

## **Treasurer's report on ILGA-Europe accounts for 12 months to 31<sup>st</sup> December 2009**

In this document the following are included:

- 1) Report on ILGA-Europe's finances for 12 months to 31 December 2009
- 2) The ILGA-Europe Income and Expenditure Account for 12 months to 31 December 2009, and explanatory notes
- 3) Balance Sheet for ILGA-Europe as at 31 December 2009
- 4) Analysis of movements on individual grant funds

### **1. Report on ILGA-Europe's finances for 12 months to 31 December 2009**

#### **Overview**

The accounts presented are the audited income and expenditure for 12 months for the period January to December 2009 with comparison to the indicative budget for 2009 approved at our Vienna conference. The underlying trend in income and expenditure levels was again upwards and shows a real continuity and stability in our financial situation.

The actual accounts show a € 1,796,988 income and an expenditure of € 1,813,251 (the difference of € 16,263 to balanced income and expenditure accounts is explained by extraordinary costs not eligible for support under the grant agreements conditions such as losses due to office robbery, cancellation of attendance to various events, etc).

Expenditure was balanced by income, reflecting the fact that the great majority of ILGA-Europe's expenditure is derived from grants awarded for specific purposes. European Commission (EC) funding contributed approximately 48% of the total grant income, with the remainder coming from the Sigrid Rausing Trust, the European Instrument for Democracy and Human Rights (EIDHR), the Tides Foundation, the Open Society Institute, COC Nederland, UK funder and Dutch Government. We are grateful for their continuing support.

#### **Comparison to budget**

The indicative budget for 2009 approved at the Vienna conference proposed expenditure of € 1,800,000 for 12 months. In the end, total expenditure over the 12 months (of € 1,813,251) was around 100.7% of the proposed budget which was mainly due to ILGA-Europe ability to obtain new or increased sources of funding (e.g. the co-funding for the EIDHR project approved in 2009 and budget revisions to Precis project-COC Nederland).

There has been a slight under spending of the EU grant budgeted, mainly due to staff<sup>1</sup> expenditure. It should be noted that this under spending is limited to about 1% of the EU budgeted expenditure, which is the lowest level since the tripling of ILGA-Europe's overall budget. Moreover, it should also be mentioned that it is rather difficult to reallocate EU grant money from a heading to another and the EC approved only of certain budget revisions proposed which together led to this slight under spending. Our goal remains to avoid any under spending in any of the grants received.

If we look at the structure of income and expenditure it can be noted that there is a broad continuity with our previous financial year. It is also clear that both income and expenditure are generally consistent with what was budgeted. If we look at the main headings of the accounts, there are just few discrepancies with the budget and when there are, it is explained by the impact of the developments that took place inside the organization in 2009 (i.e. changes in the total number of staff members, increased participation in the annual conference, production of more reports and research papers). If we look in more detail, it appears that there was slightly under spending on **staff**, due to the gap in appointments of new recruitments and temporary interruptions in service from staff members. The "overspending" on **annual conference** costs was notably because of the increased number of scholars and activities around the annual conference while the "overspending" under **policy and information dissemination** points to the increased number of documents produced and research conducted by the organization.

A comparison of certain items of January-December expenditure with the detailed budget follows.

- **Staff costs:** expenditure is running below budget, mainly because of the differed start dates of the Policy Programmes Officer and Communication Officer and the gap in employment of the executive director.
- **Board meetings:** expenditure is slightly over the total budget for 12 months.
- **Annual conference costs:** expenditure is above the budget due to the impact of increased number of scholars and profiling of the Family Campaign in Malta.
- **Policy and Information Dissemination:** an overspending mainly explained by increased visibility of ILGA-Europe due to publications and research papers' production, widening the targeted area for job advertisements, etc.
- **EU network:** running below budget, partly due to lower costs for the second EU network and slight decrease in the number of participants.
- **Grant making:** running below budget due to the timing of awarding the Human Rights Violations Fund and Advocacy project grants and the full start of the activities under the EIDHR project.

To conclude, the above-mentioned results show that the growth of ILGA-Europe is stabilizing however caution should be shown when considering the future sustainability and continuity of the process.

**Pierre Serne, Treasurer of ILGA-Europe, 20 April 2010**  
**(with the help of Olimpia Ciripoiu, Finance and Administrative Manager)**

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<sup>1</sup> Staff costs are below the budgeted levels of expenditure reflecting the gaps in appointments (start dates of staff members budgeted under EU grant were later than in the budgeted start date) or the gaps in employment (executive director post budgeted under EC grant was vacant for a period of 5.5 months).

**ILGA-EUROPE**  
**INCOME AND EXPENDITURE ACCOUNT FOR 12 MONTHS TO 31ST DECEMBER 2009**

	Actuals at 31.12.2009	Budget for 2009	Notes
	Euros	Euros	
	01/01/2009-31/12/2009	01/01/2009 - 31/12/2009	1
<b>INCOME</b>			
European Commission grant	862504	907000	2
Sigrid Rausing Trust	275633	232000	3
OSI Advocacy Project	48280	63000	
COC/NIS Project	77308	28000	
Anonymous Donor 1&2	129633	127000	
EIDHR	211067	280000	
Dutch gov	38465	50000	
Funding raised from other sources (incl. interest)	154098	113000	
<b>TOTAL INCOME</b>	<b>1796988</b>	<b>1800000</b>	
<b>EXPENDITURE</b>			
<b>PROGRAMMES: EU-COFUNDED ACTIVITIES AND THEMATIC PROJECTS, GRANT-MAKING, COUNCIL OF EUROPE AND OSCE SECRETARIAT COSTS</b>			
Staff costs	749241	810000	
Office and other co-ordination costs	187583	140000	4
<b>GOVERNING BODIES</b>			
Board meetings	32675	29000	
Annual Conference (incl New Member State scholarships)	236032	175000	5
<b>WORK PROGRAMME ACTIVITIES</b>			
Policy Work and Information Dissemination	176543	105000	6
EU Co-ordination Network Meetings	24652	44000	
Strategic Litigation	0	15000	
Other seminars and project activities	154315	123000	7
<b>GRANT-MAKING</b>			8
Joint projects with partners	28986	58000	
Human Rights Violations Fund	15032	58500	
EIDHR project	173947	197500	
Advocacy Project Re-granting	28025	45000	
<b>TOTAL EXPENDITURE</b>	<b>1807031</b>	<b>1800000</b>	
<b>Other costs</b>	<b>6220</b>		
<b>TOTAL EXPENDITURE</b>	<b>1813251</b>	<b>1800000</b>	
<b>Net income/Loss</b>	<b>-16263</b>	<b>0</b>	9

**NOTES ON THE ILGA-EUROPE INCOME AND EXPENDITURE ACCOUNT  
FOR 12 MONTHS TO 31 DECEMBER 2009**

1. The Budget is the indicative budget approved at the Annual Conference in Vienna.
2. The European Commission grant amounts to 84.83% of EU co-funded expenditure incurred between January and December 2009, in line with the applicable funding contracts.
3. Other income from grant funds – see the attached statement “Analysis of movements on individual grant funds in the 12 months to 31 December 2009”.
4. Office and coordination costs: rent, depreciation, office supplies, telephone/fax, travel associated with coordination activities, etc.
5. Annual Conference: this heading includes all expenses related to organizing the Annual Conference.
6. Policy work and information dissemination: the magazine, website, publications and policy reports, writing of reports on human rights and family.
7. Other seminars and project activities: mainly travel and accommodation costs associated with capacity building seminars, Transgender Preconference and Seminar, Hate Crime project meetings, study visit, Diversity training, participation in European Parliament hearings and conferences, meetings with member organisations, fact finding visits, Task Force meetings, events at the OSCE and Council of Europe, transgender group meetings, IGLYO Age Project meetings etc.
8. Grant-making: includes the costs for the Human Rights Violations Documentation Fund, Advocacy project re-granting scheme, Organization Development grants and joint projects with members.
9. Net loss: the net loss consists of various costs not eligible for support under the grant agreements conditions.

**ILGA-EUROPE-AUDITED ACCOUNTS**  
**ILGA-EUROPE BALANCE SHEET AT 31 DECEMBER 2009**

	<b>31 12 2009</b>	<b>31 12 2008</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash at Bank	72206	123600
Accounts Receivable		
European Commission	148490	140630
Other	206558	110268
<b>Total Current Assets</b>	<b>427254</b>	<b>374499</b>
<b>Fixed Assets</b>	<b>105215</b>	<b>109605</b>
<b>TOTAL ASSETS</b>	<b>532469</b>	<b>484103</b>
 <b>LIABILITIES &amp; RESERVES</b>		
<b>Current Liabilities</b>		
Stichting ILGA-Europe	0	0
Sigrid Rausing Trust	0	149426
Open Society Insitute	0	10919
Accounts payable	193143	127786
Accruals	5910	1790
Other	154619	72389
<b>Loan</b>	<b>32500</b>	<b>32500</b>
<b>Scholarship Fund</b>	<b>0</b>	<b>1188</b>
<b>East Europe Development Fund</b>	<b>10000</b>	<b>10000</b>
<b>Anonymous 1</b>	<b>96304</b>	<b>21848</b>
<b>NIS Funds</b>	<b>0</b>	<b>0</b>
<b>Reserves</b>	<b>27182</b>	<b>43445</b>
<b>Legal required staff reserve</b>	<b>12811</b>	<b>12811</b>
<b>TOTAL LIABILITIES &amp; RESERVES</b>	<b>532469</b>	<b>484103</b>

**Current liabilities** includes the unspent elements of grants received (see attached analysis of movements on individual grant funds). "Other" current liabilities include holiday pay provisions in accordance with Belgian employment laws and ILGA World's contribution towards lease deposit.

The **Loan** is from Stichting ILGA-Europe

**Fixed assets** comprise electronic equipment (depreciated at 33.3% per annum), and furniture and fittings (depreciated at 20% per annum).

**ILGA-Europe**  
**Analysis of movements on individual grant funds in the 12 months to 31 December 2009**

	European Commission	EIDHR (Russia proj)	Civil Rights D	OSI US	Stichting ILGA-E	Sigrid Rausing Trust	Open Society Institute	COC NIS Project	Anon 1	Anon 2	Scholar Fund	Total
<b>Grants received</b>	854645	221517	51500	0	0	126207	37361	62664	214047 3571	0	0	1567941
<b>Expenditure</b>												
EU co-funded activities	-862504					-58795			-40000			-961300
East Europe, Council of Europe and Transgender Programmes					-38465	-216838	-48280	-77308		-21848	-1188	-403926
EIDHR co-funded activities		-211066	-51500	-1267								-263833
Other expenditure									-67785			-67785
<b>Total Expenditure from grants</b>	-862504	-211066	-51500	-1267	-38465	-275633	-48280	-77308	-107785	-21848	-1188	-1696844
<b>Movement in funds during period</b>	-7860	10451	0	-1267	-38465	-149426	-10919	-14644	109833	-21848	-1188	-125332
<b>Balance on fund at start of period</b>	-140631	0	0	0	-15389	148248	10919	-31364	-13529	21848	1188	-18709
<b>Balance on fund at end of period</b>	-148490	10451	0	-1267	-53854	-1178	0	-46008	96304	0	0	-144041
<b>Represented by:</b>												
Amount due	148490			1267	53854			46008				249618
Cash at bank		10451	0			-1178	0		96304	0	0	105577

**Notes**

The above individual grant funds are "restricted funds". This means that they are subject to specific conditions imposed by the donor