

## **Independent auditors' report**

To the Standing Committee of  
International Development Law Organization

We have audited the accompanying financial statements of International Development Law Organization which comprise the balance sheet as at December 31, 2013, and the statements of revenues and expenses, changes in equity and cash flows for the year then ended, and notes, including a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by management of International Development Law Organization based on the accounting policies described in Note 2 to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements in accordance with the accounting policies described in Note 2 to the financial statements, 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements of International Development Law Organization for the year ended December 31, 2013 are prepared, in all material respects, in accordance with the accounting policies described in Note 2 to the financial statements.

### **Basis of Accounting and Restriction on Distribution and Use**

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist International Development Law Organization to present financial information to the Standing Committee of International Development Law Organization. As a result, the financial statements may not be suitable for another purpose.

Rome, May 22, 2014

Reconta Ernst & Young S.p.A.

  
Giorgio Paglioni  
(Partner)

**International Development Law Organization**

**BALANCE SHEETS**

**For the Years Ended December 31 2013 and 2012 (Expressed in Euros)**

	<b>2013</b>	<b>2012</b>
<b><u>ASSETS</u></b>		
<b><u>Current assets</u></b>		
Cash (Note 3)	15,718,979	9,369,127
Accounts receivable	2,738,284	3,097,330
Prepaid expenses	779,476	342,541
<b>Total current assets</b>	<b>19,236,739</b>	<b>12,808,998</b>
<b><u>Non current assets</u></b>		
<b><u>Fixed assets</u></b>		
Furniture, fixtures, ICT and equipment, net of depreciation (Note 4)	99,200	161,483
Leasehold improvements, net of amortization (Note 4)	1,353,221	1,649,601
<b>Total net fixed assets</b>	<b>1,452,421</b>	<b>1,811,084</b>
<b><u>Investments</u></b>		
Investment portfolio (Note 5)	1,393,941	1,388,075
Donor Endowment funds (Note 5)	671,726	668,919
Provident Fund Investments (Note 7)	1,529,044	1,117,934
<b>Total Investments</b>	<b>3,594,711</b>	<b>3,174,928</b>
<b>Total non current assets</b>	<b>5,047,132</b>	<b>4,986,012</b>
<b>TOTAL ASSETS</b>	<b>24,283,871</b>	<b>17,795,010</b>
<b><u>LIABILITIES AND EQUITY</u></b>		
<b><u>Current liabilities</u></b>		
Accounts payable and accrued expenses	968,238	1,154,302
Deferred revenue and grants received in advance (Note 6)	13,368,578	7,415,434
Provident Fund (Note 7)	2,719,929	2,506,451
<b>Total current liabilities</b>	<b>17,056,745</b>	<b>11,076,187</b>
<b><u>Equity</u></b>		
Retained Earnings	6,555,400	6,049,904
Donor Endowment funds (Note 5)	671,726	668,919
<b>Total equity</b>	<b>7,227,126</b>	<b>6,718,823</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>24,283,871</b>	<b>17,795,010</b>

**International Development Law Organization**  
**STATEMENTS OF REVENUES AND EXPENSES**  
**For the Years Ended December 31 2013 and 2012 (Expressed in Euros)**

	<b>2013</b>	<b>2012</b>
<b><u>REVENUES</u></b>		
Grants Unrestricted (Schedule 1)	3,288,979	2,843,158
Earmarked Revenue (Schedule 1)	584,543	412,229
Revenue from restricted grants - programs (Schedule 1)	21,486,848	13,838,009
	25,360,370	17,093,396
Other income	18,699	46,204
<b>Total revenues</b>	<b>25,379,069</b>	<b>17,139,600</b>
<b><u>EXPENSES</u></b>		
Staff costs	4,398,392	4,092,693
Office expenses	887,003	849,452
Institutional Expenses *	1,190,321	799,606
Depreciation	394,585	409,268
Program direct costs	17,932,604	10,560,055
<b>Total expenses</b>	<b>24,802,905</b>	<b>16,711,075</b>
<b>Net revenue</b>	<b>576,164</b>	<b>428,525</b>
Realized and Unrealized gains or (losses) on investment portfolio	5,866	69,995
Realized and Unrealized gains or (losses) on endowment funds	2,807	26,826
<b>Total Realized and Unrealized gains or (losses)</b>	<b>8,673</b>	<b>96,821</b>
<b><u>Financial expenses, write-offs and prior period adjustments</u></b>		
Interest short term debt		
Effect of foreign exchange rate movements	(42,245)	34,630
Account receivable & fixed assets write offs & prior period adjustments	(34,290)	59,988
<b>Total financial and write off expenses</b>	<b>(76,534)</b>	<b>94,617</b>
<b>Net revenue</b>	<b>508,302</b>	<b>619,964</b>

\* Alumni Networks/Communications/Fundraising/Governance/Library/Program Development/Research

**International Development Law Organization**  
**STATEMENTS OF CASH FLOWS**  
**For the Years Ended December 31 2013 and 2012 (Expressed in Euros)**

	<b>2013</b>	<b>2012</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Net revenue (shortfall)</b>	508,302	619,964
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation	394,585	409,268
(Increase)/decrease in other debtors and prepayments	(436,935)	(260,665)
(Increase)/decrease in accounts receivable - operations	359,046	(1,511,851)
Increase/(decrease) in accounts payable	(186,065)	587,885
Increase/(decrease) in deferred revenues and grants received in advance	5,953,144	(7,065,173)
<b>NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES</b>	<b>6,592,078</b>	<b>(7,220,574)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(35,921)	(41,678)
(Increase)/decrease market value of investment portfolio	(419,783)	(86,847)
Increase/(decrease) in Provident Fund invested funds	213,478	152,971
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>(242,226)</b>	<b>24,446</b>
<b>Net Increase/(decrease) in cash</b>	<b>6,349,852</b>	<b>(7,196,128)</b>
<b>CASH AT BEGINNING OF YEAR</b>	<b>9,369,127</b>	<b>16,565,255</b>
<b>CASH AT END OF YEAR (Note 3)</b>	<b>15,718,979</b>	<b>9,369,127</b>
<b>Represented By:</b>		
<b>Total Cash</b>	<b>15,718,979</b>	<b>9,369,127</b>

**International Development Law Organization**  
**STATEMENTS OF CONTRIBUTION'S REVENUE**  
**For the Years Ended December 31 2013 and 2012 (Expressed in Euros)**

<b>Donors</b>	<b>Unrestricted grants</b>	<b>Earmarked Grants</b>	<b>Programs Implemented</b>	<b>Total grants received &amp; utilized 2013</b>	<b>Total grants received &amp; utilized 2012</b>
APCO Worldwide	-	-	-	-	16,263
Arab Bank for Economic Development in Africa (BADEA)	-	-	105,385	105,385	61,978
Australian Agency for International Development (AUSAID)	-	-	76,295	76,295	539,006
Bill and Melinda Gates Foundation	-	374,234	-	374,234	165,061
Center for International Forestry Research (CIFOR)	-	-	130,961	130,961	-
Center for International Sustainable Development Law (CISDL)	-	-	-	-	12,823
European Bank for Reconstruction and Development (EBRD)	-	-	488,185	488,185	191,759
European Union	-	-	1,156,792	1,156,792	448,354
Food and Agriculture Organization (FAO)	-	-	-	-	24,355
Ford Foundation	-	-	475,667	475,667	348,239
Government of Canada (CIDA & DFAIT)	-	-	305,030	305,030	927,803
Government of China	20,000	-	-	20,000	20,000
Government of Denmark (DANIDA)	-	-	595,792	595,792	669,564
Government of France	-	-	137,142	137,142	149,791
Government of Germany (GIZ)	-	-	121,501	121,501	-
Government of Ireland	-	-	22,763	22,763	-
Government of Italy	1,024,306	-	753,329	1,777,635	1,619,815
Government of Jordan	-	-	-	-	10,000
Government of the Netherlands*	1,700,000	210,308	1,163,984	3,074,292	2,802,958
Government of the Philippines	-	-	-	-	1,540
Government of Sweden (SIDA)	-	-	43,963	43,963	180,462
Government of Switzerland	-	-	44,522	44,522	-
Government of the United Kingdom (DFID)	-	-	106,438	106,438	-
Government of the United States of America (US Department of State, INL & USAID)	429,122	-	15,086,802	15,515,924	7,291,008
Government of Vietnam	-	-	-	-	66,310
International Fund for Agricultural Development (IFAD)	-	-	50,938	50,938	128,711
International Organization for Migration (IOM)	-	-	28,132	28,132	-
Kuwait Fund for Arab Economic Development**	53,463	-	108,504	161,967	135,696
Microsoft Corporation	54,981	-	125,804	180,785	364,757
Omidyar Network	-	-	-	-	73,462
OPEC Fund for International Development	-	-	87,615	87,615	226,364
PriceWaterHouseCoopers	-	-	-	-	393,103
The World Bank Institute	-	-	-	-	22,769
UN Convention on Biological Diversity (UN CDB)	-	-	-	-	75,502
United Nations Development Programme (UNDP)	7,106	-	236,664	243,770	125,943
United Nations Children's Fund (UNICEF)	-	-	34,640	34,640	-
<b>Total Revenue from Donors</b>	<b>3,288,979</b>	<b>584,543</b>	<b>21,486,848</b>	<b>25,360,369</b>	<b>17,093,396</b>

\* Total Unrestricted contribution 2013-2016 of 13.0M Euros

\*\* Total Unrestricted annual contributions 2011-2015 of 20,000 KWD

**International Development Law Organization**  
**STATEMENTS OF CHANGES IN EQUITY**  
**For the Years Ended December 31 2013 and 2012 (Expressed in Euros)**

	Retained Earnings	Donor endowment funds		Total Donor Endowment Funds	Total Equity
		Arab Fund	Kuwait Fund		
Total fund balances January 1, 2012	5,456,766	386,626	255,467	642,093	6,098,859
Excess of support & revenue over expenses on regular operations	428,525	-	-	-	428,525
Effect of financial expenses & investment portfolio	164,612	-	-	-	164,612
Net change in fund balances	-	16,153	10,673	26,826	26,826
<b>Fund balances as at December 31, 2012</b>	<b>6,049,904</b>	<b>402,779</b>	<b>266,140</b>	<b>668,919</b>	<b>6,718,823</b>
Total fund balances January 1, 2013	6,049,904	402,779	266,140	668,919	6,718,823
Excess of support & revenue over expenses on regular operations	576,164	-	-	-	576,164
Effect of financial expenses & investment portfolio	(70,668)	-	-	-	(70,668)
Net change in fund balances	-	1,690	1,117	2,807	2,807
<b>Fund balances as at December 31, 2013</b>	<b>6,555,400</b>	<b>404,469</b>	<b>267,257</b>	<b>671,726</b>	<b>7,227,126</b>

For the years ended December 31, 2013 and 2012  
(Expressed in Euro)

1 THE ORGANIZATION

The International Development Law Organization (IDLO or the Organization), headquartered in Rome, Italy, Viale Vaticano 106, is an international intergovernmental organization.

IDLO enables governments and empowers people to reform laws and strengthen institutions to promote peace, justice, sustainable development and economic opportunity.

A Headquarters Agreement signed on 20 March 1992, amended 19 July 1993, ratified by the Italian Parliament on October 28, 1994 and effective as of December 1, 1994, regulates IDLO's relations with the host government, Italy.

On November 19, 2013 – the Minister of Foreign Trade and Development Cooperation of the Netherlands and the Director-General of the International Development Law Organization (IDLO), signed the Seat Agreement for the establishment of a Branch Office of IDLO in The Hague.

In addition to the headquarters in Rome and the Branch Office in The Hague, IDLO has its liaison offices to the United Nations in New York and Geneva; and country offices in Afghanistan, Kenya, Kyrgyzstan, Mongolia, South Sudan, Somalia (based in Nairobi) and Tajikistan; and carries out programs in more than 45 countries on five continents.

IDLO receives voluntary contributions for institutional and/or program support from government agencies, multilateral organizations and private foundations. In 2013 IDLO received unrestricted budget support from seven governmental donors (2012: seven). Any significant reduction in the level of this support, if this were to occur, would have a material effect on IDLO's programs and activities.

IDLO is governed by an Assembly of Parties.

The twenty-seven Parties to IDLO's Establishment Agreement are currently:

- Afghanistan
- Australia
- Austria
- Bulgaria
- Burkina Faso
- China
- Ecuador
- Egypt
- El Salvador
- France
- Italy
- Jordan
- Kenya
- Kuwait
- Mozambique
- Norway
- OPEC Fund for International Development
- Paraguay
- Peru
- Philippines
- Romania
- Senegal
- Sudan
- The Netherlands
- Tunisia
- Turkey
- United States

The governance structure of the Organization, since March 28, 2008 is composed of:

THE ASSEMBLY OF PARTIES - composed of representatives of all of IDLO's member parties, a member party being a state of intergovernmental organization that has signed the Agreement for the Establishment of IDLO. The Assembly is IDLO's highest decision-making body and it convenes in Rome at least once a year, holding its regular session in the last quarter of each year. The role of the Assembly is to determine the Organization's policies and oversee the actions of the Director-General. Its duties include the adoption of the budget and action plan for the following year; the adoption of by-laws for the governance of the Organization and inter alia, for the personnel policies; the adoption of recommendations relating to the Organization's policies and management; the approval of the admission of new members of the Organization and the election of the President and Vice-President of the Assembly; and the appointment of the Director-General, ad-hoc members of the Standing Committee, and the members of the Board of Advisors.

THE STANDING COMMITTEE provides the link between the Assembly, the Board of Advisors and the Director-General. It is comprised of the President of the Assembly, who shall be its chair, the Assembly's two Vice-Presidents, one representative from each of two Parties who shall be elected by the Assembly in alternate years each for a two-year term and the Chairman and Vice-Chairman of the Board of Advisors. The Standing Committee is in charge of monitoring the proper implementation of the budget and shall report on its implementation to the Assembly. One of its functions is the adoption of the financial statements as well as to monitor the proper implementation of the budget and report on this item to the Assembly.

The IDLO Standing Committee in 2013 is composed of the representatives of: USA (President), Kuwait (Vice-President), Italy (Exofficio Vice-President), Netherlands and Peru (*ad hoc* members); Ambassador Ertugrul Apakan (Acting Chairman of the Board of Advisors) and Professor Jan Michiel Otto (Vice-Chair of the Board of Advisors).

THE BOARD OF ADVISORS is composed of between six and ten members elected by the Assembly each for a four-year term. The composition rules of the Board of Advisors were amended at the 2012 Assembly of Parties of IDLO, prior to this the Board of Advisors were composed of ten members. All Board Members are selected on the basis of their expertise in the fields of development or law or their experience of the management of international organizations. They serve in their personal capacities and not as representatives of their governments or organizations. Meetings of the Board of Advisors are convened at least once a year, prior to the regular meeting of the Assembly.

The number of core staff employed by the Organization was 55 as at December 31, 2013 (2012: 51).



The financial statements of IDLO are prepared in accordance with the following accounting policies.

The financial statements of IDLO are composed of the balance sheets, the statements of revenues and expenses, changes in equity and cash flow, and the explanatory notes. In addition, the financial statements are prepared to assist IDLO to present financial information relevant for the Standing Committee purposes.

#### **Grant revenue recognition**

IDLO records revenue from unrestricted grants when they are received except that amounts received from donors with respect to future years are deferred to the year in which they relate. Grants restricted by the donor for particular operating purposes are deemed to be earned and are reported as revenues when expenditures are incurred in accordance with the specific restrictions of such donor. Such amounts received but not yet earned are reported as deferred revenue. Grants not restricted to specific programs but earmarked for a general purpose are deemed to be earned and are reported as revenues when expenditures are incurred.

#### **Foreign exchange**

IDLO conducts its operations in several currencies and has maintained its accounting records in Euro since 2007. Revenue and expense items in currencies other than Euro have been recorded at appropriate rates of exchange during the period. Assets and liabilities denominated in currencies other than Euro are translated in Euro using year-end exchange rates. Realized and unrealized foreign exchange gains and losses arising from the translation of assets and liabilities in other than Euro are credited or charged to the Statement of Revenues and Expenses.

#### **Functional allocation of expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Revenues and Expenses. Accordingly, certain costs have been allocated between project related costs and office expenses and institutional costs, such as governance, fundraising, program development and communication.

#### **Cash**

IDLO classifies as cash and cash equivalent cash on hand, amounts on deposits and on accounts in banks.

#### **Investments**

Investments are reported at fair value, based primarily on market quotes. The fair values are reviewed by Management. IDLO has an exposure to a number of risks including interest rate, market, and credit risks for both marketable and non-marketable securities. Due to the level of risk exposure, it is possible that near-term valuations changes for investment securities may occur to an extent that could materially affect the amounts reported in IDLO's financial statements. Both realized exchange and security gains and losses and unrealized exchange and security gains and losses are reflected in Statement of Revenues and Expenses.

#### **Project revenue and grant revenue**

In the Statement of Revenues and Expenses, grants recognized as revenue are classified as either unrestricted grants, earmarked grants or programs implemented.

#### **Receivables and payables**

Receivables are recorded at their estimated net realizable value. Payables are stated at face value.

#### **Fixed assets and depreciation**

Office equipment and furniture are recorded at cost and are depreciated over the estimated useful lives of the respective assets (five years) on a straight-line basis. Leasehold improvements are depreciated on a straight-line basis over the expected life of the leases (twelve years). Ordinary maintenance expenses on property are charged directly to operating expenses in the period in which they are incurred.

#### **Revenue and expenses**

Revenue and expenses are recorded on an accrual basis.

Cash balance is determined by cash held in IDLO bank accounts and petty cash funds and these amount to €15,718,979 as at 31 December 2013 (2012: €9,369,127).

The cash and deposits that are restricted for the use in programs and for Provident Fund commitments as shown in the following table.

(expressed in Euros)	2013	2012
Cash at bank	15,718,979	9,369,127
Less:		
Deferred Program and Earmarked Revenue	13,368,578	7,355,532
Provident Fund commitment (see Note 7)	1,190,886	1,388,516
	14,559,464	8,744,048
<b>Unrestricted Cash and Deposits</b>	<b>1,159,516</b>	<b>625,079</b>

#### 4 FIXED ASSETS

The following table presents the changes in fixed assets:

FIXED ASSETS (expressed in Euros)	Leasehold Improvements	Fixtures, Furniture, ICT & Equipment	TOTAL
<b>COST</b>			
Balance as of January 1, 2013	5,774,418	1,871,046	7,645,464
Additions	1,600	34,321	35,921
Disposals	0	0	0
<b>Balance as of December 31, 2013</b>	<b>5,776,018</b>	<b>1,905,367</b>	<b>7,681,385</b>
<b>ACCUMULATED AMORTIZATION</b>			
Balance as of January 1, 2013	4,124,817	1,709,562	5,834,379
Depreciation		96,605	96,605
Amortization	297,980		297,980
<b>Balance as of December 31, 2013</b>	<b>4,422,797</b>	<b>1,806,167</b>	<b>6,228,964</b>
<b>NET BOOK VALUE</b>			
<b>Balance as of December 31, 2013</b>	<b>1,353,221</b>	<b>99,200</b>	<b>1,452,421</b>
<b>Balance as of December 31, 2012</b>	<b>1,649,600</b>	<b>161,483</b>	<b>1,811,084</b>

The additions of the period are related to the costs for improvements, refurbishments and equipment purchases for the headquarters building in Rome; there were no disposals of leasehold improvements or fixtures, furniture, ICT or equipment in 2013 (2012: €0).

#### 5 INVESTMENT PORTFOLIO AND ENDOWMENT FUNDS

UBS, the organization's third party investment advisor, has managed the investments in accordance with IDLO's Investment Policy which specifies that a maximum of 20% of IDLO's investments can be held in equities and the rest must be held in fixed income securities.

The portfolio mix of the investments as at 31 December 2013 and 2012 is reflected in the following table.

#### Investment Portfolio by Asset Class

(expressed in Euros)

	As at 31.12.13		As at 31.12.12		Variance	
	Value	Value %	Value	Value %	Change in Value	Value % of TOT
Liquidity	66,231	3.21%	121,728	5.92%	(55,497)	(2.71%)
Bonds	1,507,009	72.96%	1,438,403	69.93%	68,606	3.03%
Equities	339,492	16.43%	266,859	12.97%	72,633	3.46%
Real Estate	152,934	7.40%	230,004	11.18%	(77,070)	(3.78%)
<b>Total Asset Value</b>	<b>2,065,666</b>	<b>100.00%</b>	<b>2,056,994</b>	<b>100.00%</b>	<b>8,672</b>	

The investment portfolio at year end December 31, 2013 had a value of €2,065,666 (2012: €2,056,994), and represents the principal together with changes in market value during the year, less amounts utilized in the year. Changes in the market value of the investment portfolio are reported in the Statements of Revenues and Expenses in the year in which the change occurs.

The movement in the investment portfolio in 2013 and 2012 consisted of:

#### Investment Portfolio Movement

(expressed in Euros)

	2013	2012
<b>Balance beginning of year</b>	<b>2,056,994</b>	<b>1,960,173</b>
Realized & unrealized Gain or (Loss)	8,672	96,821
Outflows		
<b>Balance end of year</b>	<b>2,065,666</b>	<b>2,056,994</b>
<b>Comprised of:</b>		
Regular Investments	1,393,940	1,388,075
Arab Fund	404,469	402,779
Kuwait Fund	267,257	266,140

The Donor Endowment Funds form part of the investment portfolio. The contributions from the Kuwait Fund for Arab and Economic Development (the "Kuwait Endowment") and from the Arab Fund for Economic and Social Development (the "Arab Endowment") represent restricted endowments. The principal in these Donor Endowment Funds represents funds subject to restrictions requiring that unless otherwise agreed with the donors, the principal be retained and invested for the long term.

#### 6 DEFERRED REVENUE AND GRANTS RECEIVED IN ADVANCE

The deferred revenue balance of €13,368,578 (2012: €7,415,434) includes grants for projects - €12,646,304 (2012: €6,788,823) and earmarked activities - €722,274 (2012: €566,709) received in 2013 and prior years but not utilized as at December 31, 2013. The total deferred revenue in 2013 was €0 (2012: €59,902).

All eligible staff participate in the IDLO provident fund, which is a defined contribution plan. The balance is paid at retirement or termination of employment. This plan is funded by a mandatory seven percent contribution from employees' salaries, an additional fourteen percent matching contribution by IDLO and further voluntary contributions by each participant.

The balance of funds in the Provident Fund are either held in a bank account with Banca Popolare di Sondrio (BPS) or invested with BNP Paribas. The movement in the value of Provident Fund holdings reflects the contributions described above, withdrawals, and changes in the market value of investments.

#### Provident Fund Holdings

(expressed in Euros)

	2013	2012
Banca Popolare di Sondrio (BPS):		
Bank account holdings	1,220,225	1,036,191
Transfers to receive/(send)	(29,339)	352,325
<b>Total BPS</b>	<b>1,190,886</b>	<b>1,388,516</b>
BNP Paribas	1,529,044	1,117,934
<b>Total Provident Fund Holdings</b>	<b>2,719,930</b>	<b>2,506,451</b>

The position of IDLO with respect to taxation in Italy is established in the Headquarters Agreement.

Article IX, Section 12 of the Headquarters Agreement exempts "the Organization, its properties, incomes and assets" from "all direct taxation and duties levied by the State, Regions and Municipalities". Article IX, Section 13 establishes additional tax exemptions for the Organization, including an exemption from the payment of Value Added Tax on "substantial purchases".

Article XV, Section 21 exempts "members of the staff who are not Italian nationals and who are not permanent residents" from "any form of direct taxation on salaries, emoluments, indemnities, pensions, and other benefits paid to them by or on behalf of the Organization".

IDLO has leases for office space and teaching facilities. These leases are accounted for as operating leases with rental payments being expensed directly to the Statement of Revenues and Expenses.

As of December 31, 2013 the future rental minimum payments for all headquarters leases is as follows:

2014: € 382,100

2015: € 393,563

2016: € 405,370

2017: € 417,531

2018: € 133,373

2019: € 104,031

Corporate office lease commitments in New York are as follows:

2014: € 34,979

2015: € 17,751

Corporate office lease commitments in Geneva are as follows:

2014: € 10,880

2015: € 11,209

2016: € 11,544

2017: € 11,888

2018: € 4,516

In 2013, IDLO signed a contribution with the Minister of Foreign Trade and Development Cooperation of the Netherlands totaling 15,000,000 EUR over 4 years beginning in 2013. Two million of the fifteen million euro contribution are subject to IDLO receiving matching funding. These funds were granted to IDLO to support the Organization's 2013-2016 Strategic Plan, which includes the creation of a Branch Office in The Hague. The Minister of Foreign Trade and Development Cooperation of the Netherlands together with the City of The Hague have contributed an additional 1,685,000 EUR for the set-up of the Branch Office.