



Annual Financial Report 2010

The Steering Committee and the Executive Secretary of Global Water Partnership Organisation present the following annual financial report

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Global Water Partnership Organisation
Intergovernmental organisation
Registered in Sweden - registration number 902000-3845
Drottninggatan 33, 111 51 Stockholm Sweden
www.gwpforum.org

Annual Financial Report 2010

Executive Summary

The network

The Global Water Partnership (GWP) is a non-profit action network with a focus on country, regional and global water resources management. It is multi-government and donor funded, facilitating and supporting countries which are developing and implementing processes for the sustainable management of their water resources. GWP was established in 1996 as a multi-stakeholder partnership of government agencies, public institutions, private companies, professional organisations and multilateral development agencies. The organization provides a mechanism for global coordination.

The GWP provides a platform for multi-stakeholder dialogue at global, national and local levels in 13 regions: Southern Africa, Eastern Africa, Central Africa, West Africa, the Mediterranean, Central and Eastern Europe, Caribbean, Central America, South America, Central Asia and the Caucasus, South Asia, Southeast Asia and China. The GWP Secretariat is located in Stockholm, Sweden.

Currently, the Network comprises 13 Regional Water Partnerships and 74 Country Water Partnerships, and 2,359 Partners located in 157 countries.

Organisation

GWPO is managed by an Executive Secretary, who is answerable to the Steering Committee. The Steering Committee is the executive body of the Organisation. It develops, steers and organises the work of the Organisation and guides the co-operation among the Partners within the Network. It provides policy oversight and approves the work programme and budget of the organisation. Steering Committee members serve in their personal capacity. The Steering Committee and its Chair are appointed by the Sponsoring Partners, comprising the ten founding members of the GWPO.

The GWPO established as an intergovernmental agency in Sweden as the Global Water Partnership Organisation (GWPO) – has a staff of eighteen, supported by core funds in December 2010, and one staff seconded by the French Government.

The Programme

The Global Water Partnership's vision is for a water-secure world. The essence of water security is a concern for human well-being while ensuring that the environment is protected. GWP's message is that the pre-condition for poverty reduction is equitable, efficient and sustainable development and management of the world's water resources. The GWP mission is to support the sustainable development and management of water resources at all levels.

GWP's network provides knowledge and helps to build capacity to improve water management. The Partnership also helps countries to connect water resources planning and operations among and along different scales – transboundary, regional, basin, national and local – so that actions are coherent, complementary and sustainable. Instead of taking the traditional development approach in which projects are often not connected, GWP works simultaneously with the various key stakeholders to design strategic approaches to improving water management. The Network engages in social change activities: advocacy, facilitation, capacity building and knowledge sharing. On the Network front there has been strong growth, with 195 new partner organisations joining GWP in 2010, and with the accreditation of GWP Mediterranean.

Guided by its 2009-2013 global strategy, the GWP Secretariat and Regional Water Partnerships design annual work plans based on the needs and priorities of the constituencies they serve.

In the second year of the strategy, GWP has focused on making the GWP message and mission clearer and stronger. Strategic alliances and relationship-building are at the heart of all that GWP does. But equally important for GWP's credibility and transparency is to clearly articulate our key strategic messages, and explain who and what we are as a partnership. In the face of critical development challenges – compounded by the devastation caused by floods and droughts in many countries during 2010 – GWP's vision of building a water-secure world is more relevant, to more people, than ever before. The 2010 Consulting Partners meeting, by addressing the role of water security in catalysing regional economic development, strengthened GWP's relationships with regional development banks such as the Asian Development Bank, the African Development Bank, and the Bank of Central America, as well as with the World Bank and the Global Environmental Facility.

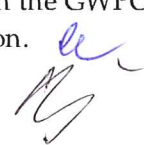
The Partnership continued efforts to engage water-use sectors in dialogues on sustainable water management for water security. GWP and others worked in partnership to sensitise negotiators at COP 16 to water as a key part of adaptation to climate change. In Africa, GWP, together with African Ministers Council on Water (AMCOW), developed a new programme to support efforts to adapt to climate change.

GWP has also contributed to other successes: the IWRM Plan for the Congo Basin, progress with water laws in Benin, Cote d'Ivoire and Togo, the cooperation among institutions involved in training water professionals in Central Asia and the Caucasus, and the development of water financing mechanisms in South America. More details are available in the *GWP in Action 2010 Annual Report* which is published separately.

Finance

General Income

The number of donors channeling funds through GWPO during 2010 were 10 (2009 12 donors) The donors, Denmark, European Commission, France, Germany, Netherlands, Norway, Spain, Sweden, Switzerland, and United Kingdom contributed a total of Euro 5.8 million (6.4M 2009) in core funding. The core funding through the GWPO Secretariat during the years 2004–2010 remains at a stable level of Euro 6-7 million.



Locally raised funds

The regions are encouraged to raise their own funds. During 2010, Euro 1.0 million was raised by the regions/countries, a decrease of Euro 0.8 million compared to 2009.

In-Kind contributions

The contributions reported in the Annual Financial Report do not include funds provided in-kind from governments, organisations or individuals. Nevertheless, in-kind contributions are gratefully recognised as a substantial source of funding. GWPO received in-kind contributions from France at an estimated value of Euro 100,000 during 2010. GWP Regional Water Partnerships reported in-kind contributions of approximately Euro 500,000 during 2010.

Designated Income

Funds for Programme (designated funds) activities were provided by the donors, European Commission, EUWI Finance Working Group, Netherlands, Switzerland, and United Kingdom. The activities at regional as well as country level accounted for Euro 1.5 million during 2010.

Outstanding issue UNDP

GWPO received in February 2006 a claim from UNDP of USD 1,228,335. The claim is according to UNDP for expenditures paid by UNDP in 2001 on behalf of GWPO. GWPO has not acknowledged the claim as the audited Annual Reports 2001–2004 do not include a liability to UNDP of this amount. Recorded as a liability in the Annual Financial Report is an amount of Euro 453,884 and Euro 471,304 is noted as contingent liability.

GWPO wrote to UNDP in this regard in July 2007 with a reminder in 2008, offering a settlement. UNDP has accepted the settlement offer of SEK 4.082 million in May 2011.


EU Water Initiative Finance Working Group

The EU Water Initiative Finance Working Group (EUWI FWG) is hosted by GWPO and GWPO provides financial and administrative management.

GWPO administers the finances as agreed with DFID in May 2006. DFID committed an amount of not exceeding GBP 500,000 for the operations of EUWI FWG 2006 to 2009 work programme. In June, 2009 this grant was renewed for another three year period and another GBP 150,000 provided in support of EUWI FWG.

The Secretariat for EUWI FWG consisted during 2010 of two staff members, one part time Project Coordinator and a part time Chairperson.

In 2007, the European Commission granted support to the Finance Working Group of the EU Water Initiative for actions in ACP countries. The project period is January 1, 2008 – March 31, 2010 and had a budget of Euro 381,610 out of which DFID co-financed Euro 175,541. Income and expenditures for the project, Euro 63,376 for 2010, are reported in the GWPO Annual Financial Report.

For more information about GWP's worldwide activities, the *GWP in Action 2010 Annual Report* is available on request from the GWP Secretariat in Stockholm. 

GWPO is grateful for the contributions made by all its Partners and other stakeholders

Host government of GWPO
Sweden

Core donors

Denmark
European Commission
France
Germany
Netherlands
Norway
Spain
Sweden
Switzerland
United Kingdom

Programme donors

European Commission
EUWI Finance Working Group
Netherlands
Switzerland
United Kingdom

Regional donors

GWP CAM

BCIE

GWP CEE

Ecologic (Germany)
VÚV T.G.M. (Czech Republic)
Estonian Water Association
North Hungarian Environment and Water Directorate
Coca Cola HBC,
Hungary Private donors
National Civil Fund (Hungary)
Members contribution (Poland)
UNECE
WECF (Germany)
Bodrog/UNDP Municipality
Richnava
Limnos

GWP China

CIID

GWP Central Africa

UNESCO

GWP MED

Dar Alhansdasah Nazim
Consolidated Contractors Group
Murex Systems SA
Byblos Bank S.A.L.
New Lebanon CO
Kredo Salachrafieh
Credit Libanis
Ondeo Liban
Degremont Liban Butec
Audblbbx (No 16) UNDP
MEDA RMSU - IME
Coca Cola Hellas
Coca Cola Foundation
Kredo Dar Alhandasah Nazih
Salacheafieh
OTV Savictoria Tower
Khatib and Alami
GicomeI S.A.R.L Antoi
Hellenic Ministry for Environment
Banque Libano
MIO-ECSDE
Hellenic Ministry for Foreign Affairs
UNDP
UNOPS-GEF Africa
Blue Plan
MEDWET

GWP SAF

Danida
Sida
RCCP
Limpopo

GWP SAS

WIN



Income Statement

All amounts in Euro

	Note	2010	2009
Core contributions			
Core contributions through GWP Secretariat	1	5 812 172	6 449 436
Contributions locally raised	2	996 140	1 765 058
Other income	3	20 931	16 241
Total Core contributions		6 829 243	8 230 735
Programme contributions	4	1 479 338	2 079 339
Total contributions		8 308 581	10 310 074
Global expenditures core			
Secretariat	5,6	-2 396 185	-2 410 187
Governance	7	-224 409	-195 294
External cooperation	6,8	-140 166	-91 572
Technical Committee	6	-314 538	-411 799
Total Global expenditures		-3 075 298	-3 108 851
Global expenditures programmes	9	-276 866	-395 720
Regional expenditures			
Regional expenditures core	10	-2 720 872	-2 578 557
Expenditures locally raised contributions	10	-996 140	-1 765 058
General regional expenditures core	11	-65 167	-148 479
Regional expenditures programmes	12	-1 202 473	-1 683 619
Total Regional expenditures		-4 984 651	-6 175 713
Financial items			
Net interest and net exchange rate differences	13	-38 880	15 604
Total Financial items		-38 880	15 604
Net result for the year		-67 112	645 395

Balance Sheet

All amounts in Euro

Assets	Note	2010-12-31	2009-12-31
Current assets			
Receivables regions	14	37 472	496 556
Receivables donors	15	664 364	902 159
Other receivables	16	150 411	219 550
Prepaid expenditures and accrued income	17	190 309	49 335
		1 042 555	1 667 600
Cash and bank balances	18	2 257 180	2 498 789
Total Assets		3 299 734	4 166 389
Equity and Liabilities			
Equity			
Restricted equity			
Reserve fund	19	964 000	953 000
		964 000	953 000
Non-restricted equity			
Results brought forward	20	846 529	131 181
Translation difference		305 824	80 953
Net result for the year		-67 112	645 395
		1 085 241	857 529
Total Equity		2 049 241	1 810 529
Current liabilities			
Advance payments from donors	21	134 535	1 024 803
Accounts payable		103 722	276 091
Liabilities regions/countries	22	75 511	90 442
Other liabilities	23	771 420	827 086
Accrued expenditures	24	165 305	137 439
Total current liabilities		1 250 493	2 355 860
Total Equity and Liabilities		3 299 734	4 166 389
Pledged assets		None	None
Contingent liabilities	23	471 304	460 308

Cash flow statement

All amounts in Euro

	2010	2009
Net result before financial items	-28 233	629 790
Adjustment for items not included in cash flow	260 543	96 190
Interest received	6 880	5 394
Interest paid	-478	-5 026
Net cash flow from operating activities before changes in working capital	238 712	726 348
Decrease/increase receivables regions/countries	459 084	-243 018
Decrease/increase receivables donors	237 796	-286 742
Increase other receivables	-71 834	-158 050
Decrease advance payments from donors	-890 268	-346 458
Decrease/increase accounts payable	-172 369	105 104
Decrease liabilities regions/countries	-14 931	-11 481
Decrease/increase other liabilities	-27 799	44 137
Net cash flow from operating activities	-241 609	-170 159
Net cash flow for the year	-241 609	-170 159
Cash and bank balances at the beginning of the year	2 498 789	2 668 948
Cash and bank balances at the end of the year	2 257 180	2 498 789 <i>gc</i>

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Notes

Accounting principles

The Annual Financial Report has been prepared based on the principles of going concern and accrued accounting.

Generally accepted accounting principles in Sweden are used with the exception of fixed assets (see below). The currency rate reserve is not in accordance with the Swedish accounting principles (see below), and the specification of salaries and other staff costs should according to Swedish principles be more detailed. The accounting principles applied are unchanged compared to 2009.

Contributions

Contributions are accounted for on an accrual basis when GWPO becomes entitled to the contribution.

Core contributions are unrestricted contributions to be used for any of GWPO's purposes within the GWP Strategy and Work Plan.

Programme contributions are contributions where specific requirements, programmatic and /or geographical, are issued by the donor.

All contributions for Programme activities above the level of expenditures for the financial year are reported as advance payments.

All contributions are shown at gross value.

In-kind contributions

In-kind contributions are, according to Swedish accounting principles, not to be reported in the Income Statement. GWPO has received in-kind contributions from France at an estimated value of Euro 100,000 during 2010.

Fixed assets

GWPO record purchase of office equipment as expenditures during the purchase year.

Office equipment of EUR 20,585 (2009 EUR 1,646) purchased in 2010 has been recorded as expenditures.

Accumulated purchase of office equipment since 1 July 2002 is Euro 218,573.

Currencies

The GWPO accounting currency is Swedish Kronor (SEK). EURO is used for reporting purposes. The rate of exchange SEK/EUR ruling at the balance date is used for all assets and liabilities.

Restricted programme activities and regional core expenditures are converted quarterly based on the average quarterly rate. Core contributions and all other expenditures are converted based on the exchange rate prevailing on the 25th of each month.

Leased assets

All lease agreements, regardless of whether they are financial or operating in nature, are accounted for as rental agreements (operating lease agreements).

The leasing fee is expensed over the full period of the lease on a linear basis.

Currency rate fluctuation reserve

The Currency rate fluctuation reserve was introduced in 2005 as a facility to overcome distortions caused by fluctuations in the exchange rate SEK and other currencies in which GWPO holds bank accounts. The reserve includes exchange rate gains and losses on bank balances only. The reserve could never show a negative value.

Receivables

On the basis of individual assessment, receivables are reported at the amounts which they are anticipated to be received.

Liabilities

Liabilities are reported at their nominal amounts.

Pension costs

Pension premiums for international staff, calculated as a percentage of gross salary, are deposited semi annually at AMFIE (Association Mutualiste des Fonctionnaires des Organisations Intergouvernementales, Luxembourg).

Euro 5,294 remain unpaid by the end of 2010.

Pension premiums for Swedish staff, calculated as a percentage of gross salary, are paid monthly to SEB Trygg Liv (Sweden). No unpaid balance remain by the end of 2010.

Cash flow statement

The statement is prepared in accordance with the indirect method. The cash flow only includes transactions which generated ingoing or outgoing payments.

Note 1 Core contributions through GWP Secretariat	2010	2009
Denmark	530 438	540 128
European Commission, Appui à la sécurité en eau WAF, admin. fee	45 116	41 741
Finland IWRM planning Central Asia and Caucasus, admin. fee	-	14 944
France	-	30 943
Germany	399 999	400 000
Netherlands, National IWRM and Water Efficiency Plans, facilitation and guidance	64 182	108 964
The Netherlands	793 578	1 000 000
Norway	501 834	468 803
Spain	20 089	20 000
Sweden	1 560 821	1 399 695
Sweden cost compensation taxes and rent	445 475	488 599
Switzerland	293 102	270 270
United Kingdom	1 157 539	1 663 067
U.S Department of State, indirect costs	-	2 280
Sum	5 812 172	6 449 436
Note 2 Contributions locally raised by RWP/CWP	2010	2009
GWP Central Africa	10 684	-
GWP Caribbean	44	17 268
GWP Central America	16 579	9 642
GWP Central and Eastern Europe	106 685	16 837
GWP China	1 480	120 354
GWP Eastern Africa	-	100 892
GWP Mediterranean	666 127	882 179
GWP South America	20	-
GWP South Asia	7 445	96 156
GWP South East Asia	45	62
GWP Southern Africa	187 031	521 304
GWP West Africa	-	365
Sum	996 140	1 765 058

Additional locally raised contributions of Euro 688,441 were received by the RWP/CWP during 2010. The amount will be used during 2011.

Note 3 Other income	2010	2009
Host fee EUWI Finance Working Group	11 973	7 607
Administration fee Water Facility EUWI FWG	1 052	3 319
Other income	7 906	5 314
Sum	20 931	16 241

Note 4 Programme (restricted) contributions	2010	2009
European Commission, Appui à la sécurité en eau West Africa	644 508	596 306
EUWI Finance Working Group, Financing Water	69 392	28 719
European Commission/DFID, ACP Water Facility actions ACP countries	63 376	161 803
Finland, IWRM planning Central Asia and Caucasus	-	185 163
Netherlands, National IWRM and Water Efficiency Plans	668 782	1 053 322
Switzerland, Climate change adaptation strategies - Mali	33 281	33 500
U.S Department of State	-	20 526
Sum	1 479 338	2 079 339

Note 5 Secretariat costs	2010	2009
Salary and Payroll overhead	1 603 028	1 649 080
Travel	164 008	208 398
Rent and Office expenditures	291 576	248 752
Audit, legal and other consultancies	49 558	62 545
Communication/information expenditures	288 015	241 412
Sum	2 396 185	2 410 187

Note 6 Salary and payroll overhead core	2010	2009
Salaries - Secretariat core	1 229 036	1 252 208
Insurances - Secretariat core	100 469	92 307
Pension costs - Secretariat core	239 567	282 060
Other staff costs - Secretariat core	33 955	22 505
	1 603 028	1 649 080

Staff costs Technical Committee and Toolbox	84 018	-
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	2010	2009
The average number of employees calculated on a full time basis;		
Female	11.8	12.3
Male	5.2	4.8
	17.0	17.1
Staff not included in core;		
Average number of employees paid in-kind by France	1.0	1.5
Average number of employees paid by restricted contributions	1.5	2.5

Note 7 Governance costs	2010	2009
Steering Committee	148 151	148 273
Consulting Partners meeting	71 980	42 625
Other governance costs	4 278	4 396
Sum	224 409	195 294

Note 8 External cooperation costs	2010	2009
Toolbox	85 512	27 998
Senior Advisors and consultants	54 654	63 574
Sum	140 166	91 572
Note 9 Global expenditures programmes	2010	2009
European Commission, Appui à la sécurité en eau West Africa	25 506	24 705
European Commission, ACP Water Facility actions in ACP countries	63 376	161 803
Netherlands, National IWRM and Water Efficiency Plans	187 984	209 212
Sum	276 866	395 720
Note 10 Regional expenditures core	2010	2009
GWP Caribbean	130 934	145 319
GWP Central Africa	223 975	195 035
GWP Central America	224 650	206 573
GWP Central Asia & Caucasus	205 344	155 195
GWP Central & Eastern Europe	318 823	219 242
GWP China	208 017	328 016
GWP Eastern Africa	187 467	359 821
GWP Mediterranean	868 020	1 085 545
GWP South America	184 754	159 978
GWP South Asia	237 448	309 707
GWP South East Asia	211 203	185 811
GWP Southern Africa	396 903	756 851
GWP West Africa	42 032	28 355
GWP West Africa counterpart funds EC, Appui à la sécurité en eau	214 835	198 769
Exchange rate differences	62 607	9 399
Sum	3 717 012	4 343 615
Regional expenditures financed by locally raised funds, Note 2	-996 140	-1 765 058
Sum	2 720 872	2 578 557
Note 11 General regional expenditures core	2010	2009
Interregional meetings	-	18 203
Activities for INBO Handbook financed by France	-	31 032
Audit fees restricted programmes	27 896	50 577
Monitor and Evaluation Support	7 647	10 876
Other regional expenditures paid through the Secretariat	29 624	37 791
Sum	65 167	148 479



Note 12 Regional Expenditures programmes	2010	2009
GWP Central Africa, Dutch Programme	81 166	174 151
GWP Central Africa, EUWI Finance Working Group	30 027	-
GWP Central America, EUWI Finance Working Group	1 365	8 794
GWP Central Asia & Caucasus, Finnish Programme	-	185 163
GWP China, Switzerland	33 281	-
GWP Eastern Africa, US Programme	-	20 526
GWP Eastern Africa, Dutch Programme	135 852	206 656
GWP Eastern Africa, EUWI Finance Working Group	-	-
GWP Mediterranean, EUWI Finance Working Group	30 000	-
GWP South America, EUWI Finance Working Group	-	19 925
GWP Southern Africa, Dutch Programme	176 170	295 764
GWP Southern Africa, EUWI Finance Working Group	8 000	-
GWP West Africa, Appui à la sécurité en eau West Africa	619 002	571 601
GWP West Africa, Dutch Programme	87 610	167 539
GWP West Africa, Switzerland	-	33 500
Sum	1 202 473	1 683 619

Note 13 Interest and net exchange difference	2010	2009
Interest income	6 880	5 394
Interest expense	-478	-5 026
Exchange rate difference	-45 282	15 237
Sum	-38 880	15 604

Note 14 Receivables regions/countries	2010-12-31	2009-12-31
GWP Caribbean	1 238	14 076
GWP Central Africa	-	9 715
GWP Central Africa, Dutch region	-	15 208
GWP Central Africa, Dutch Cameroon	-	2 101
GWP Central America	-	42 745
GWP Central Asia & Caucasus	4 511	-
GWP Central Asia & Caucasus, Finland	4 348	4 348
GWP Central & Eastern Europe	1 029	34 779
GWP China	-	30 032
GWP Mediterranean	-	30 000
GWP Eastern Africa, US Ethiopia	-	4 174
GWP Eastern Africa, Dutch region	-	2 901
GWP Eastern Africa, Dutch Eritrea	-	12 065
GWP South America	3 632	37 899
GWP South Asia	11 273	27 092
GWP South East Asia	3 732	40 627
GWP Southern Africa	-	42 536
GWP Southern Africa, Dutch Mozambique	-	26 097
GWP West Africa, Dutch Benin	-	335
GWP West Africa, Dutch Cape Verde	-	20 053
GWP West Africa, Appui à la sécurité en eau West Africa	7 709	99 772
Sum	37 472	496 556

Liquid funds and balances on settlement accounts for the GWP regions/countries stated above as at 31 December 2010 (2009) amount to Euro 95,062 (397,430)

Note 15 Receivables donors	2010-12-31	2009-12-31
CIDA, Partnership for Africa's Water Development	-	314 264
European Commission, Appui à la sécurité en eau West Africa	190 286	35 339
EUWI Finance Working Group	18 000	-
Finland, IWRM planning Central Asia and Caucasus	-	150 000
Netherlands, National IWRM and Water Efficiency Plans	144 234	-
Switzerland, Climate change adaptation strategies - Mali	-	6 705
U.S Department of State	22 372	20 743
Receivables Ministry of Foreign Affairs compensation taxes	287 652	365 354
Receivables Ministry of Foreign Affairs reimbursement rent	1 819	9 754
Sum	664 364	902 159

Note 16 Other receivables	2010-12-31	2009-12-31
SIWI	33 020	-
VAT claim	91 767	19 310
EUWI Finance Working Group	8 634	185 395
Other receivables	16 990	14 844
Sum	150 411	219 550

Note 17 Prepaid expenditures and accrued income	2010-12-31	2009-12-31
Prepaid insurances	33 632	38 828
Prepaid rent quarter 1 2011	131 071	-
Other prepaid expenditures	22 992	9 490
Accrued interest Nordea	2 613	1 018
Sum	190 309	49 335

Note 18 Cash and Bank balances

GWPO has a credit facility issued by Nordea Bank Sweden AB limited to Euro 1,779,000 but not exceeding 50% of agreed but not disbursed contributions. The credit facility was not used at year end.

Euro 964,000 are deposited in a restricted bank account not to be used for operational expenditures, GWPO Reserve Fund.

Note 19 Restricted equity	2010-12-31	2009-12-31
Reserve fund	953 000	1 035 870
Transfer to/from Reserve Fund	11 000	-82 870
Sum	964 000	953 000

Note 20 Non-restricted equity	2010-12-31	2009-12-31
Amount at the beginning of year	857 529	48 311
Transfer to/from Reserve Fund	-11 000	82 870
Translation difference ingoing balance equity	266 479	79 862
Translation difference net result	39 346	1 091
Net result for the year	-67 112	645 395
Sum	1 085 240	857 529

Note 21 Advance payments from donors	2010-12-31	2009-12-31
Finland, IWRM planning Central Asia and Caucasus	6 235	40 934
United Kingdom, Water Utility Network Meeting Islamabad	3 389	3 606
United Kingdom, core funds £500,000	-	554 588
Netherlands, National IWRM and Water Efficiency Plans	-	320 980
Netherlands, refund of contribution 2009-2010	104 428	-
EUWI Finance Working Group	-	2 706
European Commission, ACP Water Facility actions in ACP countries	9 930	46 065
United Kingdom, ACP Water Facility actions in ACP countries	10 553	37 794
Interest earned at regional/country level restricted funding	-	18 130
Sum	134 535	1 024 803

Note 22 Liabilities regions/countries	2010-12-31	2009-12-31
GWP Central Africa	10 772	-
GWP Central America	2 131	-
GWP Central Asia & Caucasus	-	3 736
GWP China	559	-
GWP Eastern Africa	17 181	12 721
GWP Mediterranean	10 000	-
GWP Southern Africa	183	-
GWP Southern Africa, Dutch region	-	38 819
GWP Southern Africa, Dutch Swaziland	-	299
GWP West Africa	34 685	28 689
GWP West Africa, Dutch region	-	6 178
Sum	75 511	90 442

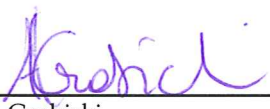
Liquid funds and balances on settlement accounts for the GWP regions/countries stated above as at 31 December 2010 (2009) amount to Euro -106,329 (-11,083)

Note 23 Other liabilities	2010-12-31	2009-12-31
Employee taxes	287 652	365 354
Social security costs	17 820	14 002
UNDP	453 884	395 651
Liability employee taxes EUWI Finance Working Group	12 064	51 915
Other liabilities	-	164
Sum	771 420	827 086

UNDP directed in February 2006 a claim of USD 1,228,335 (Euro 925,188) to GWPO. The claim is according to UNDP derived from expenditures paid by UNDP in 2001. GWPO has not acknowledged the claim however Euro 471,304 is reported as a contingent liability. *ku*

Note 24 Accrued expenditures	2010-12-31	2009-12-31
Accrued fees Technical Committee	22 597	2 423
Accrued fees Consultants	35 622	17 954
Accrued expenditures personnel	43 133	40 995
Accrued audit fees	25 409	31 745
Other accrued expenditures	38 543	44 322
Sum	165 305	137 439 <i>g</i>

May *19th* 2011



 Ania Grobicki
 Executive Secretary

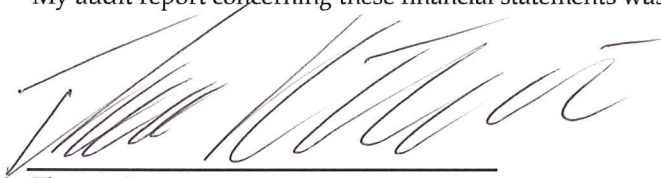


 Letitia A Obeng
 Chair



 Dorothy Manuel
 Chair Audit & Finance Subcommittee

My audit report concerning these financial statements was issued



 Thomas Lönnström
 Authorised Public Accountant

Audit Report

To the Annual Meeting of Global Water Partnership Organisation

We have audited the Annual Financial Report, the accounting records and the administration of the Steering Committee's and the Executive Secretary of Global Water Partnership Organisation for the year 2010. These accounts and the administration and the application of the stated accounting policies, when preparing the Annual Financial Report, are the responsibility of the Steering Committee and the Executive Secretary. Our responsibility is to express an opinion on the Annual Financial Report and the administration based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Those standards require that we plan and perform the audit to obtain reasonable assurance that the Annual Financial Report is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and their application by the Steering Committee and the Executive Secretary and significant estimates made by the Steering Committee and the Executive Secretary when preparing the Annual Financial Report as well as evaluating the overall presentation of information in the Annual Financial Report. As a basis for our opinion concerning the administration we have examined significant decisions, actions taken and circumstances of the organization in order to determine whether any member of the Steering Committee or the Executive Secretary has acted in contravention of the Statutes. We believe that our audit provides a reasonable basis for our opinion set out below.

The Annual Financial Report have been prepared in accordance with the stated policies and, thereby, give a true and fair view of the organization's financial position and results of operations in accordance with generally accepted accounting principles in Sweden. The executive summary is consistent with the other parts of the Annual Financial Report.

The Steering Committee and the Executive Secretary have in our opinion acted according to the Statutes.

Without qualifying our opinion above we want to draw the attention to the executive summary and note 23 of the Annual Financial Report, which include information that there is a dispute with UNDP. In May 2011, UNDP agreed to the settlement Global Water Partnership Organisation had offered in 2007. The agreement states that Global Water Partnership Organisation will pay Euro 454 000 to UNDP, an amount that is accounted for as debt in the Annual Financial Report. The contingent liability of Euro 471 304 is due to the settlement not current at the time of signing this Audit Report.

Stockholm June 8, 2011

Ernst & Young AB



Thomas Lönnström
Authorized Public Accountant

