

Annual Financial Report 2014

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

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Executive Summary

The network

The Global Water Partnership (GWP) is a non-profit global action network with a focus on building water security at country, regional, and global levels. GWP was established in 1996 as a multi-stakeholder partnership of government agencies, public institutions, private companies, professional organisations and multilateral development agencies and has been growing rapidly. It works to facilitate dialogues and to support countries which are implementing processes for the sustainable management of their water resources. GWP is funded by a range of Financing Partners.

GWP provides a neutral platform for multi-stakeholder dialogue in 13 regions of the world, namely: 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.

Currently, the Network comprises 13 Regional Water Partnerships and 85 Country Water Partnerships, and 3,051 Partners located in 178 countries.

Organisation

The GWP Organisation (GWPO) is managed by an Executive Secretary, who reports 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. Steering Committee members serve in their personal capacities. The Steering Committee and its Chair are appointed by the Sponsoring Partners, comprising the ten founding members of the GWPO.

The GWPO was established as an intergovernmental organisation in 2002 and is hosted by the Government of Sweden. The GWP Global Secretariat had an average of 26 staff supported by core funds during 2014, an average of 4 staff supported by earmarked funds, and one staff seconded by the French Government.

The Programme

2014 was the first year of GWP's strategy, *Towards 2020 – A Water Secure World*, which was launched on World Water Day in Tokyo in March 2014. The strategy focuses on three interdependent goals: catalysing change in policies, generating and communicating knowledge, and supporting change through partnership. GWP's vision remains a water secure world, while the mission was modified to the following: to advance governance and management of water resources for sustainable and equitable development.

GWP developed its 2014–2019 strategy through a year-long process (in 2013) of regional consultations with Partner organisations. This dialogue revealed that increasing water security requires sound

policies, knowledge, and action. To achieve these goals, GWP is taking an innovative thematic approach designed to integrate water security initiatives with development actions in six areas: climate change, transboundary cooperation, food, urbanisation, energy, and ecosystems. The thematic approach aims to make sure that water security is always an intrinsic part of the global development agenda.

Speaking of that global agenda, the world's attention in 2014 was on the Sustainable Development Goals (SDGs) because those are expected to be agreed in 2015. In this context, GWP has undertaken significant work at country level through GWP-organised country consultations related to water and the SDGs. The findings have been integrated in GWP's research with the Organisation for Economic Co-operation and Development (OECD) on the Global Dialogue on Water Security and Sustainable Growth. The final report, to be launched at the 7th World Water Forum in April 2015, will provide the first quantitative and comprehensive scientific work on water security and economic growth, based on an analytical framework and innovative approaches focusing on risks.

The GWP Network has been strengthened by President Ellen Johnson Sirleaf of Liberia becoming a GWP Patron. Despite the challenges of containing the Ebola outbreak in her country, she provided strong support for a dedicated SDG on water, including opening statements at Africa Water Week and Stockholm World Water Week.

In delivering its strategic goals, GWP will pay close attention to the cross-cutting issues of gender equity and youth engagement. GWP launched a gender strategy at the 2014 Stockholm World Water Week. The gender strategy addresses diversity and inclusion, social equity, and the role of women in the integrated and sustainable management of water resources.

GWP also supports young people to be active and engaged in water partnerships and processes. Guided by its youth strategy (to be launched in 2015), the Network will form partnerships for action with youth organisations and young water professionals.

We can be proud of the growing South–South partnership across countries and sectors such as GWP's Dialogue on South–South Cooperation at COP20 in Lima, Peru, with representatives from Africa, Latin America, and the Caribbean. And at the 2014 Consulting Partners' Meeting and Regional Days in Port of Spain, Trinidad, hosted by GWP Caribbean, we had space for a more in-depth insight into water security-related issues and the perspectives of people on the ground.

To bring about change, people need knowledge to understand the state of water resources and the tools needed to sustainably develop and manage them. Knowledge can stimulate behavioural change towards a new 'water culture'.

The GWP Technical Committee (TEC) is central to this knowledge activity and, in 2014, there were developments in harnessing the expertise that exists in the regions through meetings with regional experts, commissioning of regional publications to capture and disseminate local knowledge, training courses, policy consultations, and ongoing enhancement of our ToolBox on integrated water resources management (IWRM). New online courses on water and sanitation (University of

Manchester, UK) and integrated and adaptive water resources planning and management (University of McGill, Canada) were supported by GWP to enable further global knowledge transfer.

The GWP Technical Committee developed the following knowledge products in 2014:

1. Water security: Putting the concept into practice – Background Paper no. 20
2. Proceedings from the GWP workshop: Assessing water security with appropriate indicators
3. Groundwater governance and irrigated agriculture – Background Paper no. 19
4. The links between land use and groundwater – Perspectives Paper no. 6
5. Coordinating land and water governance – Perspectives Paper no. 7
6. Integrated water resources management in the Caribbean – Technical Focus Paper no. 4
7. Integrated water resources management in Central Asia – Technical Focus Paper no. 5

As a contribution of GWP to the international year of water and energy, GWP co-convened together with Électricité de France and the International Union for the Conservation of Nature (IUCN) a scientific workshop on Integrated Water and Energy Policy during the World Water Week in Stockholm. Key speakers came from the GWP Technical Committee and the Regional Water Partnership in Central Asia.

A key challenge for policy and advocacy organisations like GWP is demonstrating direct attribution between work that is done ‘on the ground’ and the outcomes and impact this work was designed to influence. GWP has put in place a monitoring and evaluation (M&E) system that enables a robust analysis to be made of the links between our activities (often spanning more than one strategy or reporting period) and improvements in the quality of life among target populations.

The system enables a comprehensive record of GWP’s work (activities and outputs) and its assumed influence (outcomes and impact). The extent to which GWP can be directly or indirectly linked to overall impact varies according to the timescales and type of work implemented. In certain cases, direct and, to a lesser extent, indirect beneficiaries can be quantified. In others, the improvements in quality of life occur at the end of a sequence of events and processes to which GWP has contributed. In this case, the link between GWP’s work and the subsequent impact observed, while valid, is part of a much larger process involving multiple actors and influences over an extended period.

With that in mind, GWP can say that in 2014 it has had a part in:

- Improved water security and climate resilience for 8 million indirect beneficiaries through river basin planning.
- Delivery of a Water and Climate Development Programme covering 8 countries, 3 transboundary river basins and 2 aquifers to promote African Union economic development and climate resilience objectives.
- A partnership with the World Meteorological Organization to improve flood and drought risk management forecasting and planning.
- Instrumental in the development of 17 country-led policies/strategies and plans which integrate water security for climate resilience. Examples include the Zimbabwe National



Climate Change Response Strategy, the Central Africa Regional Action Plan for Integrated Water Resource Management in Central Africa, and the Cameroon National Adaptation Plan.

There are, of course, many other activities where we have played a role in changing the way the world manages its water resources (see www.gwp.org).

Lastly, but importantly, in 2014 GWP's budget reached its highest level ever – for which we are grateful to all our financing partners. One of our largest donor agencies reported that GWP's programmes “represent value for money, including results delivered to date and leverage of additional finance ... from new partners.” Indeed, GWP's budget of €16.6 million leveraged an additional €2.3 million in locally raised funds and €4 million in in-kind contributions.

That funding – together with the approximately 1,000 Partner organisations that joined GWP in the 2009–13 strategy period (reaching 3,000 in 2014) – puts the GWP Network in a strong and viable position to face the challenges of the future.

Finance

General income

The number of financing partners channelling funds through GWPO during 2014 were 10 (10 donors 2013). The donors, Austria, China, Denmark, European Commission, France (in-kind), Germany, Netherlands, Sweden, Switzerland, and United Kingdom contributed a total of €14.4 million (€10.7M 2013) in core funding.

Locally raised income

The regions and countries are encouraged to raise their own funds. During 2014, €2.3 million (€2.1M 2013) was raised by the regions/countries.

In-Kind contributions

The income reported in the Annual Financial Report does 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 €120,000 during 2014 as well as €120,000 from other sources. GWP Regional Water Partnerships reported in-kind contributions € 3.8 million during 2014 (€4.4M 2013).

Designated Income

Funds for designated activities were provided by the financial partners, Denmark, European Commission, EUWI African Working Group, Infrastructure Consortium for Africa, UNICEF, and U.S Army Corps of Engineers. The activities at regional as well as country level accounted for €2.2 million during 2014 (€0.7M 2013).

For more information about GWP's worldwide activities, the *GWP in Action 2014 Annual Report* is available on the web site and 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

Globally Raised General Income

Austria
China
Denmark
European Commission
France
Germany
Netherlands
Sweden
Switzerland
United Kingdom

Globally Raised Designated Income

Denmark
European Commission
EUWI African Working Group
Infrastructure Consortium for Africa
UNICEF
U.S Army Corps of Engineers

Locally raised income

GWP CARIBBEAN	FAO UN Environmental Programme
GWP CENTRAL AMERICA	World Water Council
GWP CENTRAL AND EASTERN EUROPE	ICPDR Coca Cola CVTVHS SIWI VUV WECF
GWP CENTRAL AFRICA	Congo Basin Forest Fund
GWP CHINA	IWHR Shaanxi Province Hunan Province Hebei Province MWR YR
GWP EASTERN AFRICA	CapNet IUCN RFCC

GWP MEDITERRANEAN	BEWATER Coca Cola Hellas Coca Cola Foundation GEF-IWLEARN GIZ – Project Drin Niras RCC Sida SWIM-SM UNECE –Drin UNEP-GEF UNESCO Paris - DIKTAS UNDP IWLEARN
GWP SOUTH ASIA	APAN UNDP WADPA
GWP SOUTHERN AFRICA	CPWF – ARC ICA GIZ NIRAS
GWP WEST AFRICA CWP Benin	OMVS PROTOS/MYP PROTOS/GLEAUBE PROTOS/WASH Netherlands

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Income Statement

All amounts in Euro

	Note	2014	2013
Income			
Globally raised income	1	14 341 835	10 668 801
Globally raised designated income	2	2 141 504	717 077
Locally raised income	3	2 288 147	2 099 856
Other income	4	89 701	46 402
Total Income		18 861 188	13 532 136
Global expenditures			
Secretariat	5	-2 525 871	-2 272 596
Governance	6	-312 796	-341 426
Technical support and Toolbox	7	-740 775	-861 181
Total Global expenditures		-3 579 442	-3 475 203
Programme activities			
Network Operation	8	-991 492	-911 660
Regional expenditures	9	-3 052 088	-2 806 429
Water, Climate Development Programme	10	-6 267 605	-3 096 078
Thematic Programmes	11	-514 063	-255 556
Regional expenditures locally raised	3/9	-2 288 147	-2 099 856
General regional expenditures	12	-94 181	-220 323
Expenditures designated funds	13	-2 141 504	-717 077
Total Programme expenditures		-15 349 081	-10 106 979
Financial items			
Net interest and net exchange rate differences	14	44 709	32 659
Total Financial items		44 709	32 659
Net result for the year		-22 626	-17 387

Balance Sheet

All amounts in Euro

Assets	Note	2014-12-31	2013-12-31
Current assets			
Receivables Regional Water Partnerships	15	385 261	856 909
Receivables donors	16	393 729	335 621
Other receivables	17	146 893	247 682
Prepaid expenditures and accrued income	18	166 419	252 953
Total current assets		1 092 303	1 693 164
Cash and bank balances	19	5 532 787	4 193 765
Total Assets		6 625 090	5 886 929
Equity and Liabilities			
Equity			
Restricted equity	20		
Reserve fund		1 571 000	1 571 000
Currency rate fluctuation reserve		27 596	-
		1 598 596	1 571 000
Non-restricted equity	21		
Results brought forward		109 742	253 503
Translation difference		-108 830	-126 373
Net result for the year		-22 626	-17 387
		-21 715	109 742
Total Equity		1 576 882	1 680 742
Current liabilities			
Credit facility	19	455 137	-
Advance payments from donors	22	3 465 544	3 262 664
Accounts payable		432 431	252 643
Liabilities Regional Water Partnerships	23	36 068	-
Other liabilities	24	417 866	458 406

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Accrued expenditures	25	<u>241 163</u>	<u>232 473</u>
Total current liabilities		5 048 208	4 206 186
Total Equity and Liabilities		6 625 090	5 886 929
Pledged assets		None	None
Contingent liabilities		None	None

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Cash flow statement

All amounts in Euro

	2014	2013
Net result before financial items	-67 335	-50 046
Adjustment for items not included in cash flow		
Exchange rate differences	36 855	23 454
Translation difference equity	-108 830	-126 373
Interest received	12 090	9 829
Interest paid	-4 236	-624
Currency rate Fluctuation Reserve	27 596	-
Net cash flow from operating activities before changes in working capital	-103 860	-143 760
Decrease/Increase receivables regions/countries	471 647	-755 168
Increase receivables donors	-58 108	-59 954
Decrease other receivables	187 322	21 867
Increase liability credit facility	455 137	-
Increase/decrease advance payments from donors	202 880	-448 581
Increase accounts payable	179 788	85 297
Increase/Decrease liabilities regions/countries	36 068	-32 172
Decrease/Increase other liabilities	-31 851	236 697
Net cash flow from operating activities	1 339 023	-1 095 774
Net cash flow for the year	1 339 023	-1 095 774
Cash and bank balances at the beginning of the year	4 193 765	5 289 538
Cash and bank balances at the end of the year	5 532 787	4 193 765

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 accounting principles applied are unchanged compared to 2013.

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.

Designated income, expenditures related to designated income, and regional expenditures are converted quarterly based on the average quarterly rate. All other income and expenditures are converted based on the exchange rate prevailing on the 25th of each month.

Income Statement

Income and expenditures are disclosed according to their functions.

Income

Income is accounted for on an accrual basis.

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

Globally raised designated income are contributions where specific requirements, programmatic and /or geographical, are issued by the donor.

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

Locally raised income are contributions raised by the Regional & Country Water Partnerships (RWP & CWP). The agreement is between the donor and the RWP/CWP and the disbursements from the donor are deposited in the RWP/CWP bank account. The income is reported up to the level of expenditures. In addition to the reported income of 1,875,336 Euro disbursements of Euro 1,689,313 have been received by the RWP/CWPs to be utilised during 2015. Locally raised income is audited in accordance with the donor requirements or GWP audit requirements.

In-kind contributions

In-kind contributions are, according to Swedish accounting principles, not to be reported in the Income Statement. An estimate of received in-kind contributions is given in the Executive Summary.

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). A provision of EUR 10,284 is reported as liability for premiums not paid by 31st December 2014.

Pension premiums for taxed staff, calculated as a percentage of gross salary, are paid monthly to the insurance provider. All pension premiums for taxed staff were paid 31st December 2014.

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.

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Currency rate fluctuation reserve

The reserve was introduced 2005 as a facility to overcome distortions caused by fluctuations in the exchange rate SEK versus other currencies kept by GWPO. The reserve cannot show a negative value and can only include gains and losses on bank balances.

Fixed assets

GWPO records purchase of office equipment as expenditures during the purchase year. Office equipment of EUR 117,730 (2013 EUR 47,663) has been recorded as expenditures in 2014. Accumulated purchase value since 1 July 2002 is EUR 406,876, out of which office equipment of EUR 273,093 is still in use.

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.

Equity

Equity is divided into restricted and un-restricted equity. GWPO keeps a Reserve Fund as restricted equity. The Reserve Fund may be used in the unlikely event of a sudden and unforeseen closedown of GWPO. The amount is based on the budget for the coming year to make sure the Reserve Fund is adequate to cover potential obligations for GWPO. The reserve fund needs to be within the available equity. Un-restricted equity is available for GWPO's operations.

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 Globally raised income	2014	2013
Austria, WACDEP	411 658	433 603
China	31 941	29 661
Denmark	1 593 445	-
Denmark, WACDEP	999 741	881 824
Germany	400 000	400 000
The Netherlands	1 000 000	2 600 000
Sweden	1 658 153	1 730 698
Sweden cost compensation taxes and rent	732 529	565 893
Switzerland	810 833	326 601
United Kingdom	6 703 536	3 647 612
Sum	14 341 835	10 615 892

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	2014	2013
Note 2 Globally raised designated income		
Denmark, Global Dialogue Project	664 150	52 909
Denmark, Global Dialogue Project, Country Consultations	179 650	-
EUWI AWG- Post 2015 Development Agenda - Country Consultations	20 000	31 000
European Commission, Trans-boundary Water Management "SITWA"	804 503	463 806
European Commission, Water for growth and poverty reduction Mekrou	299 607	-
EUWI AWG, SITWA Trainings	77 839	-
Global Green Growth Institute - Water Security Aral Sea Basin	-	76 862
Infrastructure Consortium for Africa, SITWA Trainings	20 549	-
Switzerland, Climate change adaptation strategies	-	54 225
UNDP, Post 2015 Development Agenda - country consultations	-	91 184
UNICEF, WASH and Climate Resilient Development	61 618	-
U.S. Army Corps of Engineers	13 587	-
Sum	2 141 504	769 986
Note 3 Locally raised income		
GWP Caribbean	22 274	-
GWP Central Africa	5 156	157 884
GWP Central America	13 021	39 219
GWP Central Asia and Caucasus	-	234
GWP Central and Eastern Europe	54 138	71 753
GWP China	60 312	53 957
GWP Eastern Africa	11 142	-
GWP Mediterranean	891 828	949 902
GWP South Asia	17 121	54 553
GWP Southern Africa	122 411	135 698
GWP West Africa	3 746	125 408
CWP Benin	412 811	-
Subtotal	1 613 960	1 588 608
GWP Central Africa WACDEP	154 398	-
GWP Eastern Africa WACDEP	8 374	185 632
GWP Southern Africa WACDEP	511 415	325 616
Subtotal	674 187	511 248
Sum	2 288 147	2 099 856
Note 4 Other income		
European Commission, "Mekrou", admin fee	20 973	-
European Commission "SITWA", admin fee	56 312	32 467
Other income	12 416	13 935
Sum	89 701	46 402

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Note 5 Secretariat costs	2014	2013
Salaries and allowances	1 240 151	1 051 522
Insurances	57 371	53 713
Pension costs	246 558	223 423
Other staff costs	42 897	36 604
Travel	98 437	63 091
Rent and Office expenditures	548 286	336 115
Audit, legal and other consultancies	71 781	114 606
Communication/information expenditures	220 389	393 521
Sum	2 525 871	2 272 596

Staff costs;

Secretariat (Note 5)	1 586 977	1 365 263
Technical Committee (Note 7)	33 493	33 004
Knowledge Management & Toolbox (Note 7)	146 287	130 710
Programme Development Support (Note 7)	-	67 629
Network Operations (Note 8)	831 350	776 327
WMO Flood and Droughts (Note 11)	79 944	48 528
	2 678 051	2 421 460

The average number of employees calculated on a full time basis;

Female	17.5	13.2
Male	8.6	8.9
	26.1	22.1

Staff not included in core;

Average number of employees paid in-kind by France	1.0	0.3
Average number of employees paid by designated/earmarked funds	4.3	2.5

Note 6 Governance costs

Steering Committee	173 996	198 654
Consulting Partners meeting	58 254	42 034
Evaluation Strategy 2014/Strategy Development 2013	28 013	97 278
Governance Review	46 872	-
Other governance costs	5 661	3 460
Sum	312 796	341 426

Note 7 Technical support and Toolbox

GWP Technical Committee	413 973	416 731
Knowledge Management & Toolbox	242 449	245 758
Programme Development Support	84 353	198 693
Sum	740 775	861 181

Note 8 Network Operations costs	2014	2013
Salaries and allowances	632 913	628 422
Insurances	27 153	43 165
Pension costs	97 864	75 181
Other staff costs	73 419	29 559
Travel	160 143	135 333
Sum	991 492	911 660

Note 9 Regional expenditures		
GWP Caribbean	201 116	193 323
GWP Central Africa	200 562	356 550
GWP Central America	222 532	256 409
GWP Central Asia & Caucasus	235 806	205 007
GWP Central & Eastern Europe	299 139	305 547
GWP China	324 656	282 061
GWP Eastern Africa	269 839	227 129
GWP Mediterranean	1 136 204	1 161 594
GWP South America	205 271	166 666
GWP South Asia	241 995	282 343
GWP South East Asia	195 318	209 865
GWP Southern Africa	420 460	372 191
GWP West Africa	225 225	362 735
CWP Benin	412 811	-
SITWA Senegal Bridging phase	-	38 552
Exchange rate differences	75 115	-24 934
Sum	4 666 049	4 395 037
Regional expenditures financed by locally raised funds, Note 3	-1 613 960	-1 588 608
Sum	3 052 088	2 806 429

Note 10 Water, Climate Development Programme		
GWP Caribbean	335 908	38 895
GWP Central America	419 587	99 090
GWP Central America, IDMP	5 376	-
GWP Central Asia & Caucasus	379 023	179 007
GWP Central & Eastern Europe	431 312	242 176
GWP China	300 000	-
GWP Global WACDEP	106 186	102 253
GWP Global WACDEP, WASH and Climate Resilient Development	39 192	-
GWP Mediterranean	99 468	-
GWP South America	163 027	47 713
GWP South Asia	632 562	167 648
GWP South Asia, AFPM	7 998	-
GWP South East Asia	269 540	14 739
GWP Eastern Africa, IDMP	95 753	-
GWP West Africa, IDMP	42 259	-
Subtotal WACDEP	3 327 192	891 520

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GWP Central Africa	525 079	178 111
GWP Eastern Africa	680 194	417 726
Global Africa GWPO	349 033	397 273
GWP Mediterranean	205 706	174 623
GWP Southern Africa	1 411 412	1 137 241
GWP West Africa	443 176	410 833
Subtotal WACDEP Africa	3 614 600	2 715 807
Sum	6 941 792	3 607 326
Regional expenditures WACDEP Africa, locally raised funds, Note 3	-674 187	-511 248
Sum	6 267 605	3 096 078

Note 11 Thematic Programmes expenditures	2014	2013
GWP South America - Transboundary	95 112	20 988
WMO Flood and Droughts	177 087	84 822
Deltas - Climate Resilience	36 630	81 316
Post 2015 Development Agenda, Country Consultations	-	15 522
Global Dialogue Project	65 000	52 909
UN_Water Country Briefs	20 768	-
Integrated Urban Water Management	119 466	-
Sum	514 063	255 556

Note 12 General regional expenditures		
Regional and Thematic Support	50 582	165 603
Annual Regional Meeting	30 588	37 292
Network Institutional Strengthening - Communication	13 012	12 920
Other	-	4 508
Sum	94 181	220 323

Note 13 Expenditures designated funds		
Danida, Global Dialogue Project	664 150	52 909
GWP Cacena, Switzerland, Climate change adaptation strategies	-	25 041
GWP Cacena, Global Green Growth Institute	-	76 862
GWP South America, Switzerland, Climate change adaptation strategies	-	29 184
Danida and EUWI AWG, Post 2015 Development Agenda - Country consultations	199 650	122 184
European Commission, Mekrou/West Africa	274 968	-
European Commission, Mekrou/GWPO	24 639	-
European Commission, SITWA/OMVS	546 735	260 950
European Commission, SITWA/GWPO	257 768	202 856
SITWA Trainings, EUWI AWG and ICA	98 388	-
Central and Eastern Europe, U.S. Army Corps of Engineers	13 587	-
UNICEF, WASH and Climate Resilient Development	61 618	-
Sum	2 141 504	769 986

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Note 14 Interest and net exchange differences	2014	2013
Interest income	12 090	9 829
Interest expense	-4 236	-624
Exchange rate difference	36 855	23 454
Sum	44 709	32 659

Note 15 Receivables Regional Water Partnerships	2014-12-31	2013-12-31
GWP Caribbean	28 081	35 936
GWP Central Africa	9 701	57 548
GWP Central America	20 330	68 153
GWP Central Asia & Caucasus	-	29 033
GWP Central & Eastern Europe	186	16 731
GWP Eastern Africa	33 997	72 598
GWP Mediterranean	28 302	115 054
GWP South America	4 007	55 278
GWP South Asia	7 549	77 010
GWP Southern Africa	-	58 093
GWP South East Asia	79 701	20 205
GWP West Africa	51 765	220 352
GWP West Africa Mekrou	121 642	-
OMVS SITWA	-	30 918
Sum	385 261	856 909

Liquid funds and balances on settlement accounts for the GWP regions/countries stated above as at 31 December 2014 (2013) amount to Euro 721,889 (1,047,698)

Note 16 Receivables donors		
Sweden, Ministry for Foreign Affairs, compensation taxes	393 729	335 621
Sum	393 729	335 621

Note 17 Other receivables		
Stockholm International Water Institute	-	6 881
VAT claim	32 464	44 412
Accounts receivable	285	93 751
Vasakronan - deposit rent	95 698	101 666
IWMI - advance payment consultancy contract	13 532	-
Receivables staff	4 453	-
Other receivables	461	972
Sum	146 893	247 682

Note 18 Prepaid expenditures and accrued income		
Prepaid insurances	64 400	43 372
Prepaid rent quarter 1 2015/2014	70 181	160 578
Staff allowances	3 579	34 547
Prepaid IT expenditures	15 967	-
Other prepaid expenditures	12 292	14 455
Sum	166 419	252 953

Note 19 Cash and Bank balances

GWPO has a credit facility issued by Nordea Bank Sweden AB limited to Euro 1,489,000 but not exceeding 50% of agreed but not disbursed contributions. Euro 455,137 of the credit facility was used at year end.

Euro 1,537,204 are deposited in a restricted bank account not to be used for operational expenditures; GWPO Reserve Fund.

Euro 651,065 of the bank balance are restricted funds received from the European Commission for the project "SITWA" and "Mekrou".

Note 20 Restricted equity	2014-12-31	2013-12-31
Reserve fund	1 571 000	1 140 000
Transfer to Reserve Fund	-	431 000
Currency rate fluctuation Reserve	27 596	-
Sum	1 598 596	1 571 000

Note 21 Non-restricted equity

Amount at the beginning of year	109 742	684 503
Transfer to Reserve Fund	-	-431 000
Translation difference ingoing balance equity	-98 668	-54 061
Translation difference net result	-10 162	-72 312
Net result for the year	-22 626	-17 387
Sum	-21 715	109 742

Note 22 Advance payments from donors

Austria, advance WACDEP	650 052	461 710
Denmark, Global Dialogue Project	434 415	348 642
Denmark, advance WACDEP	1 191 389	2 191 129
DFID 1 January 2015 - March 2015	641 872	-
European Commission, "SITWA"	243 827	246 668
European Commission, "Mekrou"	157 329	-
Finland, IWRM planning Central Asia and Caucasus	-	6 234
Ministry for Agriculture, France	30 000	-
Ministry of Foreign Affairs, Greece	35 060	-
Japan Water Forum	21 600	-
Korea Water Resources Corporation	60 000	-
Sweden Ministry for Foreign Affairs, rent 2013	-	2 451
Switzerland, Climate Change Adaptation Strategies	-	5 831
Sum	3 465 544	3 262 664

Note 23 Liabilities regions/countries

GWP Central Asia & Caucasus	4 264	-
GWP Southern Africa	16 756	-
OMVS SITWA	2 621	-
Pontifical Catholic University of Peru (PUCP)	12 427	-
Sum	36 068	-

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Liquid funds and balances on settlement accounts for the GWP regions/countries stated above as at 31 December 2014 (2013) amount to Euro 67,677 (0)

Note 24 Other liabilities	2014-12-31	2013-12-31
Employee taxes	393 729	335 621
Social security costs	7 436	29 744
SIWI prepaid rent 2014	-	75 299
Other liabilities	16 700	17 742
Sum	417 866	458 406

Note 25 Accrued expenditures		
Accrued fees consultants	116 603	41 107
Accrued staff costs	74 075	112 575
Accrued audit fees	34 164	31 940
Pontifical Catholic University of Peru (PUCP)	-	18 105
Makerere University	-	3 360
WACC Viet Nam National University HCMC	-	1 011
Other accrued expenditures	16 321	24 376
Sum	241 163	232 473

2015-05-11


Rudolph Cleveringa
Acting Executive Secretary


Dr. Ursula Schaefer-Preuss
Chair GWPO


Dorothy Manuel
Chair Audit and Finance Subcommittee

My audit report concerning these financial statements was issued

2015-05-18


Thomas Lönström
Authorised Public Accountant

Auditor's report

To the annual meeting of Global Water Partnership Organisation, identity number 902000-3845

Report on the annual financial report

We have audited the annual financial report Global Water Partnership Organisation for the year 2014.

Responsibilities of the Steering Committee and the Executive Secretary for the annual accounts

The Steering Committee and the Executive Secretary are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act, and for such internal control as the Steering Committee and the Executive Secretary determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

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

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

Opinions

In our opinion, the annual accounts have been prepared in accordance with Generally accepted accounting principles in Sweden with the exception of accounting of fixed assets and present fairly, in all material respects, the financial position of Global Water Partnership Organisation as of 31 December 2014 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

Report on other legal and regulatory requirements and statuses

In addition to our audit of the annual accounts, we have examined the administration of the Steering Committee and the Executive Secretary of the Global Water Partnership Organisation for the year 2014.

Responsibilities of the Steering Committee and the Executive Secretary

The Steering Committee and the Executive Secretary is responsible for the administration.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the administration based on our audit. We conducted the audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts, we examined significant decisions, actions taken and circumstances of the organization in order to determine whether any members of the Steering Committee and the Executive Secretary is liable to the organization.

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

Opinions

The members of the Steering Committee and the Executive Secretary have not acted in violation of the organization's statuses.

We recommend the annual meeting that the members of the Steering Committee and the Executive Secretary be discharged from liability for the financial year.

Stockholm, 18 maj 2015

Ernst & Young AB



Thomas Lönnström

Authorized Public Accountant

