either on disposal or when they are permanently withdrawn from use. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Financial Performance under Third Party and Other Costs in the period of derecognition.

All PP&E are stated at historic cost less accumulated depreciation and impairment losses. Depreciation is provided to recognize the use of the assets over their useful lives according to the following asset classes:

- *Buildings* are depreciated on a straight-line basis over 40 years;
- *Fixtures and fittings*: Furniture and office equipment are depreciated on a reducing balance basis at 40% of net asset value at the start of the year, over seven years. Fittings and sports equipment are depreciated on a straight-line basis over 10 years;
- *Equipment and other assets*: IT hardware assets are depreciated on a reducing balance basis at 50% of net asset value at the start of the year, over four years. Vehicles are depreciated on a reducing balance basis at 40% of net asset value at the start of the year, over seven years.

Improvements to PP&E as a result of major maintenance works are capitalised over the remaining life of the asset when the improvement results in the increase of future economic benefits to the organization or an extension of its useful life. Normal repair and maintenance costs are expensed in the year when the costs are incurred.

Where the book value of an asset is greater than its estimated recoverable amount, the asset is written down to its recoverable amount.

Work-in-progress: PP&E assets that are in the course of construction, installation or commissioning are measured at cost and an estimated stage of completion of the asset usually on the basis of contractual payments. No depreciation is recorded until the asset is considered to be in service.

Intangible assets

Perpetual software licences and development costs that are directly associated with bringing software into use are capitalised as intangible assets. Annual licences are expensed according to their use. All intangible assets are stated at historic cost less accumulated amortization and impairment losses. Amortization of intangible assets is based on a reducing balance basis at 50% of the net asset value at the start of the year, over 4 years. Intangible assets are derecognised either on disposal or when they are permanently withdrawn from use. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Financial Performance under Third Party and Other Costs in the period of derecognition.

Other development costs that do not meet the capitalisation criteria are recognised as an expense in the period that they are incurred. Donated intangible assets, acquired in a non-exchange transaction, are recognised at their fair value at the date of the exchange.

Work-in-process: Intangible assets that are in the course of development are measured at cost and based on the estimated stage of completion. Amounts shown may include part or full payments for assets whose beneficial ownership has passed over to the Organization. No amortization is recorded until the asset is considered in service.

Heritage assets

From time to time, the Organization receives donations or the “free-use” of works of art from member countries or other institutions. Such assets are not recognized by the Organization in its financial statements, as the Organization does not consider them to have significant financial value, it is not intended that they will be sold nor are they used in the ordinary course of the Organization’s activities.

Inventories

Inventories are valued at their acquisition cost using the weighted average cost method and this is the value used for the cost of goods sold in the Statement of Financial Performance. Allowances are made for inventories with a net realizable value less than cost.

Statutory contributions receivable and accounts receivable

Statutory contributions and accounts receivable are initially recognized at fair value, and are subsequently measured at cost or amortized cost. Member countries that have not fulfilled their financial obligations towards the Organization according to the Financial Regulations fall under Article 52 of the General Regulations of the Organization (“Article 52”). Countries under Article 52 have their right to vote at GA sessions suspended, along with other penalties. Unless there are specific reasons not to do so for a particular country, the Organization makes an allowance for the total amounts due to the Organization from countries under Article 52. Though the Organization may make allowances for the debts per its accounting policy, it retains its rights for the receipt of the gross statutory contributions receivable, unless the Organization’s members decide among themselves to disallow these amounts.

The Organization may conclude specific agreements, including repayment terms and conditions, allowing a member country to honour their statutory contribution obligations. Member country statutory contributions covered under these long-term debt-rescheduling agreements may have both current and non-current portions. Member country dues not falling under either category, Article 52 or debt-rescheduling agreements, are shown as other member country dues.

Cash and cash equivalents

The Organization holds cash on hand, has on demand bank deposits (together referred to as “cash”) and makes short term investments (highly liquid and referred to as “cash equivalents”) in a number of currencies, all of which are subject to its Treasury Management policy.

The amount of cash and cash equivalents held by the Organization includes sums that have specific uses and are considered as internally restricted. Included in internally restricted cash and cash equivalents are amounts set aside for the employee’s supplementary retirement scheme, the defined contribution pension scheme, the Japanese specific account that is held for salaries and allowance paid to officials seconded from Japan and on Trust Fund and Special Accounts.

Cash equivalents are highly liquid investments with maturities of less than three months from the date of acquisition that are readily convertible to known amounts of cash and considered to be subject to an insignificant risk of change in value.

Term deposits with a maturity greater than three months are classified as cash and cash equivalents if they respect the criteria of a cash equivalent, are held to meet short-term cash needs and are not subject to a significant change in value as a result of an early withdrawal. As at 31 December 2019 and 2018, the Organization did not have any such term deposits.

Investments

Term deposits with a maturity greater than three months are classified as investments if they do not meet the criteria noted above to be classified as cash equivalents.

Investments are made by the Organization usually with the intention to hold them to maturity. They are classified as held-to-maturity and measured at amortised cost. Financial interest receivable on investments and cash equivalents is shown in accounts receivable. Included in investments with internally restricted use are amounts for the employee's supplementary retirement scheme, the defined contribution pension scheme, and for Trust Fund and Special Accounts.

Contingent assets and liabilities

Contingent assets are not recognised in the financial statements unless it has become virtually certain that the revenue will be able to be recognised according to the revenue recognition criteria. A disclosure is made in the notes where the existence of a possible asset is contingent on a future event that is not wholly within the Organization's control. Contingent liabilities are not recognised in the financial statements but are disclosed in the notes unless the possibility of an outflow of economic resources is considered remote.

The Organization recognizes a provision in its financial statements when an obligation exists as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliability estimated. The provision is measured at the amount that it considers are probable net of any recoverable insurance amounts for legal cases and fees.

Employee future benefits

The cost of all employee benefits, such as paid leave, medical cover and contributions towards retirement, is recognised in the period in which the employee renders service. Employees have acquired these benefits according to their contractual employment rights at the Organization. The Organization's contributions towards employee future benefits, including from Trust Fund and Special Accounts, are recorded under pay costs in the Statement of Financial Performance.

The employee future benefits are recorded as accrued liabilities in the Statement of Financial Position and classified according to the contractual terms of the benefit. The liabilities are comprised of both contributions from the Organization and deductions from staff pay. These liabilities are initially measured at the fair value of the contributions and are subsequently adjusted for any gains or losses.

Employee future benefits are further classified according to their type:

Internal scheme for involuntary loss of employment (ISCILE): This termination benefit is to compensate individuals that have undergone involuntary loss of employment. The scheme is funded entirely by the Organization's contributions. Payments are made either as a lump sum or on a declining basis for consecutive years of an individual not finding alternate employment, per the rules specified in the Organization's Staff Manual.

Indemnity on retirement and supplementary retirement scheme: The Organization offers two post-employment benefits: indemnity on retirement and supplementary retirement benefits. They are eligible to its contracted employees and are calculated according to seniority and service and are entirely funded by the Organization's contributions. Estimates of the impact of the indemnity upon retirement are made at the Statement of Financial Position date and recognized in the Statement of Financial Performance.

Defined contribution pension scheme: The Organization provides a savings plan designed for post-employment retirement benefits. It administers the plan as a defined contribution pension scheme for the employees who choose to participate in it. Both the Organization and the employee contribute to the plan at an agreed level for the period that an employee is under contract with the Organization. This defined contribution pension scheme is not legally separated from the Organization. Currently the pension scheme is administered internally: both the assets and the liabilities of the pension scheme

are shown within the Organization's Statement of Financial Position¹³. The financial assets under this pension scheme are held and managed by the Organization alongside its own financial assets.

Employee loans

The Organization may offer its employees loans for a duration that may not extend beyond the employee contractual end date and for which financial interest is charged that is comparable to market rates. Interest bearing loans are measured at amortised cost using the effective interest rate method with the remaining amount of the loan outstanding being shown as an Account Receivable.

Leases

Charges are expensed on a straight-line basis over the operating lease term. Lease agreements entered into are classified as operating leases unless they substantially transfer all of the risk and reward of ownership to the Organization.

Financial risk management

The Organization invests its own funds as well as the funds held for third parties, notably its employees and for external parties that support the Trust Fund and Special Accounts. Changes in the values of the holdings for these parties may not contractually have an impact on the Organization.

Exposure to financial risks including, currency, liquidity, and credit risk arises in the normal course of the Organization's operations. The overall objective of the Organization's Financial Risk Management policies are to manage its Financial Instruments to ensure that its budgets are achieved within the plan set in the agreed Programme of Activities. The Organization's Financial Risk Management policies are consistent with and subject to the Organization's Financial Regulations. Further details on the management of the Financial Instruments and the financial risks are shown in Note 18 below.

Note 7: Accounting judgments and estimates

Preparing financial statements in accordance with IPSAS and its financial regulations requires the Organization to make judgments and assumptions in the selection and application of accounting policies and about the carrying amounts of assets, liabilities and for revenues and expenses. While the estimates and underlying assumptions are reviewed on an ongoing basis, the effects of revisions to accounting estimates are recognized in the period in which the estimate is revised, if the estimate affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Significant estimates and assumptions that may result in material adjustments in future years include: valuation of in-kind revenue and expenses for seconded officials and the free-use of buildings and equipment; selection of the useful lives and the depreciation and amortization policies for plant, property and equipment and intangible assets; impairment of assets; indemnity benefits on retirement; accrued charges; provision for financial risk on inventories and accounts receivable; legal disputes, contingent assets and liabilities.

In the course of preparing the financial statements, significant judgments have been made in the process of applying the Organization's accounting policies relating to non-recognition of donated land in Note 13 and classification of investments related to pension funds.

¹³ See note 8 cash and cash equivalents under "Cash with internally restricted use", note 9 Investments under "Investments with internally restricted use", and note 17 Employee future benefits.

Note 8: Cash and cash equivalents

The Organization holds cash and cash equivalents in a number of currencies for operational purposes. The Organization has no credit lines nor does it utilize any bank overdrafts.

<i>000s Euros</i>	Notes	31 December	
		2019	2018 Restated (Note 33)
Cash	33	16,512	34,132
Cash equivalents	33	39,595	64,629
Total cash and cash equivalents	33	56,107	98,761

<i>000s Euros</i>	Notes	31 December	
		2019	2018 Restated (Note 33)
Euros	33	53,081	92,719
USD		2,032	4,173
Other currencies		994	1,869
Total cash and cash equivalents	33	56,107	98,761

Cash and cash equivalents with internally restricted use:

Included within cash and cash equivalents are amounts held for specific purposes. They are subject to contractual constraints, referred to as “internally restricted”, as they are not “free-to-use” by the Organization.

<i>000s Euros</i>	Notes	31 December	
		2019	2018 Restated (Note 33)
Deferred revenue from Trust Funds and Special Accounts	16	6,795	43,918
Defined contribution pension scheme	17	14,165	11,177
Employee future benefits - supplementary retirement	17	5,063	4,529
Japanese special account	15	790	657
Total cash and cash equivalents with internally restricted use		26,813	60,281

Note 9: Investments

The Organisation holds investments in order to meet long term operational needs, commitments and obligations.

Name and location of investment <i>000s Euros</i>	Notes	Scheme	Currency	31 December	
				2019	2018 Restated (Note 33)
Current					
CIC (France)		EMTN	EUR	7,000	0
Royal Bank of Canada (France)		EMTN	EUR	0	4,000
Total current			EUR	7,000	4,000
Non-current					
HSBC (France)		DAT	EUR	31	31
Crédit du Nord (France)		EMTN	EUR	4,853	4,853
CIC (France)		EMTN	EUR	9,000	0
BNP Paribas (France)		EMTN	EUR	6,000	0
LCL (France)		EMTN	EUR	4,000	0
Nataxis (France)		EMTN	EUR	9,000	0
BP Aura (France)	33	DAT	EUR	10,000	10,000
BECM (France)	33	DAT	EUR	16,500	4,000
Total non-current			EUR	59,384	18,884
Total investments				66,384	22,884

(Legend: DAT = Term Deposit linked to bank guarantee; EMTN: Euro Medium Term Note.)

Investments with internally restricted use:

Included within investments are amounts held for specific purposes. They are subject to contractual constraints, referred to as “internally restricted”, as they are not “free-to-use” by the Organization.

Name and location of investment <i>000s Euros</i>	Notes	Scheme	Currency	31 December	
				2019	2018 Restated (Note 33)
Defined contribution pension scheme					
BP Aura (France)	33	DAT	EUR	10,000	10,000
Credit du Nord (France)		EMTN	EUR	2,427	2,427
Total defined contribution pension scheme				12,427	12,427
Deferred revenue - Trust Fund and Special Accounts					
HSBC (France)		DAT	EUR	31	31
CIC (France)		EMTN	EUR	7,000	0
Credit du Nord (France)		EMTN	EUR	2,426	2,426
Royal Bank of Canada (France)		EMTN	EUR	0	4,000
CIC (France)		EMTN	EUR	9,000	0
BNP Paribas (France)		EMTN	EUR	6,000	0
LCL (France)		EMTN	EUR	4,000	0
Nataxis (France)		EMTN	EUR	9,000	0
BECM (France)	33	DAT	EUR	16,500	4,000
Total deferred revenue - Trust Fund and Special Accounts				53,957	10,457
Total investments with internally restricted use				66,384	22,884

Note 10: Statutory contributions receivable

<i>000s Euros</i>	31 December	
	2019	2018
Current		
<i>Member country dues under Article 52</i>	3,475	2,341
<i>Less: allowance for doubtful debts</i>	(3,475)	(2,341)
Net member country dues under Article 52	0	0
Member country dues under debt-rescheduling agreements	152	113
Other member country dues	579	757
Total current	731	870
Non-current		
Member country dues under debt-rescheduling agreements	413	726
Total non-current	413	726
Total statutory contributions receivable	1,144	1,596

Total statutory contributions receivable, including countries under article 52, is 4.619M EUR.

Note 11: Accounts receivable

<i>000s Euros</i>	31 December	
	2019	2018
Staff loans	207	276
Receivable on Trust Fund and Special Accounts	9,342	3,728
Financial interest receivable	323	84
<i>Other receivables (see below)</i>	4,552	746
<i>Provision for doubtful debts</i>	(63)	(63)
Net other receivables	4,489	683
Net Value Added Tax recoverable	1,392	1,284
Total accounts receivable	15,753	6,055

Receivables on Trust fund and Special Accounts represent amounts of EUR 7 million (2018: 0) due to the Organisation by INTERPOL Foundation and EUR 2.342 million (2018: EUR 3.728) from other Project Partners.

Other receivables consist mainly of an amount of EUR 3 million (2018: 0) due to the Organisation by the INTERPOL Foundation as well as expected reimbursements from insurance claims.

Note 12: Intangible assets

These consist of software licenses and the external development costs associated with their exploitation. There was no impairment of intangible assets in the year.

<i>000s Euros</i>	Balance at 31 December 2017	Additions / amortization	Disposals	Balance at 31 December 2018	Additions / amortization	Disposals	Balance at 31 December 2019
Cost							
Software	17,718	833	(5,504)	13,047	2,031	0	15,078
Work in process	346	14	0	360	(44)	0	316
Total cost	18,064	847	(5,504)	13,407	1,987	0	15,394
Accumulated amortization							
Software	(16,411)	(917)	5,496	(11,832)	(1,076)	0	(12,908)
Work in process	0	0	0	0	0	0	0
Total accumulated amortization	(16,411)	(917)	5,496	(11,832)	(1,076)	0	(12,908)
Net book value							
Software	1,307	(84)	(8)	1,215	955	0	2,170
Work in process	346	14	0	360	(44)	0	316
Total net book value	1,653	(70)	(8)	1,575	911	0	2,486

Note 13: Plant, property and equipment

<i>000s Euros</i>	Balance at 31 December 2017	Additions / depreciation	Disposals	Balance at 31 December 2018	Additions / depreciation	Disposals	Balance at 31 December 2019
Cost							
Buildings	18,582	0	0	18,582	0	0	18,582
Fixtures and fittings	30,284	1,522	(374)	31,432	1,359	(555)	32,236
Equipment and other assets	14,020	1,142	(881)	14,281	1,880	(123)	16,038
Work in process	60	27	0	87	111	0	198
Total cost	62,946	2,691	(1,255)	64,382	3,350	(678)	67,054
Accumulated depreciation							
Buildings	(12,305)	(460)	0	(12,765)	(457)	0	(13,222)
Fixtures and fittings	(23,730)	(1,846)	370	(25,206)	(1,889)	554	(26,541)
Equipment and other assets	(11,798)	(1,387)	878	(12,307)	(1,512)	121	(13,698)
Work in process	0	0	0	0	0	0	0
Total accumulated depreciation	(47,833)	(3,693)	1,248	(50,278)	(3,858)	675	(53,461)
Net book value							
Buildings	6,277	(460)	0	5,817	(457)	0	5,360
Fixtures and fittings	6,554	(324)	(4)	6,226	(530)	(1)	5,695
Equipment and other assets	2,222	(245)	(3)	1,974	368	(2)	2,340
Work in process	60	27	0	87	111	0	198
Total net book value	15,113	(1,002)	(7)	14,104	(508)	(3)	13,593

Buildings: The headquarters building in Lyon, France is owned by the Organization. The land on which the building is constructed is owned by the City of Lyon and is leased rent-free to the Organization for a period of 99 years from 1985. At the end of the lease, both the title the building and the land will pass to the City of Lyon. No recognition of the rent-free use of the land is made as no comparable value could be determined.

Fixtures and fittings: Includes office equipment and sports equipment.

Equipment and other assets: Consist of computer hardware and telecommunications equipment including computers, printers, routers/switches and communications systems and vehicles.

Note 14: Accounts payable and accrued charges

<i>000s Euros</i>	31 December	
	2019	2018
Creditors for goods and services	6,354	4,844
Social security and insurance payable	5,867	2,562
Other creditors	93	879
Total accounts payable and accrued charges	12,314	8,285

Note 15: Contributions received in advance

<i>000s Euros</i>	31 December	
	2019	2018
Statutory contributions received in advance	547	495
Japanese special account	790	657
Other income received in advance	17	26
Total contributions received in advance	1,354	1,178

Note 16: Deferred revenue

Deferred revenue corresponds to future income¹⁴ from Trust Fund and Special Account activity that has been received for projects and that will be implemented in the coming year.

<i>000s Euros</i>	Trust Fund	Special Accounts	Total
Balance at 31 December 2017	10,538	46,357	56,895
Funds received or receivable during the year	8,517	30,965	39,482
Income recognized during the year	(8,049)	(33,953)	(42,002)
Balance at 31 December 2018	11,006	43,369	54,375
Funds received or receivable during the year	7,880	43,022	50,902
Income recognized during the year	(8,841)	(35,684)	(44,525)
Balance at 31 December 2019	10,045	50,707	60,752

<i>000s Euros</i>	Current liability	
	31 December 2019	31 December 2018
Trust Fund	10,045	11,006
Special Accounts	50,707	43,369
Total deferred revenue	60,752	54,375

Note 17: Employee future benefits

<i>000s Euros</i>	31 December	
	2019	2018
Current		
Internal scheme for involuntary loss of employment (ISCILE)	1,971	1,470
Employee future benefits - indemnity on retirement	1,341	1,094
Employee leave not taken	3,837	3,455
Employee future benefits - supplementary retirement	5,063	4,529
Defined contribution pension scheme	26,592	23,604
Total – current	38,804	34,152
Non-current		
ISCILE	1,467	799
Employee future benefits - indemnity on retirement	472	499
Total – non-current	1,939	1,298
Total employee future benefits	40,743	35,450

¹⁴ Income recognized in this reconciliation excludes “In-kind contributions”. This is recognized as revenue in the financial period that it is used and is not shown deferred revenue on the Statement of Financial Position.

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<i>000s Euros</i>	ISCILE	Indemnity on retirement	Supplementary retirement	Employee leave not taken	Defined contribution pension scheme	TOTAL
Balance at 31 December 2017	1,327	1,395	4,251	3,089	20,525	30,587
Recognized in the Statement of Financial Performance	1,303	335	1,031	447	2,988	6,104
<i>Items not in the Statement of Financial Performance</i>						
- Staff contribution	0	0	0	0	1,990	1,990
- Financial interest income	0	0	8	0	116	124
- Settlement of liabilities	(361)	(137)	(761)	(81)	(2,015)	(3,355)
Balance at 31 December 2018	2,269	1,593	4,529	3,455	23,604	35,450
Recognized in the statement of financial performance	1,330	306	1,292	511	3,531	6,970
<i>Items not in the Statement of Financial Performance</i>						
- Staff contribution	0	0	0	0	2,354	2,354
- Financial interest income	0	0	28	0	134	162
- Settlement of liabilities	(161)	(86)	(786)	(129)	(3,031)	(4,193)
Balance at 31 December 2019	3,438	1,813	5,063	3,837	26,592	40,743

Supplementary retirement and the defined contributions pension scheme have a corresponding asset which has been designated as *Cash and cash equivalents* (2019: EUR 16.656 million, 2018: EUR 12.420 million) and *Investments* (2019: EUR 14.999 million, 2018: EUR 13.426 million) with internally restricted use (refer to Notes 8 and 9).

The defined contribution pension scheme, offered to contracted officials of the Organization, had 448 members enrolled of 778 contracted officials at 31 December 2019 (2018: 414 of 725). The remaining contracted officials are part of national pension schemes.

Note 18: Financial instruments

The Organization classifies its investments as held-to-maturity and measures them at amortised cost as both of the following criteria are met:

- the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows;
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Organization classifies its cash and cash equivalents, accounts receivable and statutory contributions receivable as loans and receivable. These financial assets are recognized initially at fair value. Subsequent to initial recognition, these financial assets are measured at amortized cost using the effective interest method.

The Organization classifies its accounts payable and accrued charges as other financial liabilities and measures them at amortised cost.

The fair value of investments approximates their carrying value due to the short-term maturities of these instruments and the low interest rates. The fair values of cash and cash equivalents, accounts receivable, statutory contributions receivable and accounts payable and accrued charges approximates their carrying value due to their short-term maturities.

At each reporting date, INTERPOL assesses the expected impairment losses on any financial assets measured at amortized cost. If there is evidence of an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

The Organization's financial instruments are subject to changes that can have an impact on the Organization's operating results. The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. An assessment of the risks associated with the financial instruments by major type of risk is shown below.

Interest rate risk

The Organization invests its available financial resources and earns financial interest income. Investments are subject to "Security, liquidity and profitability" criteria as specified in the Financial Regulations. Cash and cash equivalents and investments are in short-term maturity instruments with banks or in asset management schemes and are subject to fluctuating returns, on account of market-driven interest rates. This may have a bearing on the level of the expenditure that is supported by the Organization. There are no other financial instruments that are impacted by a change in interest rates.

The weighted average interest rates of the investments and cash and cash equivalents in banks according to their expected maturity profile are as follows (no investments greater than 5 years):

<i>000s Euros</i>	<i>Weighted average interest rate</i>	1 year or less	1 - 5 Years	Total
Investments	0.82%	7,000	59,384	66,384
Cash and cash equivalents	0.34%	56,107	0	56,107
TOTAL	0.47%	63,107	59,384	122,491

An interest rate risk sensitivity analysis was performed on the above amounts at the Statement of Financial Position date. The potential impact of a change in the interest rate is not considered material:

	Increase (+) / decrease (-) in basis points	Potential effect on financial performance (<i>000s Euros</i>)
Investments	+/- 50	+/- 164
Cash and cash equivalents	+/- 50	+/- 448

Currency risk

The Organization's functional currency is the euro that applies across all of its operations and duty stations. The Organization conducts its activities in many different currencies, holding different currencies for operational purposes and is therefore subject to foreign exchange risk in the implementation of its budgets as well as in the translation of the foreign currency balances that it holds. The overall foreign exchange risk is mitigated by limiting the amount of different currencies held, matching its receipts of currencies with future likely payments in those currencies and maintaining investment assets in the same currency as the liability.

At 31 December 2019, the Organization held bank deposits in euros (EUR), United States dollars (USD), Singapore dollars (SGD), Kenyan shillings (KES), Thai baht (THB), Argentina pesos (ARS), West African CFA francs (XOF), Central African CFA francs (XAF) and Ethiopian Birr (ETB). A foreign exchange rate risk sensitivity analysis was performed at the Statement of Financial Position date and the impact is not considered material. As at 31 December 2019, the Organization had trade payables and receivables in the following currencies: EUR, USD, SGD, KES, THB, ARS, XOF, ETB, AED, and CAD as well as 31 other currencies in amounts that are not deemed significant in the context of the Statement of Financial Position. The principal amounts held are shown below.

<i>Stated in 000s Euros</i>	31 December 2019			31 December 2018		
	<i>Receivables</i>	<i>Payables</i>	<i>Net</i>	<i>Receivables</i>	<i>Payables</i>	<i>Net</i>
AED	58	0	58	189	(138)	51
CAD	893	0	893	1,079	0	1,079
SGD	69	(1,930)	(1,861)	119	(1,654)	(1,535)
USD	1,480	(616)	864	1,809	(375)	1,434
TOTAL	2,500	(2,546)	(46)	3,196	(2,167)	1,029

Credit risk

Credit risk is the risk of financial loss if counterparties to financial instruments fail to meet their contractual obligations. It arises principally from the Organization's investments, receivables, notably its statutory contributions, and cash and cash equivalents. The number and range of accounts receivables, including statutory contributions receivable, is diverse consisting mainly of government entities, non-profit organizations and some private companies. Credit ratings, from external rating agencies are not readily available for all receivables.

The carrying amount of financial assets represents the maximum credit exposure. Credit risk on accounts receivable is mitigated by reducing overall accounts receivables, given that the delivery of projects funded by external parties by the Organization is subject to initial payment.

The Organization provides for amounts that it deems not collectable and the carrying amounts are already reflected in the net amount of statutory contributions receivable and accounts receivable.

<i>000s Euros</i>	31 December 2019	31 December 2018 Restated (Note 33)
Statutory contributions receivable*	1,144	1,596
Cash and cash equivalents excluding cash on hand*	56,048	98,722
Investments*	66,384	22,884
Accounts receivable incl. interest receivable	15,753	6,055
Maximum exposure to credit risk	139,329	129,257

* further details shown below

Credit risk on statutory contributions receivable: The table below provides the credit rating attached to the statutory contributions receivable. Statutory contributions receivable are stated net of provision

for doubtful debt. The credit rating corresponds to the sovereign credit rating, made by a credit rating agency that evaluates the creditworthiness of the issuer of the country, which may not necessarily correspond to the exact counterparty's ability to pay.

<i>Statutory contributions receivable at 31 December 2019 (EUR 000s)</i>				
Rating	1 year or less	1 - 5 years	> 5 years	TOTAL
A	39	0	0	39
BBB+	38	0	0	38
BBB	0	0	0	0
BBB-	1	0	0	1
BB+	0	0	0	0
B+	0	0	0	0
B	0	0	0	0
B-	405	0	0	405
CCC	119	0	0	119
C	0	0	0	0
Not rated	129	0	0	129
Total current	731	0	0	731
B	0	26	13	39
B-	0	50	0	50
CCC	0	130	94	224
Not rated	0	77	23	100
Total non-current	0	283	130	413
Total	731	283	130	1,144

Credit risk on cash and cash equivalents and investments: The Organization determines credit quality of the investments and banks using information obtained from external rating agencies for each counterparty. Cash is included as not rated, although there is no assumed credit risk.

<i>000s Euros</i>	31 December 2019	31 December 2018
	Carrying value	Carrying value Restated (Note 33)
Cash and cash equivalents <i>excluding cash on hand</i>	56,048	98,722
AA	70	34
AA-	21,115	33,317
A+	2,179	32,543
A	32,528	32,704
Not rated ¹⁵	156	123
Investments at amortised cost	66,384	22,884
AA-	6,031	4,031
A+	55,500	14,000
A	4,853	4,853
TOTAL	122,432	121,606

¹⁵ Not-rated concerns cash held with banks in Argentina, Cameroon, El Salvador, Ethiopia, Côte d'Ivoire, Kenya, Thailand and Zimbabwe, where ratings are not readily available. For operational reasons, a local bank partner is used in these duty stations. To limit exposure, amounts held are minimised to immediate operational purposes.

Liquidity risk

Liquidity risk is the risk that the Organization is not able to meet its financial obligations as they fall due. The Organization manages its liquidity risk by ensuring that sufficient funds are available to meet its current liabilities without incurring unacceptable losses or risking its reputation. It continually monitors its receivables position, its available funds and its expenditure commitments.

Liquidity risk is mitigated by holding cash and cash equivalents for operational expenditures. The Financial Regulations also specify that member countries pay their contribution dues to the Organization each year before the end of April. Resource allocations for activities are made against available or committed and due funds only, generally before the start of the activity. The tables below presents current financial liabilities by maturity date:

As at 31 December 2019 (EUR 000s)	< 3 Months	3 – 12 months	1 - 5 years	> 5 years	Total
Accounts payable and accrued charges	12,314	0	0	0	12,314

As at 31 December 2018 (EUR 000s)	< 3 Months	3 – 12 months	1 - 5 years	> 5 years	Total
Accounts payable and accrued charges	8,285	0	0	0	8,285

Note 19: Capital financing reserve

The Capital financing reserve forms part of the Organization's equity and is an exact balance of the fixed assets owned by the Organization. Purchases of fixed assets add to the reserve, while disposals and sales of fixed assets, and depreciation, reduce it.

Note 20: Accumulated reserve funds

Accumulated Reserve Funds constitute the reserves of the Organization. The Organization's funds are created by GA resolution, which determine the use and limits of each of the funds. They are added to by surpluses and reduced by deficits of the Organization each year, according to the use of the budgets that are linked to them.

Note 21: General Reserve Fund (GRF)

The GRF is a statutory fund, required under the Financial Regulations and created by GA Resolution AG/52/RES/7, and is the primary operating reserve of the Organization. Transfers to and from the GRF are by GA resolutions. General Budget surpluses add to the level of the fund and deficits reduce it. The Financial Regulations stipulate a statutory level on the GRF.

In 2019 the operating result from the Regular Budget was a deficit of EUR 4.727 million (2018: surplus of EUR 3.815 million) of which a deficit of EUR 4.300 million (2018: surplus of EUR 3.427 million) is attributable to the GRF and a deficit of EUR 0.427 million (2018: surplus of EUR 0.388 million) is attributable to the RB Reserve Fund.

Statutory amount of the GRF

There are two stipulations in the Financial Regulations for the level of the GRF. The reserve, cumulated with the Permanent Fund for Crisis Relief, is sufficient to cover at least: 1) one sixth of the operating expenditure on the Organization's Regular Budget for the previous financial period, excluding expenditure to cover for depreciation and expenditure valued on an in-kind basis; 2) 117% of the net outstanding statutory contributions receivable from member countries subject to Article 52 of the General Regulations.

1. Operating expenses: Regular Budget operating expenses net of depreciation and in-kind expenditure were EUR 62.649 million in 2019, (2018: EUR 58.103 million), requiring EUR 10.442 million (2018: EUR 9.684 million) to be set aside as a reserve requirement;

2. Dues under Article 52: The *net* amount outstanding from member country statutory contributions subject to Article 52 was EUR 0 (2018: EUR 0). The reserve requirement for dues under Article 52 is EUR 0 (2018: EUR 0).

The total reserve requirement for 2019 is EUR 10.442 million (2018: EUR 9.684 million). The level of the GRF, cumulated with the permanent Fund for Crisis Relief, is EUR 16.887 million (2018: EUR 21.187 million). The balance of the funds is compliant with the Financial Regulations with a margin of EUR 6.446 million or 38% of the level of the two funds (2018: EUR 11.503 million, 54%).

Note 22: Permanent Fund for Crisis Relief (PFCR)

The PFCR is a statutory fund. It was created in 2005 (GA resolution AG-2005/RES-08) and exists to enable the Organization to respond immediately to crises or emergencies. It is funded directly from voluntary member country contributions, in response to a specific call by the Organization, or by amounts transferred to it from other reserve funds, following GA approval. The mandated level of the fund is EUR 0.855 million.

In 2019 and 2018, there were no expenditures against the PFCR, maintaining its mandated level.

Note 23: Capital Investment Fund (CIF)

The CIF is a statutory fund of the Organization (GA Resolution AG/52/RES/7). It is used to finance acquisitions of the Organization's fixed assets, including for the RBs and LOs. The CIF is reduced when purchases of fixed assets are made and added to by the amount of annual depreciation on the fixed assets of the Organization's Regular Budget. It can also be replenished via direct sequestration of statutory contributions or through transfers from other reserves, following a GA resolution. Although there is no mandatory level of this fund, there needs to be adequate funds available for the capital expenditure budget of the Organization for the following year.

The CIF decreased by EUR 0.401 million (2018: increase of EUR 1.087 million) from EUR 10.515 million on 31 December 2018 to EUR 10.115 million on 31 December 2019.

Note 24: RB Reserve Fund

The RB Reserve Fund is a statutory fund created by GA Resolution AG/63/RES/5. It is funded by statutory contributions from countries that are attached to each RB. It is reduced by the cash operating expenditure of each RB (excluding pay costs that are funded by the General Budget). Each RB is treated separately within the fund, although the overall level of the fund is the sum for all of the RBs. There is no stipulated mandatory level for this fund.

In 2019 the operating deficit for RBs was EUR 0.427 million (2018: EUR 0.388 million surplus), decreasing the RB Reserve Fund to EUR 1.176 million (2018: increase to EUR 1.603 million).

Note 25: Combined budget

The final revised combined budget is the approved budget for the Organization that contains re-allocations from the GA-approved combined budget, approved by the EC at its March 2019 session for the Regular Budget. Trust Fund and Special Accounts Budgets were increased throughout 2019 as additional projects were approved according to the Organization's Financial Regulations. Reporting in these Financial Statements is made against the final revised combined budget and its sub-components.

000s Euros	GA-Approved Original Combined Budget 2019				Revisions				Final Revised Combined Budget 2019			
	Total	Regular Budget	Trust Fund and Special Accounts	Combination adjustment	Total	Regular Budget	Trust Fund and Special Accounts	Combination adjustment	Total	Regular Budget	Trust Fund and Special Accounts	Combination adjustment
Operating revenue												
Statutory contributions	57,286	57,286	0	0	0	0	0	0	57,286	57,286	0	0
Regional Bureau financing	1,335	1,335	0	0	0	0	0	0	1,335	1,335	0	0
In-kind contributions	38,500	38,000	500	0	(7,570)	(8,417)	847	0	30,930	29,583	1,347	0
Voluntary contributions	3,550	3,550	0	0	16	16	0	0	3,566	3,566	0	0
Reimbursements and recoveries	43,709	3,209	45,000	(4,500)	1,291	1,883	0	(592)	45,000	5,092	45,000	(5,092)
Financial income	499	499	0	0	(199)	(199)	0	0	300	300	0	0
Other income	534	534	0	0	(40)	(40)	0	0	494	494	0	0
Exchange rate gains/(losses) net	0	0	0	0	0	0	0	0	0	0	0	0
Total operating revenue	145,413	104,413	45,500	(4,500)	(6,502)	(6,757)	847	(592)	138,911	97,656	46,347	(5,092)
Operating expenses												
Pay costs	64,065	45,365	18,700	0	(2,018)	0	(833)	(1,185)	62,047	45,365	17,867	(1,185)
In-kind pay costs	26,500	26,000	500	0	(6,526)	(7,373)	847	0	19,974	18,627	1,347	0
Other staff costs	4,161	1,961	2,200	0	(1,511)	51	(1,562)	0	2,650	2,012	638	0
Premises running costs	3,544	3,544	200	(200)	238	(92)	(64)	(82)	3,306	3,452	136	(282)
In-kind premises running costs	12,000	12,000	0	0	(1,044)	(1,044)	0	0	10,956	10,956	0	0
Maintenance	4,470	4,170	300	0	717	541	176	0	5,187	4,711	476	0
Missions and meetings	16,736	5,236	11,500	0	867	587	280	0	17,603	5,823	11,780	0
Office expenses	3,963	1,463	2,500	0	(654)	827	(1,481)	0	3,309	2,290	1,019	0
Telecommunication costs	1,207	1,107	100	0	(10)	(2)	(8)	0	1,197	1,105	92	0
Third party and other costs	7,390	2,190	9,500	(4,300)	4,094	(73)	3,492	675	11,484	2,117	12,992	(3,625)
Depreciation and amortization	5,161	5,161	0	0	(179)	(179)	0	0	4,982	4,982	0	0
Total operating expenses	(149,197)	(108,197)	(45,500)	4,500	(6,502)	(6,757)	(847)	592	(142,695)	(101,440)	(46,347)	5,092
(Deficit) for the year	(3,784)	(3,784)	0	0	0	0	0	0	(3,784)	(3,784)	0	0

Note 26: Financial Performance on Regular and Specific Budgets

The Organization conducts its activities through its various budgets which it considers as its operating segments. Whilst the Regular Budget has significant assets and liabilities and is linked to a number of funds, the Specific Budgets are accounted for as liabilities. For this reason and the fact that the Regular Budget covers risks and liabilities of the Specific budgets, no separate Statement of Financial Position or Statement of cash flows is provided for the Specific Budgets.

000s Euros	TOTAL	Regular Budget	Specific budgets and adjustment	
			Trust Fund and Special Accounts	Combination adjustment
Operating revenue				
Statutory contributions	57,320	57,320	0	0
Regional Bureau financing	1,335	1,335	0	0
In-kind contributions	34,547	33,890	657	0
Voluntary contributions	3,493	3,493	0	0
Reimbursements and recoveries	44,084	5,771	44,621	(6,308)
Financial income	410	410	0	0
Other income	823	823	0	0
Exchange rate gains/(losses) net	(84)	12	(96)	0
Total operating revenue	141,928	103,054	45,182	(6,308)
Operating expenses				
Pay costs	66,755	47,025	21,309	(1,579)
In-kind pay costs	22,936	22,279	657	0
Other staff costs	2,504	1,811	808	(115)
Premises running costs	3,452	3,452	215	(215)
In-kind premises running costs	11,611	11,611	0	0
Maintenance	3,657	3,386	281	(10)
Missions and meetings	20,714	6,358	14,391	(35)
Office expenses	2,102	1,532	578	(8)
Telecommunication costs	1,172	1,147	127	(102)
Third Party and other costs	6,818	4,246	6,767	(4,195)
Depreciation and amortization	4,934	4,934	49	(49)
Total operating expenses	146,655	107,781	45,182	(6,308)
(Deficit) for the year	(4,727)	(4,727)	0	0

Note 27: Financial performance – operating revenue detail

<i>000s Euros</i>	Revised Combined Budget 2019*	2019	2018
Statutory contributions	57,286	57,320	55,998
Regional Bureau financing	1,335	1,335	1,305
In-kind pay costs		22,936	20,293
In-kind premises running costs		11,611	10,744
In-kind contributions	30,930	34,547	31,037
Member Country contributions		493	553
INTERPOL Foundation		3,000	3,000
Voluntary contributions	3,566	3,493	3,553
Trust Fund and Special Account income		38,313	41,204
Other reimbursements		5,894	(21)
Reimbursements and recoveries	45,000	44,207	41,183
Financial income	300	410	369
I-Checkit revenue		407	267
Other revenue		293	413
Other income	494	700	680
Exchange rate gains/(losses) net	0	(84)	75
Total operating revenue	138,911	141,928	134,200

* The Revised Combined Budget is approved at a summary level

Material variances versus the budget or the prior year are:

- *Statutory contributions* – increased in 2019 by 2.4% versus 2018. The increase is aligned with the budgeted amount and reflects the statutory contributions agreed to by member countries and an increase in the number of members;
- *In-kind contributions* – increased in 2019 by 11.3% versus 2018 and 11.7% higher than the budgeted amount as a result of a higher number of seconded officials;
- *Reimbursements and recoveries* – increased in 2019 by 7.3% versus 2018 primarily as a result of additional project work completed for projects funded by Trust Fund and Special Accounts.

Note 28: Financial performance – operating expenses detail

<i>000s Euros</i>	Revised Combined Budget 2019*	2019	2018
Salaries		40,732	36,733
Employer's social charge costs		15,245	13,473
Allowances		10,778	9,472
Pay costs	62,047	66,755	59,678
In-kind pay costs	19,974	22,936	20,293
Training		589	557
Employee welfare and recruitment costs		1,915	1,905
Other staff costs	2,650	2,504	2,462
Building rental		1,797	1,769
Utilities and other		1,655	1,425
Premises running costs	3,306	3,452	3,194
In-kind premises running costs	10,956	11,611	10,744
IT equipment		2,734	2,369
Building maintenance		923	797
Maintenance	5,187	3,657	3,166
Travel		15,679	15,657
Conferences and events		5,035	4,160
Missions and meetings	17,603	20,714	19,817
Consumables and supplies		704	694
Equipment hire and other		1,398	1,282
Office expenses	3,309	2,102	1,976
Network costs		707	495
Communication costs		465	448
Telecommunication costs	1,197	1,172	943
Consultancy expenses		2,800	2,108
Provisions for member country contributions		1,133	(820)
Equipment donated		2,458	1,891
Other administration expenses		427	323
Third party and other costs	11,484	6,818	3,502
Depreciation and amortization	4,982	4,934	4,610
Total operating expenses	142,695	146,655	130,385

* The Revised Combined Budget is approved at a summary level

Material variances versus the budget or 2018 are:

- *Pay costs* – increased in 2019 compared to 2018 by 11.9% and are higher than budget by 7.6% primarily as a result of the higher number of staff employed, notably on Trust Fund and Special Account projects;
- *In-Kind pay costs* – increased versus 2018 by 13.0% and are higher than budgeted by 14.8% as a result of a higher number of seconded officials to the Organization than expected;
- *Third party and other costs* – increased in 2019 versus 2018 by almost double as a result of an increase in the member country doubtful debt provision and higher equipment donations. However, the 2019 costs are lower than budget by 40.6% as a result of budgeting some Trust Funds and Special Account costs as consulting when the work was done in house and included in pay costs.

Note 29: Property Lease Commitments

Amounts payable after the balance sheet date for non-cancellable operating leases for leased office premises at Cité Internationale in Lyon, for an apartment in Lyon, for leased offices in Brussels and Abidjan are as follows:

<i>000s Euros</i>	2019	2018
Not more than 1 year	2,086	1,486
Later than one year and not later than 5 years	7,717	4,162
Later than 5 years	7,419	0
Total property lease commitments	17,222	5,648

The Cité Internationale in Lyon and the apartment in Lyon leases include escalation clauses. The leases are indexed according to the “indice des loyers des activités tertiaires”, published quarterly by the “Institut national de la statistique et des études économiques”. These property lease commitments are the future minimum lease payments under non-cancellable operating leases and exclude the use of rent-free properties (“in-kind premises running costs”).

Note 30: Contingent Assets, Contingent Liabilities, Commitments and Contractual Rights**Contingent assets and contingent liabilities including legal disputes**

The Organization considers that it has no contingent assets, no contingent liabilities and no provisions as at 31 December 2019 including those arising from legal actions and claims.

Commitments

Future minimum lease rental payments for non-cancellable leases for property are shown in note 29 above. Excluding property commitments, outstanding commitments for signed contracts with suppliers for the acquisition of services and capital commitments but not yet delivered are as follows:

<i>000s Euros</i>	2019	2018
Not more than 1 year	3,333	3,644
Later than one year and not later than 5 years	881	898
Total commitments excluding property	4,214	4,542

There are no commitments later than five years.

Contractual rights

Based on signed agreements at the reporting date, the Organization has contractual rights as follows:

Contractual rights at 31 December 2019	<i>000s Euros</i>
Statutory contributions and RB financing for 2020	60,182
Revenue for the implementation of Trust Fund and Special Accounts	75,136
Voluntary contribution from the INTERPOL Foundation	3,000
Other revenue	276
Total contractual rights	138,594

Of the above, EUR 109.363 million is to be received in 2020 and EUR 29.231 million is to be received after 2020.

Revenue from statutory contributions has been approved at the General Assembly. Revenue for the implementation of Trust Fund and Special Accounts is for signed agreements with third parties for the implementation of project activity, including with the INTERPOL Foundation. In 2016, the Organization entered into a five-year agreement with the INTERPOL Foundation for a EUR 50 million donation. The

total amount is to be received annually in equal amounts over five years. EUR 35 million (EUR 7 million) per year is to be received into sub-accounts of the Trust Fund to support the execution of special projects carried out by the Organization, and EUR 15 million (EUR 3 million per year) is designated as an unrestricted voluntary contribution with no specific purpose to the Organization's Regular Budget.

Note 31: Key management personnel

The Secretary General directs the Secretariat in the implementation of its activities. The Secretary General is assisted by a Senior Management Board that reports directly to him. Together, the Secretary General and the Senior Management Board comprise the key management personnel of the Organization. The remuneration of the Secretary General is determined by the Executive Committee. The Senior Management Board is subject to the same regulations as other members of staff and they are eligible to the same benefits under the Staff Manual. There is no difference in the contracts of the Senior Management Board from other staff members; their remuneration is determined according to the Organization's salary scales for work provided under a standard contractual work arrangement. There are no specific performance-related criteria that impacts their overall remuneration. The Senior Management Board includes officials that are seconded from their national administrations.

Key management personnel aggregate remuneration, including gross salary and benefits and one-off separation costs where applicable, paid or accrued directly by the Organization, was as follows:

Key management personnel			
2019		2018	
Number	Aggregate remuneration 000s Euros	Number	Aggregate remuneration 000s Euros
7	1,171	7	1,563

There were several changes in the composition of the Senior Management Board during the year, notably in the officials that are seconded to the Organization. The aggregate remuneration in 2018 includes one-off separation costs that occurred in 2018 but not 2019.

Related parties: Included in the aggregate remuneration, though not in the number of individuals, is EUR 0.141 million (2018: EUR 0.224 million) for 1 staff (2018: 2) that are related parties to the key management personnel, working for the Organization under standard contracts. These amounts are included in the above aggregate remuneration only as these officials do not form part of the Senior Management Board nor do they have any direct influence on their decisions.

The Secretary General is provided with a serviced apartment in Lyon, France paid for by the Organization (2019: EUR 0.157 million, 2018: EUR 0.146 million), included in the above.

Key management personnel include three officers that are seconded from their national administrations (2018: 4) and whose expenses may partly be paid by the national administration. These seconded officials or their national administrations, received EUR 0.018 million from the Organization during the year (2018: EUR 0.027 million EUR) and is included in the table. The total value of the in-kind benefit for these seconded officials that the Organization received, accounted in the financial statements, from its seconded key management personnel, not included in the above table, is estimated as EUR 0.509 million (2018: EUR 0.549 million).

There were no loans to key management personnel or their close family members which were not available to other categories of staff. There were no material accounting transactions declared by Senior Management between the Organization and related parties during years 2019 and 2018.

Note 32: Related-party transactions

The Organization is under the direct control of the member countries. It has no ownership interest in other associations or joint ventures. The Organization's supreme governing body is the General

Assembly (GA), composed of representatives from all of the member countries. The GA elects an Executive Committee (EC) composed of thirteen delegates including the President of the Organization.

Neither the delegates to the GA nor the EC members, receive any remuneration from the Organization for their roles nor is the contribution of their time valued as an in-kind contribution. Members of the EC are entitled to reimbursement of travel expenses incurred in the execution of their duties, and are paid per-diems for accommodation, in accordance with the Organization's travel policy.

The INTERPOL Foundation was created and registered under Swiss law in October 2013 with the aim of supporting global law enforcement activities. The INTERPOL Foundation has its own board of management, is autonomous and independent of the Organization and is therefore not considered a related party. Transactions with the Foundation are made according to a specific agreement and managed as for Trust Funds and Special Accounts.

Note 33: Restatement of comparative figures

Restatements have been made between cash and cash equivalents and investments in the prior year financial statements.

The investments made for employee future liabilities, notably the Organization defined contribution pension, held in term deposits with a maturity greater than three months previously classified as cash equivalents have been restated as investments in 2018. Even if the actual deposit term remains relatively short, they are made with the intention to hold them to maturity and for the settlement of longer-term future employee liabilities and have therefore been considered as investments in 2019. Management judges that the new presentation is preferable as it provides a more transparent presentation of long-term investments against the longer-term liability, is consistent with industry practice and ensures comparability between financial reporting periods.

As a result, certain line items have been amended in the Statement of Financial Position and Statement of cash Flows, and the related notes to the financial statements. Comparative figures have been restated to conform to the current year's presentation. The items which were restated as follows:

Cash and cash equivalents

The Organization restated some cash equivalents in the previous periods as investments:

000s Euros	31 December					
	2018 reported	Adjustment	2018 Restated	2017 reported	Adjustment	2017 Restated
Cash	34,132	0	34,132	23,310	0	23,310
Cash Equivalents	78,629	(14,000)	64,629	87,821	(4,879)	82,942
Total	112,761	(14,000)	98,761	111,131	(4,879)	106,252

000s Euros	31 December					
	2018 reported	Adjustment	2018 Restated	2017 reported	Adjustment	2017 Restated
Euros	106,719	(14,000)	92,719	107,027	(3,211)	103,816
USD	4,173	0	4,173	3,493	(1,668)	1,825
Other Currencies	1,869	0	1,869	611	0	611
Total	112,761	(14,000)	98,761	111,131	(4,879)	106,252

Investments

The Organization restated some cash equivalents in the previous periods as investments:

Name and Location of Investment <i>000s Euros</i>	Scheme	Currency	31 December					
			2018 reported	Adjustment	2018 Restated	2017 reported	Adjustment	2017 Restated
Current								
Royal Bank of Canada (France)	EMTN	EUR	4,000	0	4,000	4,000	0	4,000
BECM (France)	DAT	EUR	0	0	0	0	3,211	3,211
BECM (France)	DAT	USD	0	0	0	0	1,668	1,668
Total current			4,000	0	4,000	4,000	4,879	8,879
Non-current								
HSBC (France)	DAT	EUR	31	0	31	31	0	31
HSBC (France)	Savings	EUR	4,853	0	4,853	0	0	0
BP Aura (France)	DAT	EUR	0	10,000	10,000	0	0	0
BECM (France)	DAT	EUR	0	4,000	4,000	0	0	0
Total non-current			4,884	14,000	18,884	31	0	31
Total investments			8,884	14,000	22,884	4,031	4,879	8,910

Statement of cash flows

The Organization restated the following items in the Statement of Cash Flows (lines impacted only):

<i>000s Euros</i>	2018 reported	Adjustment	2018 restated
Cash flows from investing activities			
Maturity of investments	0	4,879	4,879
Purchase of investments	(4,853)	(14,000)	(18,853)
Net cash flows from investing activities	(8,391)	(9,121)	(17,512)
Net change in cash and cash equivalents	1,630	(9,121)	(7,491)
Cash and cash equivalents at the beginning of the period	111,131	(4,879)	106,252
Cash and cash equivalents at the end of the period	112,761	(14,000)	98,761

Note 34: Events after the reporting date

The Organization operates internationally, conducting missions, operations and training across its membership. As a result of the coronavirus pandemic, significant restrictions have been imposed in international movements, resulting in the cancellation or postponement of a significant number of events in 2020. These restrictions were imposed after the reporting date and did not have an impact on the financial balances at the reporting date. The restrictions could impact the overall delivery of the Organization's activities in 2020, notably to the contractual activities under its Trust Fund and Special Account projects. The Organization is currently assessing the financial impact including but not limited to the potential impairment of its accounts receivable and other assets, contractual obligations under leases and other commitments including staff contracts, voluntary contributions including the secondment of officials and other income and its cash flows. The Organization is unable to make an assessment of the overall potential financial impact at this time. As a consequence, the Organization is currently reducing its budgets in 2020 to enable financial continuity.

SUPPLEMENTARY INFORMATION (UNAUDITED)

CONTENTS OF SUPPLEMENTARY INFORMATION

The supplementary information is to provide users with further information to allow for a better understanding and interpretation of the Organization's financial statements, financial operating environment and more detailed comparisons with approved budgets. It is not a requirement under IPSAS to supply this information, much of which is specific to the Organization. Therefore this information is not subject to the detailed audit requirements. Where relevant, the links between the supplementary information and the financial statements and notes are highlighted.

A. MEMBER COUNTRY CONTRIBUTIONS

This section provides more detail on the status and specific contributions by each member country, which includes statutory contributions, according to the Organisation's Financial Regulations and additional voluntary contributions which may be in cash or "in-kind".

A1. STATUS OF STATUTORY MEMBER COUNTRY PAYMENTS

A2. ADDITIONAL MEMBER COUNTRY VOLUNTARY SUPPORT

A3. TOTAL MEMBER COUNTRY CONTRIBUTIONS TO THE REGULAR BUDGET

B. FINANCIAL PERFORMANCE BY BUDGET TYPE

This section provides more detail on the implementation of the different budgets. The comparison with the Regular Budget is made against the approved re-allocated Regular Budget (B1). The Organisation also contracts with third parties, usually public or international public organisations, for the support of specific activities. Section B2 provides more detail on the external funding agreements by sponsor for Trust Funds and Special Accounts. The Combination Adjustments (B3) allows for transfers between these budgets. The Capital Budget is managed separately (B4).

B1. REGULAR BUDGET

B2. TRUST FUND AND SPECIAL ACCOUNTS

B3. COMBINATION ADJUSTMENT: TRANSFERS BETWEEN BUDGETS:

B4. CAPITAL BUDGET

C. OTHER FINANCIAL INFORMATION

This section provides additional financial information.

C1. INVENTORIES

C2. FINANCIAL INSTRUMENTS DETAIL

A. MEMBER COUNTRY CONTRIBUTIONS

A1. STATUS OF STATUTORY MEMBER COUNTRY CONTRIBUTIONS

The tables below show the status of statutory contributions at 31 December 2019 including the amount outstanding for the current budget year (See note 10 of the financial statements). The amounts include the contributions for the General Budget and the RBs budgets.

The total amount outstanding for statutory member country contributions is 4.619M EUR. Of this amount:

A1.1 Member country dues: subject to article 52	3,475 (000)
A1.2 Member country dues: debt rescheduling	565 (000)
A1.3 Member country dues: other	579 (000)
TOTAL	4,619 (000)

The amount of the outstanding contributions relate to the following budgets:

Budget Type	Article 52	Debt Rescheduling	Other	TOTAL
General Budget	2,520	366	435	3,321
RB Budget	955	199	144	1,298
- RB Abidjan	327	161	35	523
- RB Buenos Aries	47	0	35	82
- RB Harare	27	0	27	54
- RB Nairobi	364	38	1	403
- RB San Salvador	0	0	46	46
- RB Yaoundé	190	0	0	190
TOTAL	3,475	565	579	4,619

The total amount of statutory member country contributions paid in advance of budget year 2020 (note 15 of the financial statements):

A1.4 Statutory Member Country Contributions paid in advance	547 (000)
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A1.1 Member country dues: Members subject to Article 52 of the Financial Regulations

The following countries are subject to non-payment sanctions under article 52 of the Financial Regulations as at 31 December 2019 and owe the Organisation the amounts shown in the table for each budget period.

<i>000s Euros</i>	Prior to 2015 dues	2015 dues	2016 dues	2017 dues	2018 dues	2019 dues	31 December 2019
Comoros*	157	28	29	30	31	32	307
Djibouti*	0	0	0	30	31	32	93
Dominica	179	16	16	16	17	17	261
Guinea-Bissau*	284	31	32	33	34	35	449
Haiti	0	3	16	16	17	17	69
Liberia*	227	31	32	33	33	35	391
Nauru	203	16	16	16	17	17	285
Sao Tomé and Príncipe*	291	31	32	33	34	35	456
Somalia*	342	30	30	30	31	32	495
South Sudan*	0	0	0	30	31	32	93
Venezuela*	0	0	0	0	241	253	494
Yemen	0	0	0	0	17	17	34
Zambia*	0	0	0	0	9	39	48
Total amount due	1,683	186	202	267	544	593	3,475
<i>Less allowance for doubtful debts</i>	<i>(1,683)</i>	<i>(186)</i>	<i>(202)</i>	<i>(267)</i>	<i>(544)</i>	<i>(593)</i>	<i>(3,475)</i>
Net amount Article 52	0	0	0	0	0	0	0

* denotes that the country is also attached to an RB.

Dues for RB specific budgets included in the above: EUR 0.955 million. Of this amount, EUR 0.327 million relates to RB Abidjan, EUR 0.047 million relates to RB Buenos Aries, EUR 0.027 million relates to RB Harare, EUR 0.364 million relates to RB Nairobi and EUR 0.190 million relates to RB Yaoundé.

48% of the outstanding dues from countries under article 52 have been outstanding for more than 5 years.

A specific doubtful debt provision is made in the financial statements as required by International Public Sector Accounting Standards. The Organisation actively seeks recovery of these amounts.

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A1.2 Member country dues: Members under debt-rescheduling agreements

The Organisation's Financial Regulations allow for countries to pay contributions over a specific time period, notably where the country may have temporary problems in making payments. The following countries have signed specific agreements with the Organisation to pay their outstanding member country dues over a specified period.

<i>Euros 000s</i>	Prior to 2015 dues	2015 dues	2016 dues	2017 dues	2018 dues	2019 dues	31 December 2019
Burundi*	0	23	29	30	0	0	82
Cape Verde*	0	0	12	33	0	0	45
Cuba	8	0	0	0	0	0	8
Gambia*	153	31	32	33	34	35	318
Grenada	22	16	0	0	0	0	38
Iraq	74	0	0	0	0	0	74
Total rescheduled debt	257	70	73	96	34	35	565

* denotes that the country is also attached to an RB.

Dues for RB specific budgets included in the above: EUR 0.199 million (2018: EUR 0.244 million). Of the amounts EUR 0.152 million is payable in 2020 and EUR 0.413 million is payable after 2020.

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A1.3 Member country dues: Other

The following countries have outstanding balances on their member country dues at the end of each financial period. They are not subject to article 52 sanctions nor have they signed debt-rescheduling arrangements.

<i>Euros 000s</i>	31 December 2019	31 December 2018
Afghanistan	17	0
Belize*	39	0
Botswana*	39	0
Cambodia	17	17
Cote D'Ivoire	35	0
El Salvador*	41	43
Honduras*	0	1
Iceland	0	35
India	1	39
Iran	148	0
Kenya*	2	4
Lesotho*	9	0
Libya	66	0
Madagascar*	0	4
Mali*	0	27
Nepal	0	17
Niger*	0	34
Panama*	0	1
Peru*	38	29
Saint Vincent and the Grenadines	17	0
Samoa	17	0
Senegal*	0	34
Sierra Leone*	35	0
Sint Maarten	0	17
South Africa*	0	6
Sudan*	0	21
Surinam*	41	0
Tanzania*	0	31
Togo*	0	8
Turkmenistan	17	0
Uganda*	0	31
Uruguay*	0	48
Venezuela*	0	241
Yemen	0	17
Zambia*	0	25
Total other outstanding contributions	579	730

* denotes that the country is also attached to an RB.

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A1.4 Member country dues – Statutory contributions received in advance

The following countries have made payments in advance of the budget year 2020 when they are due:

<i>000s Euros</i>	31 December 2019	31 December 2018
Antigua and Barbuda	2	19
Bhutan	18	0
Burkina Faso	2	6
Burundi	43	27
Cape Verde	24	0
Czech Republic	256	272
Ecuador	0	4
Fiji	19	0
Guyana	1	1
Kazakhstan	0	17
Kiribati	18	0
Latvia	30	22
Libya	0	1
Lithuania	39	29
Luxemburg	68	73
Madagascar	1	0
Montenegro	19	0
Paraguay	5	3
Romania	0	17
Surinam	0	1
Tajikistan	2	0
Timor-Leste	0	3
Total statutory contributions received in advance	547	495

Burundi and Cape Verde are in advance of their debt rescheduling agreements.

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A2. ADDITIONAL MEMBER COUNTRY SUPPORT

A2.1 Seconded officials

The following countries have officials seconded to the Organization (total as at the year-end date):

Country	2019	2018	Country	2019	2018
Albania	1	1	Jordan	1	1
Argentina	11	10	Kazakhstan	0	1
Australia	2	2	Kenya	7	7
Austria	2	2	Kuwait	5	4
Bahrain	1	2	Macedonia	1	2
Belgium	3	2	Mali	0	1
Belorussia	1	1	Mauritania	2	2
Benin	2	2	Moldova	0	1
Brazil	8	6	Montenegro	1	1
Brunei	1	1	Mozambique	1	1
Burkina Faso	2	2	Namibia	1	1
Burundi	1	1	Netherlands	3	3
Cameroon	7	6	Nicaragua	1	1
Canada	2	2	Niger	2	1
Central African Republic	1	0	Nigeria	4	2
Chad	2	2	Norway	3	4
Chile	5	6	Poland	2	2
China	9	7	Portugal	3	1
Colombia	0	1	Qatar	5	6
Congo	2	2	Romania	1	1
Côte d'Ivoire	8	7	Rwanda	4	4
Croatia	1	0	Senegal	1	2
Cyprus	1	1	Singapore	11	8
Czech Republic	3	2	Slovakia	1	1
Dem. Rep. Congo	2	2	Slovenia	1	1
Denmark	1	1	South Africa	3	3
Djibouti	1	1	South Korea	7	4
El Salvador	5	5	Spain	6	6
Ethiopia	4	5	Sudan	1	1
Fiji	1	1	Eswatini	1	0
Finland	1	1	Sweden	1	1
France	25	28	Switzerland	2	1
Gabon	1	1	Tanzania	1	1
Germany	15	11	Turkey	1	3
Greece	1	1	UAE	5	3
Guinea	2	2	Uganda	1	1
India	1	2	Ukraine	3	3
Iran	0	1	United Kingdom	7	2
Ireland	2	2	United States	13	11
Israel	2	2	Vietnam	1	1
Italy	8	9	Zambia	2	2
Japan	6	4	Zimbabwe	4	5
			Total seconded officials	276	254

The financial benefit of the seconded officials is assessed according to the Staff Manual and valued as an in-kind contribution. The value is shown in the total member country table below. The valuation is based on INTERPOL grades and duty stations of the positions in which they are working. The amount recognized in the financial statements in 2019 was EUR 22.936 million (2018: EUR 20.293 million).

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A2.2 Rent-free use of buildings

In-kind premises running costs are for the rent-free use of buildings owned by member countries or other organizations that are made available to the Organization. An estimate has been made for valuing the rent free-use of these assets, based on the market rental rates in these locations. No valuation is made of country NCB premises that are not under the direct control of the Organization.

Type	Country/Organization	2019 000s Euros	2018 000s Euros
IGCI	Singapore	9,974	9,179
LO	Thailand	59	53
LO	Ethiopia	48	61
LO	United Nations	300	284
RB	Côte d'Ivoire	98	93
RB	Argentina	152	144
RB	Zimbabwe	211	200
RB	Kenya	225	213
RB	El Salvador	287	273
RB	Cameroon	257	244
Total rent-free use of buildings		11,611	10,744

A2.3 Voluntary donations by member country and organization

The following countries and organizations have made additional voluntary contributions to the Organization's Regular Budget in the periods. The budget for voluntary contributions was EUR 3.566 million (see note 27 to the financial statements).

<i>Euros 000s</i>	2019	2018
Albania	47	46
Bahamas	79	77
Bahrain	0	75
Bangladesh	47	46
Barbados	47	46
Liechtenstein	18	18
Malaysia	91	88
Monaco	80	80
Pakistan	37	31
St Kitts and Nevis	47	46
INTERPOL Foundation	3,000	3,000
Total voluntary donations	3,493	3,553

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A3. TOTAL MEMBER COUNTRY CONTRIBUTIONS TO THE REGULAR BUDGET

The following table summarises the total contribution by type and by country to the Organization's *Regular Budget* only by type. The "Amount Owing (advance)" represents the amount outstanding to be paid (or made in advance of Budget Year 2020) *as at year-end 31 December 2019*. *This is summarised in the Country Payment Status: "2019 only"; "Advance 2020"; "article 52"; "DRA" (debt rescheduling) ("0" represents "All paid to 2019").

Country	Statutory contribution 2019		RB 2019	Amount owing (advance)	Country payment status*	Voluntary contribution 2019 to the Regular Budget (Euros)		
	%	Euros	Euros	Euros		Cash	In-kind premises	In-kind official
United States of America	19.440	11,136,398	N/A	0	0	0	299,962	1,282,337
Japan	12.070	6,914,420	N/A	0	0	0	0	500,236
Germany	7.738	4,432,791	N/A	0	0	0	0	1,319,727
France	5.875	3,365,553	N/A	0	0	0	0	2,255,891
United Kingdom	5.782	3,312,277	N/A	0	0	0	0	524,849
Italy	4.892	2,802,431	N/A	0	0	0	0	730,030
China	3.737	2,140,778	N/A	0	0	0	0	694,987
Canada	3.013	1,726,027	N/A	0	0	0	0	265,272
Spain	2.805	1,606,872	N/A	0	0	0	0	546,593
Australia	2.043	1,170,353	N/A	0	0	0	0	232,702
Brazil	2.036	1,166,343	24,245	0	0	0	0	606,871
Netherlands	1.954	1,119,368	N/A	0	0	0	0	285,249
Korea (Rep.)	1.924	1,102,183	N/A	0	0	0	0	590,904
Russia	1.763	1,009,952	N/A	0	0	0	0	0
Mexico	1.686	965,842	22,250	0	0	0	0	0
Switzerland	1.478	846,687	N/A	0	0	0	0	129,310
Sweden	1.401	802,577	N/A	0	0	0	0	91,870
Belgium	1.305	747,582	N/A	0	0	0	0	453,840
Austria	1.098	629,000	N/A	0	0	0	0	212,238
Turkey	0.926	530,468	N/A	0	0	0	0	194,700
Norway	0.883	505,835	N/A	0	0	0	0	322,634
Poland	0.849	486,358	N/A	0	0	0	0	191,760
Saudi Arabia	0.803	460,007	N/A	0	0	0	0	0
Denmark	0.785	449,695	N/A	0	0	0	0	106,716
Finland	0.665	380,952	N/A	0	0	0	0	95,880
Greece	0.664	380,379	N/A	0	0	0	0	24,532
India	0.560	320,802	N/A	785	2019 only	0	0	72,500
Argentina	0.525	300,752	24,245	0	0	0	151,975	639,987
Portugal	0.499	285,857	N/A	0	0	0	0	117,830
Czech Republic	0.475	272,109	N/A	(256,259)	Advance 2020	0	0	294,384
Ireland	0.436	249,767	N/A	0	0	0	0	173,760
United Arab Emirates	0.425	243,466	N/A	0	0	0	0	426,125
Israel	0.419	240,028	N/A	0	0	0	0	208,457
Venezuela	0.399	228,571	24,245	493,847	Article 52	0	0	0
Singapore	0.368	210,812	N/A	0	0	0	9,973,895	976,583
South Africa	0.327	187,325	21,690	0	0	0	0	298,020
Hungary	0.259	148,371	N/A	0	0	0	0	0
Iran	0.259	148,371	N/A	148,371	2019 only	0	0	43,860
Chile	0.258	147,798	24,245	0	0	0	0	325,238
New Zealand	0.255	146,079	N/A	0	0	0	0	53,620
Indonesia	0.245	140,351	N/A	0	0	0	0	0
Malaysia	0.233	133,476	N/A	0	0	90,512	0	0
Kuwait	0.218	124,883	N/A	0	0	0	0	397,960
Thailand	0.214	122,592	N/A	0	0	0	58,537	0

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Country	Statutory contribution 2019		RB 2019	Amount owing (advance)	Country payment status*	Voluntary contribution 2019 to the Regular Budget (Euros)		
	%	Euros	Euros	Euros		Cash	In-kind premises	In-kind official
Slovakia	0.209	119,728	N/A	0	0	0	0	77,880
Colombia	0.191	109,416	24,245	0	0	0	0	51,920
Romania	0.113	64,733	N/A	0	0	0	0	106,716
Qatar	0.138	79,055	N/A	0	0	0	0	498,363
Luxembourg	0.128	73,326	N/A	(68,179)	Advance 2020	0	0	0
Egypt	0.117	67,025	N/A	0	0	0	0	0
Libya	0.117	67,025	N/A	65,659	2019 only	0	0	0
Philippines	0.117	67,025	N/A	0	0	0	0	0
Algeria	0.107	61,296	N/A	0	0	0	0	0
Peru	0.099	56,713	24,245	37,802	2019 only	0	0	0
Slovenia	0.092	52,703	N/A	0	0	0	0	77,880
Oman	0.085	48,693	N/A	0	0	0	0	0
Croatia	0.084	48,120	N/A	0	0	0	0	77,880
Kazakhstan	0.044	25,206	N/A	0	0	0	0	58,410
Pakistan	0.069	39,527	N/A	0	0	37,450	0	0
Ukraine	0.069	39,527	N/A	0	0	0	0	233,640
Nigeria	0.065	37,236	17,390	0	0	0	0	285,913
Iceland	0.063	36,090	N/A	0	0	0	0	0
Cuba	0.056	32,080	N/A	8,156	DRA	0	0	0
Morocco	0.052	29,789	N/A	0	0	0	0	0
Lithuania	0.050	28,643	N/A	(39,379)	Advance 2020	0	0	0
Iraq	0.048	27,497	N/A	74,440	DRA	0	0	0
Uruguay	0.044	25,206	24,245	0	0	0	0	0
Cyprus	0.043	24,633	N/A	0	0	0	0	77,880
Belarus	0.042	24,060	N/A	0	0	0	0	77,880
Dominican Republic	0.038	21,769	N/A	0	0	0	0	0
Bulgaria	0.038	21,769	N/A	0	0	0	0	0
Latvia	0.038	21,769	N/A	(29,792)	Advance 2020	0	0	0
Ecuador	0.037	21,196	24,245	(274)	Advance 2020	0	0	0
Trinidad and Tobago	0.037	21,196	N/A	0	0	0	0	0
Lebanon	0.036	20,623	N/A	0	0	0	0	0
Vietnam	0.036	20,623	N/A	0	0	0	0	77,880
Azerbaijan	0.035	20,050	N/A	0	0	0	0	0
Estonia	0.035	20,050	N/A	0	0	0	0	0
Serbia	0.035	20,050	N/A	0	0	0	0	0
Bahrain	0.034	19,477	N/A	0	0	0	0	171,850
Costa Rica	0.034	19,477	22,250	0	0	0	0	0
Syria	0.033	18,904	N/A	0	0	0	0	0
Tunisia	0.033	18,904	N/A	0	0	0	0	64,900
Afghanistan	0.030	17,186	N/A	17,186	2019 only	0	0	0
Albania	0.030	17,186	N/A	0	0	46,974	0	77,880
Andorra	0.030	17,186	N/A	0	0	0	0	0
Angola	0.030	17,186	21,690	(213)	Advance 2020	0	0	0
Antigua and Barbuda	0.030	17,186	N/A	(1,950)	Advance 2020	0	0	0
Armenia	0.030	17,186	N/A	0	0	0	0	0
Aruba	0.030	17,186	N/A	0	0	0	0	0
Bahamas	0.030	17,186	N/A	0	0	79,054	0	0
Bangladesh	0.030	17,186	N/A	0	0	46,974	0	0
Barbados	0.030	17,186	N/A	0	0	46,974	0	0
Belize	0.030	17,186	22,250	39,436	2019 only	0	0	0
Benin	0.030	17,186	17,390	0	0	0	0	214,272
Bhutan	0.030	17,186	N/A	(18,220)	Advance 2020	0	0	0

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Country	Statutory contribution 2019		RB 2019	Amount owing (advance)	Country payment status*	Voluntary contribution 2019 to the Regular Budget (Euros)		
	%	Euros	Euros	Euros		Cash	In-kind premises	In-kind official
Bolivia	0.030	17,186	24,245	0	0	0	0	0
Bosnia and Herzegovina	0.030	17,186	N/A	0	0	0	0	0
Botswana	0.030	17,186	21,690	38,876	2019 only	0	0	0
Brunei	0.030	17,186		0	0	0	0	82,160
Burkina Faso	0.030	17,186	17,390	(1,761)	Advance 2020	0	0	144,396
Burundi	0.030	17,186	14,530	38,883	DRA	0	0	60,780
Cambodia	0.030	17,186	N/A	17,186	2019 only	0	0	0
Cameroon	0.030	17,186	17,390	0	0	0	257,330	409,233
Cape Verde	0.030	17,186	17,390	21,651	DRA	0	0	0
Central African Republic	0.030	17,186	17,390	0	0	0	0	21,756
Chad	0.030	17,186	17,390	0	0	0	0	130,224
Comoros	0.030	17,186	14,530	306,790	Article 52	0	0	0
Congo	0.030	17,186	17,390	0	0	0	0	181,032
Congo (Dem. Rep.)	0.030	17,186	17,390	0	0	0	0	130,224
Côte d'Ivoire	0.030	17,186	17,000	34,576	2019 only	0	97,578	426,990
Curacao	0.030	17,186		0	0	0	0	0
Djibouti	0.030	17,186	14,530	92,775	Article 52	0	0	77,880
Dominica	0.030	17,186	N/A	260,859	Article 52	0	0	0
East Timor	0.030	17,186	N/A	0	0	0	0	0
Equatorial Guinea	0.030	17,186	17,390	0	0	0	0	0
El Salvador	0.030	17,186	22,250	41,303	2019 only	0	286,505	236,082
Eritrea	0.030	17,186	14,530	0	0	0	0	0
Ethiopia	0.030	17,186	14,530	0	0	0	48,084	362,095
Fiji	0.030	17,186	N/A	(18,808)	Advance 2020	0	0	106,716
Republic of North Macedonia	0.030	17,186	N/A	0	0	0	0	135,830
Gabon	0.030	17,186	17,390	0	0	0	0	65,112
Gambia	0.030	17,186	17,390	318,041	DRA	0	0	0
Georgia	0.030	17,186	N/A	0		0	0	0
Ghana	0.030	17,186	17,390	0		0	0	0
Grenada	0.030	17,186	N/A	38,068	DRA	0	0	0
Guatemala	0.030	17,186	22,250	0	0	0	0	0
Guinea	0.030	17,186	17,390	0	0	0	0	144,396
Guinea Bissau	0.030	17,186	17,390	448,682	Article 52	0	0	0
Guyana	0.030	17,186	24,245	(1,160)	Advance 2020	0	0	0
Haiti	0.030	17,186		68,899	Article 52	0	0	0
Honduras	0.030	17,186	22,250	288	2019 only	0	0	0
Jamaica	0.030	17,186	N/A	0	0	0	0	0
Jordan	0.030	17,186	N/A	0	0	0	0	77,880
Kiribati	0.030	17,186	N/A	(18,220)	Advance 2020	0	0	0
Kenya	0.030	17,186	14,530	1,610	2019 only	0	225,170	486,320
Kyrgyzstan	0.030	17,186	N/A	0	0	0	0	0
Laos	0.030	17,186	N/A	0	0	0	0	0
Lesotho	0.030	17,186	21,690	8,914	2019 only	0	0	0
Liberia	0.030	17,186	17,390	391,130	Article 52	0	0	0
Liechtenstein	0.030	17,186	N/A	0	0	17,814	0	0
Madagascar	0.030	17,186	21,690	(629)	Advance 2020	0	0	0
Malawi	0.030	17,186	21,690	0	0	0	0	0
Maldives	0.030	17,186	N/A	0	0	0	0	0
Mali	0.030	17,186	17,390	0	0	0	0	5,543
Malta	0.030	17,186	N/A	0	0	0	0	0
Marshall Islands	0.030	17,186	N/A	(182)	Advance 2020	0	0	0

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Country	Statutory contribution 2019		RB 2019	Amount owing (advance)	Country payment status*	Voluntary contribution 2019 to the Regular Budget (Euros)		
	%	Euros	Euros	Euros		Cash	In-kind premises	In-kind official
Mauritania	0.030	17,186	17,390	(338)	Advance 2020	0	0	130,800
Mauritius	0.030	17,186	21,690	0	0	0	0	0
Moldova	0.030	17,186	N/A	0	0	0	0	79,900
Monaco	0.030	17,186	N/A	0	0	80,000	0	0
Mongolia	0.030	17,186	N/A	0	0	0	0	0
Montenegro	0.030	17,186	N/A	(18,808)	Advance 2020	0	0	77,880
Mozambique	0.030	17,186	21,690	0	0	0	0	63,516
Myanmar	0.030	17,186	N/A	0	0	0	0	0
Namibia	0.030	17,186	21,690	0	0	0	0	63,516
Nauru	0.030	17,186	N/A	285,339	Article 52	0	0	0
Nepal	0.030	17,186	N/A	0	0	0	0	0
Nicaragua	0.030	17,186	22,250	0	0	0	0	56,460
Niger	0.030	17,186	17,390	0	0	0	0	127,489
Palestine	0.030	17,186	N/A	18	2019 only	0	0	0
Panama	0.030	17,186	22,250	0	0	0	0	0
Papua New Guinea	0.030	17,186	N/A	0	0	0	0	0
Paraguay	0.030	17,186	24,245	(4,488)	Advance 2020	0	0	0
Rwanda	0.030	17,186	14,530	0	0	0	0	316,700
Samoa	0.030	17,186	N/A	17,186	2019 only	0	0	0
San Marino	0.030	17,186	N/A	0	0	0	0	0
Sao Tome and Principe	0.030	17,186	17,390	455,896	Article 52	0	0	0
Senegal	0.030	17,186	17,390	0	0	0	0	127,767
Seychelles	0.030	17,186	14,530	0	0	0	0	0
Sierra Leone	0.030	17,186	17,390	34,576	2019 only	0	0	0
Sint Maarten	0.030	17,186	N/A	0	0	0	0	0
Solomon Islands	0.030	17,186	N/A	0	0	0	0	0
Somalia	0.030	17,186	14,530	495,361	Article 52	0	0	0
South Sudan	0.030	17,186	14,530	92,775	Article 52	0	0	0
Sri Lanka	0.030	17,186	N/A	0	0	0	0	0
St Kitts and Nevis	0.030	17,186	N/A	(100)	Advance 2020	46,974	0	0
St Lucia	0.030	17,186	N/A	0		0	0	0
St Vincent and the Grenadines	0.030	17,186	N/A	17,186	2019 only	0	0	0
Sudan	0.030	17,186	14,530	0	0	0	0	60,780
Suriname	0.030	17,186	24,245	40,803	2019 only	0	0	0
Eswatini	0.030	17,186	21,690	0	0	0	0	58,223
Tajikistan	0.030	17,186	N/A	(1,314)	Advance 2020	0	0	0
Tanzania	0.030	17,186	14,530	(205)	Advance 2020	0	0	63,516
The Vatican City State	0.030	17,186	N/A	0	0	0	0	0
Togo	0.030	17,186	17,390	0	0	0	0	0
Tonga	0.030	17,186	N/A	0	0	0	0	0
Turkmenistan	0.030	17,186	N/A	17,186	2019 only	0	0	0
Uganda	0.030	17,186	14,530	0	0	0	0	94,152
Uzbekistan	0.030	17,186	N/A	0	0	0	0	0
Vanuatu	0.030	17,186	N/A	0	0	0	0	0
Yemen	0.030	17,186	N/A	33,985	Article 52	0	0	0
Zambia	0.030	17,186	21,690	48,275	Article 52	0	0	176,568
Zimbabwe	0.030	17,186	21,690	0	0	0	212,263	235,257
Total	100.06	57,320,393	1,335,080	4,072,520		492,726	11,611,299	22,935,769

B. FINANCIAL PERFORMANCE BY BUDGET TYPE

Performance on the Organization's operating budgets is shown in note 26 for the current financial year.

Further analysis is provided below by budget type: Regular Budget (B1); Trust Fund and Special Accounts (B2), the combination adjustment (B3) and the Capital Budget (B4).

B1: The Regular Budget

The Regular Budget (B1.1) is an operating budget that comprises the General Budget and the Regional Bureau (RB) Budgets. The separation into these two budgets is shown in table B1.1A. The Financial Year 2019 was characterised by the approved use of reserves , which are separated and shown in B1.1B. The financial performance of the RBs is shown separately in table B1.1C. Further details on Regular Budget revenues, including RBs, are shown in B1.2. Further details on Regular Budget expenses, including RBs, are shown in B1.3.

B2: Trust Fund and Special Accounts

The Trust Fund and Special Accounts' Budget is an operating budget that comprises the INTERPOL Trust Fund for Police Cooperation and individual projects, in separate Special Accounts. The financial performance against budget is shown and previous year is shown in B2.1. The amount that was implemented by each sponsor and for the program, is shown in B2.2.

B3: The Combination Adjustment: Transfer between Budgets

Resources are shared between the Regular Budget and Trust Fund and Special Accounts. The Combination adjustment removes the effect of double counting these resources.

B4: Capital Budget (B4)

The Capital Budget is followed separately and expenses are withdrawn from the Capital Investment Fund.

B1. REGULAR BUDGET

B1.1 Detailed Financial Performance on the Regular Budget versus Budget and prior year

000s Euros	Details	Revised Regular Budget 2019		2019		2018		2019 variance to Revised Budget		2019 variance to 2018	
								000s	%	000s	%
Operating revenue											
Statutory contributions	B1.2.1	57,286		57,320		55,998		34	0%	1,322	2%
Regional Bureau financing	B1.2.2	1,335		1,335		1,305		0	0%	30	2%
In-kind contributions	B1.2.3	29,584		33,890		30,252		4,306	15%	3,638	12%
Voluntary contributions	B1.2.4	3,566		3,493		3,553		(73)	(2%)	(60)	(2%)
Reimbursements and recoveries	B1.2.5	5,092		5,771		4,561		679	13%	1,210	27%
Financial income	B1.2.6	300		410		369		110	37%	41	11%
Other income	B1.2.7	494		823		680		329	67%	143	21%
Exchange rate gains/(losses) net	B1.2.8			12		62		12	N/A	(50)	(81%)
Total operating revenue			97,657		103,054		96,780	5,397	6%	6,274	6%
Operating expenses											
Pay costs	B1.3.1	45,365		47,025		41,761		1,660	4%	5,264	13%
In-kind pay costs	B1.3.2	18,628		22,279		19,508		3,651	20%	2,771	14%
Other staff costs	B1.3.3	2,012		1,811		1,808		(201)	(10%)	3	0%
Premises running costs	B1.3.4	3,452		3,452		3,192				260	8%
In-kind premises running costs	B1.3.5	10,956		11,611		10,744		655	6%	867	8%
Maintenance	B1.3.6	4,711		3,386		2,907		(1,325)	(28%)	479	16%
Missions and meetings	B1.3.7	5,823		6,358		5,527		535	9%	831	15%
Office expenses	B1.3.8	2,290		1,532		1,364		(758)	(33%)	168	12%
Telecommunication costs	B1.3.9	1,105		1,147		923		42	4%	224	24%
Third party and other costs	B1.3.10	2,117		4,246		621		2,129	101%	3,625	584%
Depreciation and amortization	B1.3.11	4,982		4,934		4,610		(48)	(1%)	324	7%
Total operating expenses			(101,441)		(107,781)		(92,965)	(6,340)	(6%)	(14,816)	(16%)
Surplus/(deficit) for the year			(3,784)		(4,727)		3,815	(943)		(8,542)	

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B1.1A Detailed Regular Budget Financial Performance by budget type

000s Euros	Total Regular Budget		General Budget*		RB Budgets	
	2019	2018	2019	2018	2019	2018
Operating revenue						
Statutory contributions	57,320	55,998	57,320	55,998	0	0
Regional Bureau financing	1,335	1,305	0	0	1,335	1,305
In-kind contributions	33,890	30,252	29,092	25,720	4,798	4,532
Voluntary contributions	3,493	3,553	3,493	3,553	0	0
Reimbursements and recoveries	5,771	4,561	5,715	4,507	56	54
Financial income	410	369	410	369	0	0
Other income	823	680	799	627	24	53
Exchange rate gains/(losses) net	12	62	12	62	0	0
Total operating revenue	103,054	96,780	96,840	90,836	6,214	5,944
Operating expenses						
Pay costs	47,025	41,761	47,000	41,761	25	0
In-kind pay costs	22,279	19,508	18,639	16,206	3,640	3,302
Other staff costs	1,811	1,808	1,693	1,714	118	94
Premises running costs	3,452	3,192	3,394	3,144	58	48
In-kind premises running costs	11,611	10,744	10,453	9,514	1,158	1,230
Maintenance	3,386	2,907	3,264	2,810	122	97
Missions and meetings	6,358	5,527	5,401	4,702	957	825
Office expenses	1,532	1,364	1,447	1,261	85	103
Telecommunication costs	1,147	923	954	890	193	33
Third party and other costs	4,246	621	3,961	797	285	(176)
Depreciation and amortization	4,934	4,610	4,934	4,610	0	0
Total operating expenses	(107,781)	(92,965)	(101,140)	(87,409)	(6,641)	(5,556)
Surplus/(deficit) for the year	(4,727)	3,815	(4,300)	3,427	(427)	388

General Reserve Fund

RB Reserve Fund by RB

* The General Budget includes the budgeted use of the General Reserve Fund ("Reserves"). The Financial Performance on the use of the reserves and the "Base" General Budget is separated below.

B1.1B General Budget Financial Performance: Use of General Reserve Fund and “Reserve-funded projects”

000s Euros	Total Regular Budget			Base General Budget*			Reserves		
	Budget 2019	2019	2018	Budget 2019	2019	2018	Budget 2019	2019	2018
Operating revenue									
Statutory contributions	57,286	57,320	55,998	57,286	57,320	55,998	0	0	0
Regional Bureau financing	1,335	1,335	1,305	1,335	1,335	1,305	0	0	0
In-kind contributions	29,584	33,890	30,252	29,584	33,854	30,177	0	36	75
Voluntary contributions	3,566	3,493	3,553	3,566	3,493	3,553	0	0	0
Reimbursements and recoveries	5,092	5,771	4,561	5,092	5,670	4,561	0	101	0
Financial income	300	410	369	300	410	369	0	0	0
Other income	494	823	680	494	823	680	0	0	0
Exchange rate gains/(losses) net		12	62		12	62	0	0	0
Total operating revenue	97,657	103,054	96,780	97,657	102,917	96,705	0	137	75
Operating expenses									
Pay costs	45,365	47,025	41,761	42,706	45,221	41,175	2,659	1,804	586
In-kind pay costs	18,628	22,279	19,508	18,628	22,243	19,433	0	36	75
Other staff costs	2,012	1,811	1,808	2,012	1,755	1,761	0	56	47
Premises running costs	3,452	3,452	3,192	3,376	3,452	3,192	76	0	0
In-kind premises running costs	10,956	11,611	10,744	10,956	11,611	10,744	0	0	0
Maintenance	4,711	3,386	2,907	4,187	3,386	2,906	524	0	1
Missions and meetings	5,823	6,358	5,527	5,265	6,126	5,493	558	232	34
Office expenses	2,290	1,532	1,364	2,279	1,497	1,358	11	35	6
Telecommunication costs	1,105	1,147	923	1,103	1,144	922	2	3	1
Third party and other costs	2,117	4,246	621	1,663	3,649	431	454	597	190
Depreciation and amortization	4,982	4,934	4,610	4,982	4,934	4,610	0	0	0
Total operating expenses	(101,441)	(107,781)	(92,965)	(97,157)	(105,018)	(92,025)	(4,284)	(2,763)	(940)
Surplus/(deficit) for the year	(3,784)	(4,727)	3,815	500	(2,101)	4,680	(4,284)	(2,626)	(865)

* The Organization had approval to use the General Reserve Fund reserve for specific projects. It also used RB reserves as shown in B1.1 A but not included in reserves in the table above for 427 (000) EUR. This together with the doubtful debt provision in Third Party and Other costs are the main variance on the “Base General Budget”.

B1.1C Financial Performance on RB Budgets

B1.1C.1 Financial Performance of the RB on RB Reserve only

RB Reserve Fund Only 000s Euros	RB Abidjan			RB Buenos Aires			RB Harare			RB Nairobi			RB San Salvador			RB Yaoundé			TOTAL		
	Revised Budget			Revised Budget			Revised Budget			Revised Budget			Revised Budget			Revised Budget			Revised Budget		
	2019	2019	2018	2019	2019	2018	2019	2019	2018	2019	2019	2018	2019	2019	2018	2019	2019	2018	2019	2019	2018
Operating revenue																					
Regional Bureau financing	278	278	272	291	291	284	260	260	254	189	189	185	178	178	174	139	139	136	1,335	1,335	1,305
Reimbursements and recoveries	0	52	54	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	56	54
Other Income	0	0	0	0	24	53	0	0	0	0	0	0	0	0	0	0	0	0	0	24	53
Total operating revenue	278	330	326	291	319	337	260	260	254	189	189	185	178	178	174	139	139	136	1,335	1,415	1,412
Pay costs	0	0	0	0	25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	25	0
Other staff costs	15	24	21	7	48	38	2	12	1	2	1	1	24	5	10	16	27	23	66	117	94
Premises Running costs	36	11	11	17	12	15	14	5	0	7	10	10	2	7	3	10	13	9	86	58	48
Maintenance	59	49	39	20	22	11	24	15	11	23	7	9	28	15	10	36	14	17	190	122	97
Missions and meetings	115	101	96	205	286	250	159	305	191	111	80	117	88	166	151	34	19	20	712	957	825
Office expenses	18	19	24	14	12	14	9	24	29	12	10	7	15	17	19	12	3	10	80	85	103
Telecommuni- cation costs	30	7	(124)	18	26	31	48	73	47	29	36	30	20	20	18	29	31	31	174	193	33
Third party and other costs	5	50	(145)	10	62	(32)	4	31	11	5	119	(34)	1	1	2	2	22	22	27	285	(176)
Total operating expenses	(278)	(261)	78	(291)	(493)	(327)	(260)	(465)	(290)	(189)	(263)	(140)	(178)	(231)	(213)	(139)	(129)	(132)	(1,335)	(1,842)	(1,024)
Surplus/(deficit) for the year	0	69	404	0	(174)	10	0	(205)	(36)	0	(74)	45	0	(53)	(39)	0	10	4	0	(427)	388

B1.1C.2 Total Financial Performance of the RB

Total expenses of the RB 000s Euros	Abidjan			Buenos Aires			Harare			Nairobi			San Salvador			Yaoundé			TOTAL		
	Revised Budget			Revised Budget			Revised Budget			Revised Budget			Revised Budget			Revised Budget			Revised Budget		
	2019	2019	2018	2019	2019	2018	2019	2019	2018	2019	2019	2018	2019	2019	2018	2019	2019	2018	2019	2019	2018
Operating expenses - RB budget	(278)	(261)	78	(291)	(493)	(327)	(260)	(465)	(290)	(189)	(263)	(140)	(178)	(231)	(213)	(139)	(129)	(132)	(1,335)	(1,842)	(1,024)
Pay costs - General budget	(198)	(190)	(329)	(217)	(254)	(385)	(271)	(248)	(287)	(219)	(214)	(213)	(68)	(219)	(178)	(237)	(234)	(225)	(1,209)	(1,359)	(1,617)
Total operating expenses of RB	(476)	(451)	(251)	(508)	(747)	(712)	(531)	(713)	(577)	(408)	(477)	(353)	(246)	(450)	(391)	(363)	(363)	(357)	(2,544)	(3,201)	(2,641)
In-kind pay costs - General Budget	(803)	(847)	(641)	(604)	(552)	(459)	(803)	(724)	(789)	(551)	(491)	(417)	(293)	(293)	(304)	(789)	(733)	(692)	(3,843)	(3,640)	(3,302)
In-kind premises costs - General Budget	(96)	(98)	(104)	(79)	(81)	(86)	(206)	(211)	(224)	(221)	(225)	(239)	(281)	(286)	(304)	(252)	(257)	(273)	(1,135)	(1,158)	(1,230)
Total in-kind operating expenses of RB	(899)	(945)	(745)	(683)	(633)	(545)	(1,009)	(935)	(1,013)	(772)	(716)	(656)	(574)	(579)	(608)	(1,041)	(990)	(965)	(4,978)	(4,799)	(4,532)
Total capital expenditures of RB	(6)	(8)	(10)	(6)	(5)	(12)	(2)	(2)	(13)	(4)	(5)	(7)	(3)	(2)	(7)	(3)	(3)	(26)	(24)	(25)	(75)
Total expense of RB	1,381	1,404	1,006	1,196	1,385	1,269	1,542	1,650	1,603	1,184	1,198	1,016	823	1,031	1,006	1,420	1,356	1,348	7,546	8,025	7,248

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B1.1C.3 RB reserve fund by RB

RB reserve fund	Abidjan	Buenos Aires	Harare	Nairobi	San Salvador	Yaoundé	Total RB reserve fund
Balance at 31 December 2018	331	213	562	42	533	(78)	1,603
Surplus / (Deficit) for the year	69	(174)	(205)	(74)	(53)	10	(427)
Balance at 31 December 2019	400	39	357	(32)	480	(68)	1,176

B1.2 REGULAR BUDGET REVENUES

The Regular Budget comprises the General Budget and the RBs Budgets. The tables shown below include both budgets. The RBs budgets are detailed separately in "Financial Performance on RB Budgets" as shown for each RB above (B1.1B).

B1.2.1 Statutory contributions

The revenues by member country for the General Budget and the payment status of the country as at 31 December 2019 are shown in table A3 above.

B1.2.2 Regional Bureau financing

The revenues by member country of the RB financing budget and the payment status of the country as at 31 December 2019 (including RBs) are shown in table A3 above.

B1.2.3 In-kind contributions

<i>000s Euros</i>	Revised Budget 2019	2019	2018
In-kind pay costs	18,628	22,279	19,508
In-kind premises running costs	10,956	11,611	10,744
Total in-kind contributions	29,584	33,890	30,252

B1.2.4 Voluntary contributions

Member countries and Organisations that have made voluntary contributions are shown in tables A2.3 and A3 above.

B1.2.5 Reimbursements and recoveries

<i>000s Euros</i>	Revised Budget 2019	2019	2018
Trust Fund and Special Account recharges	4,865	4,729	3,763
Revenue from conferences	0	485	372
Other reimbursements	227	680	426
Total reimbursements and recoveries	5,092	5,894	4,561

Revenue from conferences includes EUR 0.175 million received from the sale of exhibitor booths during the annual GA (2018: EUR 0.355 million).

B1.2.6 Financial income

<i>000s Euros</i>	Revised Budget 2019	2019	2018
On bank balances	236	48	15
On investments	64	362	354
Total financial income²	300	410	369

The effective rate of financial interest on the average bank and investments held by the Organization was 0.47% (2018: 0.42%).

B1.2.7 Other income

<i>000s Euros</i>	Revised Budget 2019	2019	2018
Shop sales	232	245	215
I-Checkit revenue	262	284	267
Miscellaneous receipts	0	171	198
Total other income	494	700	680

Other income includes receipts from Shop Sales of emblems, logos, wines and duty-free stocks. The Organization receives I-Checkit revenue from verification of data held in its databases that is included under this category.

Presented below is the summary trading results for the Organization's shop. Merchandise consumed in the shop is reported under Missions and meetings expenses.

Shop sales and gross trading profit:

<i>000s Euros</i>	Revised Budget 2019	2019	2018
Shop sales	232	245	215
Merchandise consumed	(147)	(156)	(144)
Gross trading profit	85	89	71
<i>Shop merchandise consumed</i>	<i>147</i>	<i>156</i>	<i>144</i>
<i>Items given as gifts (not included above)</i>	<i>0</i>	<i>92</i>	<i>81</i>

B1.2.8 Foreign exchange gains / losses

Foreign exchange gains/losses are reported on a net basis under revenue for both realised and unrealised amounts. In 2019 there was a total net gain of EUR 0.012 million (2018: gain EUR 0.062 million). Of the total gain, the realised loss was EUR 0.168 million (2018: loss EUR 0.126 million) and unrealised gain was EUR 0.180 million (2018: gain 0.188 million).

B1.3 REGULAR BUDGET EXPENSES

The Regular Budget comprises the General Budget and the RBs Budgets. The tables shown below include both budgets. The RBs budgets are detailed separately in "Financial Performance on RB Budgets" as shown for each RB above (B1.1B). The amounts include the use of the reserves.

B1.3.1 Pay costs

<i>000s Euros</i>	Revised Budget 2019	2019	2018
Salaries	29,534	28,459	25,923
Employer's social charge costs	9,963	11,389	9,957
Allowances	5,376	4,788	4,551
Provision for employee leave not taken	0	234	216
Provision for retirement benefits	305	479	612
Indemnity for contract termination	0	1,335	483
Reimbursement of national taxes paid	0	61	(173)
Payment for currency adjustment	187	280	192
Total pay costs	45,365	47,025	41,761

B1.3.2 In-kind pay costs

<i>000s Euros</i>	Revised Budget 2019	2019	2018
In-kind pay costs	18,628	22,279	19,508
Total in-kind pay costs	18,628	22,279	19,508

B1.3.3 Other staff costs

<i>000s Euros</i>	Revised Budget 2019	2019	2018
Employee welfare costs	1,078	1,134	1,042
Recruitment expenses	466	339	415
Training expenses	468	338	351
Total other staff costs	2,012	1,811	1,808

B1.3.4 Premises running costs

<i>000s Euros</i>	Revised Budget 2019	2019	2018
Rental costs	1,762	1,797	1,708
Running costs	1,690	1,655	1,484
Total premises running costs	3,452	3,452	3,192

B1.3.5 In-kind premises running costs

The use of premises provided by member countries was valued at EUR 11,611 (000) in 2019 (2018: EUR 10,744 (000) and a budget of EUR 10,956 (000).

B1.3.6 Maintenance

<i>000s Euros</i>	Revised Budget 2019	2019	2018
IT and telecom maintenance	3,519	2,462	2,111
Premises and equipment maintenance	1,192	924	796
Total maintenance	4,711	3,386	2,907

B1.3.7 Missions and meetings

Missions and meetings include expenditure for costs for staff and outside officials to attend statutory meetings, training and conferences of the Organization. It includes travel costs of EUR 2.647 million (2018: EUR 2.268 million), amounts for per diem and accommodation of EUR 2.244 million (2018: EUR 2.212 million) and of conferences costs EUR 0.625 million (2018: EUR 0.420 million).

<i>000s Euros</i>	Revised Budget 2019	2019	2018
Shop merchandise consumed	147	156	144
Corporate hospitality including gifts	62	372	164
Interpretation and minute taking fees	310	314	262
Travel and agency costs	2,668	2,647	2,268
Hotel and accommodation including per diem	1,694	2,244	2,212
Conferences and meetings organization	926	625	420
Grants and subsidies for meetings	16	0	57
Total missions and meetings	5,823	6,358	5,527

Statutory meetings costs include some travel and tickets of delegates, and interpretation and minute taking fees. Costs shown for the GA and Regional Conferences are on a gross basis and exclude income received on the sale of exhibitor booths during the GA of EUR 0.175 million (2018: EUR 0.451 million).

<i>000s Euros</i>	Revised Budget 2019	2019	2018
General Assembly	550	620	563
Executive Committee	203	214	210
Regional conferences	286	219	65
Heads of NCB conference	397	304	333
Committee for Control of INTERPOL files	145	134	119
TOTAL statutory meetings	1,581	1,491	1,290

B1.3.8 Office expenses

<i>000s Euros</i>	Revised Budget 2019	2019	2018
Equipment rentals and hire charges	193	140	172
Fuel for vehicles	39	32	52
Mailing and courier costs	33	83	60
Printing and publications	94	38	60
External security services	966	588	512
Supplies' costs	486	441	353
External translation	261	210	155
Total office expenses	2,072	1,532	1,364

B1.3.9 Telecommunication Costs

<i>000s Euros</i>	Revised Budget 2019	2019	2018
Network hire charges	629	687	479
Telephone charges	476	460	444
Total telecommunication costs	1,105	1,147	923

Although some network hire charges involve rentals, these do not involve leasing of equipment nor the leasing of network capacity.

B1.3.10 Third Party and Other Costs

Changes in provisions for member country statutory contributions includes amounts (paid)/due on both General and RB budgets as EUR 0.894 million (2018: (EUR 0.399 million) and EUR 0.239 million (2018: (EUR 0.421 million)) respectively.

<i>000s Euros</i>	Revised Budget 2019	2019	2018
Consultancy charges	1,379	2,144	944
Bank charges	35	47	46
Insurance	703	528	455
Equipment Donated	0	474	136
Miscellaneous (gains)	0	(38)	(108)
Gain on projects	0	0	(71)
Provision for statutory contributions	0	1,133	(820)
Provisions for stock depreciation and other	0	(42)	39
Total third party and other costs	2,117	4,246	621

B1.3.11 Depreciation

The total amount of depreciation by asset class on the Regular Budget is shown in notes 12 (Intangible assets) and 13 (Plant, property and equipment).

B2. TRUST FUND AND SPECIAL ACCOUNTS

Trust Fund and Special Accounts consists of funds received from external sponsors with a defined purpose such as the implementation of special activities in various crime areas. Projects are separated and tracked individually. Implementation is usually according to the crime area that is managing the project.

B2.1 FINANCIAL PERFORMANCE ON TRUST FUND AND SPECIAL ACCOUNTS

<i>000s Euros</i>	Revised Budget 2019	2019	2018
Operating revenues			
In-kind contributions	1,347	657	785
Reimbursements and recoveries	45,000	44,621	41,204
Exchange rate gains/(losses) net	0	(96)	13
Total operating revenue	46,347	45,182	42,002
Operating expenses			
Pay costs	17,867	21,309	18,734
In-kind pay costs	1,347	657	785
Other staff costs	638	808	670
Premises running costs	136	215	62
Maintenance	476	281	267
Missions and meetings	11,780	14,391	14,322
Office expenses	1,019	578	620
Telecommunication costs	92	127	104
Third party and other costs	12,992	6,767	6,408
Depreciation and amortization	0	49	30
Total operating expenses	(46,347)	(45,182)	(42,002)
Surplus/(deficit) for the year	0	0	0

Operating expenses relating to the INTERPOL Fund for International Police Cooperation in the above are EUR 9.038 million (2018: EUR 8.049 million), of which operating expenses relating to the INTERPOL Foundation are EUR 7.781 million (2018: EUR 7.179 million).

B2.2. TRUST FUND AND SPECIAL ACCOUNTS BY SPONSOR 2019

The following table shows the Trust Fund and Special Account projects that were executed in the year 2019 (cash-only) by sponsor and for each programme.

Sponsor	Program	Amount recognised in 2019 EUR (000)
European Commission	Africa Regional Programme; Capacity Building Programme; CBRNE Programme; Counter Terrorism Programme; Criminal Analysis Programme; Drugs and Organised Crime Programme; Environmental and Wildlife Crime Programme; Human Trafficking Programme; I-24/7 Programme; iARMS Programme; INTERPOL Legislation Programme; IT Infrastructure; Maritime Piracy Programme; Migration & Border Management Programme; NCB Support and Upgrade Programme; Operational Support; Research and Innovation	10,021
INTERPOL Foundation	Counter Terrorism Programme; Criminal Analysis Programme; Cybercrime Programme; Drugs and Organised Crime Programme; Human Trafficking Programme; INTERPOL Organisation Support; Stolen Motor Vehicles Programme; Stolen Works of Art Programme; Trafficking in Illicit Goods and Counterfeiting Programme	7,781
Global Affairs Canada	Capacity Building Programme; CBRNE Programme; Counter Terrorism Programme; Cybercrime Programme; Foreign Fighters Programme; Migration & Border Management Programme	6,444
US Dept. Of State	Anti-Corruption Programme; CBRNE Programme; Criminal Analysis Programme; Environmental and Wildlife Crime Programme; Human Trafficking Programme; I-24/7 Programme; Maritime Piracy Programme; Trafficking in Illicit Goods and Counterfeiting Programme	4,192
US AID	Environmental and Wildlife Crime Programme	1,774
NORAD - Norwegian Agency for Development Cooperation	Environmental and Wildlife Crime Programme	1,676
Federal Ministry for Foreign Affairs (Germany)	Capacity Building Programme; Human Trafficking Programme; Terrorism Network programme	1,583
Human Dignity Foundation	Child Exploitation Programme	1,394
Government of Japan	Counter Terrorism Programme; Foreign Fighters Programme; I-24/7 Programme	1,048
Norway - Ministry of Foreign Affairs	Environmental and Wildlife Crime Programme; Human Trafficking Programme; INTERPOL Organisation Support; Cybercrime Programme	968
US Defense Threat Reduction Agency	CBRNE Programme	905
FBI	CBRNE Programme	727
Qatar 2022 Supreme Committee	Sports Security Programme	624
Underwriters' Laboratory Inc.	Trafficking in Illicit Goods and Counterfeiting Programme	434

ICPO-INTERPOL

Sponsor	Program	Amount recognised in 2019 EUR (000)
NCB China	Counter Terrorism Programme; Cybercrime Programme; INTERPOL Organisation Support; Operational Support	420
IOC	Integrity in Sport Programme	384
US Dept. Of Energy	CBRNE Programme	327
Japan ASEAN Integration Fund	Cybercrime Programme	323
Council of Europe	Cybercrime Programme	309
Dutch National Police	Child Exploitation Programme; Counter Terrorism Programme; Integrity in Sport Programme	306
BMEL	Anti-Corruption Programme	272
UK Department of Business, Energy, and industrial Strategy	CBRNE Programme	231
UNICEF	Crime Against Children Programme	230
FRONTEX	Migration & Border Management Programme	214
UK Defra	Environmental and Wildlife Crime Programme	207
France – Ministry of Foreign Affairs	I-24/7 Programme; Drugs and Organised Crime Programme	207
Dutch MFA	Counter Terrorism Programme; Foreign Fighters Programme; Capacity Building Programme	152
UK NCA	Anti-Corruption Programme; Migration & Border Management Programme	137
WADA - World Anti-Doping Agency	Anti-doping Initiative	117
Pew Charitable Trusts	Environmental and Wildlife Crime Programme	113
IRACM	Trafficking in Illicit Goods and Counterfeiting Programme	101
Other (below 100k Euros)		712
TOTAL		44,525
In-kind		657
Total Trust Funds and Special Accounts		45,182

B3. COMBINATION ADJUSTMENT: TRANSFERS BETWEEN BUDGETS:

Trust Fund and Special Account projects share Regular Budget resources and infrastructure, and also benefit by having access to internal experts. The consolidation adjustment removes the effect of double counting the revenue and expenses between budgets when they are combined.

Overhead recoveries, expert fees and charges for other services such as office rentals are invoiced to the Trust Fund and Special Accounts from the Regular Budget and counted as an expense on the Trust Fund or Special Account. All such costs on Trust Funds and Special Accounts are agreed in advance with the sponsor, either in a specific contract or in the general terms and conditions of operation of the Trust Fund. These are accounted under the category, third party and other costs.

The average overhead recovery rate was 10.0% of total Trust Fund and Special Account expenses (2018: 8.8%). Total recoveries from projects, including overhead and other recharges were EUR 6.308 million, or 16.2% (2018: EUR 4.582 million, 12.2%). Of this amount expert fees recovered were EUR 1.732 million (2018: EUR 0.963 million).

<i>000s Euros</i>	Revised Budget 2019	2019	2018
Operating revenue			
Reimbursements and recoveries	5,092	6,308	4,582
Total operating revenue	5,092	6,308	4,582
Operating expenses			
Pay costs	1,185	1,579	817
Other staff costs	0	115	16
Premises running costs	282	215	60
Maintenance	0	10	8
Missions and meetings	0	35	32
Office expenses	0	8	8
Telecommunication costs	0	102	84
Third party and other costs	3,625	4,195	3,527
Depreciation and amortization	0	49	30
Total operating expenses	(5,092)	(6,308)	(4,582)
Surplus/(deficit) for the year	0	0	0

B4. CAPITAL BUDGET

B4.1 2019 CAPITAL PROGRAMME AGAINST BUDGET

Location	Capital expenditure programme <i>000s Euros</i>	Revised Budget 2019	2019	Difference
IPSG	Specific equipment, furniture and fixtures	324	471	147
	Building works	508	461	(47)
	Security	151	193	42
	Building and security	983	1,125	142
	EDPS database projects	822	608	(214)
	Other IS software projects	801	700	(101)
	IS infrastructure including global capacity	561	1,823	1,262
	End user computer hardware and peripherals	149	334	185
	IT systems and communications	2,333	3,465	1,132
IGCI	Specific equipment, furniture and fixtures	662	127	(535)
	Building works	140	32	(108)
	Building and security	802	159	(643)
	IGCI database projects	421	73	(348)
	Other IS software projects	2	0	(2)
	End user computer hardware and peripherals	43	105	62
	IT systems and communications	466	178	(288)
RB	Specific equipment, furniture and fixtures	105	118	13
	Building works	54	108	54
	Security	199	140	(59)
	Building and security	358	366	8
	End user computer hardware and peripherals	30	44	14
	IT systems and communications	30	44	14
NCB	IS infrastructure and I24/7	20	0	(20)
	End user computer hardware and peripherals	8	0	(8)
	IT systems and communications	28	0	(28)
	Total capital expenditure programme	5,000	5,337	337

C. OTHER FINANCIAL INFORMATION**C1. INVENTORIES**

Inventories consist of items of stock held at the shop for resale or to be given as gifts and stocks of office consumables and items held for maintenance.

000s Euros	31 December	
	2019	2018
Items held for sale	436	420
Items held for maintenance	27	28
Office consumables	21	19
Total inventories	484	467

C2. FINANCIAL INSTRUMENTS DETAIL**C2.1 Foreign Exchange sensitivity analysis**

Based on the amounts held in bank accounts at the financial statement dates, if the currency rates appreciate or depreciate by 10% above or below the rates at those dates, the impact on the Statement of Financial Performance in the main currencies would have been:

000s Euros	31 December			
	2019		2018	
	10%	-10%	10%	-10%
EUR/USD	179	(179)	363	(363)
EUR/SGD	60	(60)	266	(266)

Based on the balances of receivables and payables in foreign currencies, the foreign exchange sensitivity is as follows:

000s Euros	31 December			
	2019		2018	
	10%	-10%	10%	-10%
EUR/AED	1	(1)	1	(1)
EUR/CAD	61	(61)	69	(69)
EUR/SGD	(123)	123	(98)	98
EUR/USD	77	(77)	125	(125)

C2.2 Interest rate sensitivity analysis

If the average interest rate had been 50 basis points higher or lower in 2019 the financial interest income would have been impacted as follows (assuming the Organization is paying financial interest where rates would be below zero):

	Increase (+) / decrease (-) in basis points	Effect on surplus / deficit (000s) EUR
Investments	50	164
	-50	(164)
Cash and cash equivalents	50	281
	-50	(281)