

Annual Report 2021

The Association For The Extractive Industries Transparency Initiative (eiti)

Revenue statement
Balance sheet
Notes to the Accounts
Audit opinion

Revenue statement

The Association For The Extractive Industries Transparency Initiative (eiti)

Operating income and operating expenses	Note	2021	2020
Revenue	1	75 205 858	58 027 006
Other income		0	13 027
Total income		<u>75 205 858</u>	<u>58 040 033</u>
Employee benefits expense	2	34 968 505	35 158 073
Depreciation and amortisation expenses	3	609 527	437 853
Other expenses	2	31 981 553	17 046 848
Total expenses		<u>67 559 584</u>	<u>52 642 774</u>
Operating profit		<u>7 646 273</u>	<u>5 397 259</u>
Financial income and expenses			
Other interest income		28 619	75 107
Other financial income		780 112	183 658
Other interest expenses		734	520
Other financial expenses		796 026	416 165
Net financial items		<u>11 971</u>	<u>-157 920</u>
Net profit before tax		<u>7 658 244</u>	<u>5 239 339</u>
Net profit after tax		<u>7 658 244</u>	<u>5 239 339</u>
Net profit or loss	5	<u><u>7 658 244</u></u>	<u><u>5 239 339</u></u>
Attributable to			
Other equity		<u>7 658 244</u>	<u>5 239 339</u>
Total		<u>7 658 244</u>	<u>5 239 339</u>

Balance sheet

The Association For The Extractive Industries Transparency Initiative (eiti)

Assets	Note	2021	2020
Non-current assets			
Intangible assets			
Research and development		2 412 022	0
Total intangible assets		<u>2 412 022</u>	<u>0</u>
Property, plant and equipment			
Equipment and other movables		927 394	966 442
Total property, plant and equipment		<u>927 394</u>	<u>966 442</u>
Total non-current assets		<u>3 339 416</u>	<u>966 442</u>
Current assets			
Debtors			
Accounts receivables		6 065 981	1 527 564
Other short-term receivables		960 342	1 448 447
Total receivables		<u>7 026 323</u>	<u>2 976 011</u>
Cash and cash equivalents		46 960 792	34 993 183
Total current assets		<u>53 987 114</u>	<u>37 969 194</u>
Total assets		<u>57 326 531</u>	<u>38 935 636</u>

Balance sheet

The Association For The Extractive Industries Transparency Initiative (eiti)

Equity and liabilities	Note	2021	2020
Retained earnings			
Other equity		33 847 767	26 189 522
Total retained earnings		<u>33 847 767</u>	<u>26 189 522</u>
 Total equity	 5	 <u>33 847 767</u>	 <u>26 189 522</u>
 Liabilities			
Provisions			
 Current liabilities			
Trade payables		2 089 821	1 877 981
Public duties payable		2 298 001	2 430 243
Other current liabilities		19 090 942	8 437 889
Total current liabilities		<u>23 478 764</u>	<u>12 746 113</u>
 Total liabilities		 <u>23 478 764</u>	 <u>12 746 113</u>
 Total equity and liabilities		 <u>57 326 531</u>	 <u>38 935 635</u>

Balance sheet

The Association For The Extractive Industries Transparency Initiative (eiti)

The board of The Association For The Extractive Industries Transparency Initiative (eiti)

Helen Elizabeth Clark
chairman of the board

Ruslan Baimishev
member of the board

Chitumba Ian Mwiinga
member of the board

Awa Marie Coll Seck
member of the board

Agnes Solange Owona
member of the board

Cesar Gamboa Balbin
member of the board

Jean Georges Mackosso
member of the board

Maria Magno-Gatmaytan
member of the board

Oleksiy Orlovsky
member of the board

Erica Lucinda Westenberg
member of the board

James Alistairs John Nicholson
member of the board

Stuart Armitage Brooks
member of the board

Alan Daniel Mclean
member of the board

Sherwin Kwasi Long
member of the board

Rinaldo Jeanty
member of the board

Christine Irene Detaille
member of the board

Erik Nürnberg
member of the board

James Marshall Ensor
member of the board

Lawrence Dechambenoit
member of the board

Accounting principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles for small entities.

Foreign currency

The accounts of the EITI Secretariat are kept in NOK.

Contributions to the secretariat are recognised as income using the exchange rate to NOK realised in the bank upon reception of payment. Expenses in foreign currency are converted to NOK using the exchange rate at the date of expense. Balances are converted with the valid rate at the statement date. Income and expenses are converted at the average exchange rate for the year.

Revenues

Funds received are recognised as revenue in the period for which the funds are given. Project specific grants with a repayment clause are recognised as income when the organisation has a legal right to the funds, i.e., when activities are implemented and expenses incurred related to the project.

Accrued revenue recognised as such, but not yet received in the bank – is included in the balance sheet as receivables under current assets. Deferred revenue – received in the bank, but not yet recognised as such – is included in the balance sheet as other short-term liabilities.

Tax

In accordance with Norwegian Tax Law, the EITI Secretariat is not considered taxable..

Classification and valuation of fixed assets

Fixed assets are comprised of assets intended for long term ownership and use. Fixed assets are valued at cost, recorded in the balance sheet and depreciated over the estimated useful economic life. Fixed assets are written down to recoverable amounts when decreases in value are expected to be permanent. The recoverable amount is the greater of the net selling price and value in use. Impairment losses recognised are reversed when the basis for the impairment loss is no longer evident.

The exception to this rule is fixed assets belonging to specific, donor-funded projects with a limited project period. These assets are expensed at the time of purchase.

Current assets and liabilities are comprised of items receivable/due within one year and valued at cost.

Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables.

Pension liabilities

The EITI Secretariat has no unfunded pension obligations. Funded pension liabilities are not recognised in the balance sheet. The premium paid is regarded as pension cost for the period concerned and classified as wage cost in the income and expenditure statement..

Note 1 - Income recognised 2021

IMPLEMENTING COUNTRIES		
CONTRIBUTOR	AMOUNT IN CURRENCY	AMOUNT BOOKED IN NOK
Republic of Armenia	USD 10000	89 852
Dominican Republic	USD 10000	86 092
Government of Guyana	USD 10000	83 081
Government of Mauritania	USD 10000	85 918
Government of Mongolia	USD 10000	83 061
Government of Nigeria	USD 10000	89 470
Total revenue from implementing countries		517 474
SUPPORTING COUNTRIES		
Government of Australia- DFTAT	AUD 400 000	2 590 637
MFA- Belgium	EUR 220 000	2 174 656
MFA- Belgium (project specific funding)	EUR 20 000	405 590
Government of Canada (deferred from 2020-2021)	CAD 100 000	852 035
Government of Canada (accrued-2021 funding)	CAD 160 000	1 213 195
MFA - Denmark	DKK 2 000 000	2 719 400
EU- European Commission (part deferred to 2022)	EUR 446 500	4 492 626
MFA – Germany	EUR 250 000	2 512 075
MFA - France	EUR 100 000	1 032 800
MFA Finland	EUR 233 000	2 380 864
FCDO - UK Core funding	GBP 200 000	2 346 740
FCDO - UK- deferred revenue from 2020	GBP 50 000	586 530
FCDO - UK- Project funding	GBP 185 000	2 129 831
MFA – Norway	NOK 4 000 000	4 000 000
The Government of Netherlands	USD 250 000	2 614 230
MFA- Sweden	SEK 3 000 000	3 001 275
SECO - (Project funding part deferred)	CHF 354 105	3 399 411
SECO- Core funding	CHF 250 000	2 429 975
USAID (accrued)	USD 206 229	1 798 313
Total revenue from supporting countries including project funding		42 680 183
FOUNDATIONS, NGO's		
BHP Foundation(part deferred to 2022)	USD 1956880,26	14 481 501
Chandler Foundation	USD 25 000	216 015
Lundin Foundation	USD 10000	87 161
Total revenue from foundations , NGO's		14 784 677

PRIVATE SECTOR		
Oil & Gas Companies		
BP International	USD 60 000	540 954
Cairn Energy Plc (Capricorn	USD 20 000	181 647
Chevron	USD 60000	511 291
Conoco Phillips	USD 60000	503 720
ENI Spa	USD 60000	544 938
Equinor	USD 60000	507 860
ExxonMobil	USD 60000	512 938
Far Limited	USD 20 000	166 658
Gunvor	USD 60000	540 333
Hess Corporation	USD 60000	512 658
Inpex Corporation	USD 60000	544 938
Kosmos Energy	USD 20 000	181 646
NNPC	USD 60000	544 938
Papuan Oil Search	USD 40000	333 584
Petronor	USD 20000	167 588
Qatar Energy	USD 60000	524 938
Qatar Energy(2020 fees)	USD 60000	510 432
Shell International BV	USD 60000	544 938
Staatsolie Maatschappij Suriname NV	USD 20000	181 646
Trafigura	USD 60000	544 938
TotalEnergies SE	USD 60000	544 938
Tullow Oil	USD 20000	181 646
Woodside Energy	USD 60000	528 414
Total revenue from Oil & gas companies		9 857 581
Mining & Minerals Companies		
Advanced Metallurgical Group	USD 15 000	136 235
Base Titanium (Deferred from 2020)	USD 15 000	129 264
Centerra Gold Inc.	USD 15 000	136 235
Dundee Precious Metals Inc.	USD 15 000	136 235
Eramet	USD 18 000	150 892
ICMM	GBP 428 000	5 068 524
Kaz Minerals	USD 20 000	181 646
St. Barbara	USD 15 000	125 966
Southern Copper Peru	USD 15 000	128 164
Vale (In addition to ICMM)	USD 40000	338 714
Total revenue from mining & mineral companies		6 531 873
Financial institutions		
Nordea	USD 9950	84 667
NBIM	USD 9950	72 871
KFW	USD 10000	83 341
Forsta AP-Fonden	USD 9950	84 970
Total revenue from financial institutions		325 849
Non-extractives		
Volkswagen	USD 60000	508 220
Total revenue from non extractives		508 220
Total 2021 revenue including project specific funding		75 205 858

Note 2 - Salary costs and benefits, remuneration to the chief executive, board and auditor

Salary costs	2021	2020
Salaries	27 198 507	28 609 590
Employment tax	3 983 387	3 392 814
Pension costs	2 189 643	2 008 337
Other benefits	1 596 968	1 147 332
Total	34 968 505	35 158 073

The organisation has employed 32 full time equivalents (FTE) in 2021

Pension liabilities

The organisations is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes satisfy the requirements of this Act.

Remuneration to leading personnel	Chief Executive	Board
Salaries	1 783 801,38	435 500
Pension costs	48 780	
Other remuneration	7 392	
Total	1 839 973	435 500

Auditor

Audit fees expensed for 2021 amount to 106 250.

In addition there is a fee for other services of NOK 69 347.

Note 3 Non-current assets

	Website	Fixtures and fittings	Total
Purchase cost as of 01.01.21		2 155 961	2 155 961
+ Inflow purchased fixed assets	2 412 022	570 480	2 982 501
= Acquisition cost 31.12.21	2 412 022	2 726 440	5 138 462
Accumulated depreciation 31.12.21		1 799 046	1 799 046
= Book value 31.12.21	2 412 022	927 394	3 339 416
This year's ordinary depreciations		609 527	609 527
Economic life		3 years	

Note 4 Bank deposits

Restricted funds related to employee as at 31.12.2021 is 1 383 062. Withholding employee tax payable as of 31.12.2021 is (1 544 599). The difference is due to wage cuts that were created for period 12 2021 after the turn of the year. The deficient amount is transferred to the account in January 2022.

Note 5 Funds

	Funds	Sum
Funds 01.01.2021	26 189 522	26 189 522
Net profit	7 658 244	7 658 244
As at 31.12.2021	33 847 766	33 847 766

Note 6 Loans and guarantees to senior executives

No loans or guarantees have been given to senior executives.