


**Twenty-first session**

The Hague, 5-10 December 2022

**Financial statements of the Trust Fund for Victims  
for the year ended 31 December 2021**

*Contents*

	<i>Page</i>
Letter of transmittal .....	3
Letter to the Registrar .....	4
Certification of Financial Statements .....	5
Independent auditor's opinion .....	6
Statement of financial position as at 31 December 2021 .....	8
Statement of financial performance for the year ended 31 December 2021 .....	9
Statement of changes in net assets/equity for the year ended 31 December 2021 .....	10
Statement of cash flows for the year ended 31 December 2021 .....	11
Statement of comparison of budget and actual amounts for the year ended 31 December 2021 .....	12
Notes to the financial statements .....	13
1. The Trust Fund for Victims and its objectives .....	13
2. Summary of significant accounting and financial reporting policies .....	13
3. Cash and cash equivalents .....	18
4. Prepayments .....	18
5. Inventory .....	18
6. Receivables .....	19
7. Accounts payable .....	19
8. Provisions .....	19
9. Deferred revenue and accrued expenses .....	20
10. Employee benefit liabilities .....	20
11. Net assets/equity .....	24
12. Revenue .....	24
13. Expenses .....	24
14. Statement of comparison of budget and actual amounts .....	25
15. Segment reporting .....	26

16.	Related party disclosures.....	28
17.	Commitments .....	28
18.	Events after the reporting date .....	28
	Annex.....	29
	Schedule 1 .....	29
	Final audit report on the financial statements of the Trust Fund for Victims for the year ended 31 December 2021 .....	31

## Letter of transmittal

13 July 2022

In accordance with Financial Regulation 11.1 the Registrar shall submit to the Auditor accounts for the financial period. I have the honour of submitting the financial statements of the Trust Fund for Victims for the financial period 1 January to 31 December 2021.

Peter Lewis  
Registrar

Young You  
Director of the International Audit Division  
Board of Audit and Inspection of Korea  
112 Bukchon-ro, Jongno-gu  
Seoul 03050  
Republic of Korea

## Letter to the Registrar

13 July 2022

Dear Mr Registrar,

Pursuant to Regulation 77(b) of the Regulations of the Trust Fund for Victims, the Board of Directors must submit the accounts and the financial statements of the Trust Fund for Victims for review by the External Auditor.

I would be grateful if you would sign the Letter of Transmittal to the External Auditor.

Respectfully yours

Minerva Josefina Tavárez Mirabal,  
Chair, Board of Directors of the Trust Fund for Victims

## **Certification of Financial Statements**

13 July 2022

The financial statements and supporting notes are approved.

Minerva Josefina Tavárez Mirabal,  
Chair, Board of Directors of the Trust Fund for Victims

## Independent auditor's opinion



### INDEPENDENT AUDITOR'S REPORT

To Mrs. Minerva Josefina Tavárez Mirabal,  
Chair, Board of Directors  
The Trust Fund for Victims

Addressed to Mr. Pieter de Baan  
Executive Director  
Secretariat of the Trust Fund for Victims

#### Opinion

We have audited the accompanying financial statements of the Trust Fund for Victims (TFV), which comprise a Statement of Financial Position as at 31 December 2021, and a Statement of Financial Performance, a Statement of Changes in Net Assets/Equity, a Statement of Cash Flow and a Statement of Comparison of Budget and Actual Amounts for the year then ended, and Notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the TFV as at 31 December 2021, and the financial performance, the changes in net assets/equity, the cash flows and the comparison of budget and actual amounts for the year then ended in accordance with the International Public Sector Accounting Standards (IPSAS).

#### Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA) and the Regulation 12 of the Financial Regulations of the International Criminal Court and the additional terms of reference governing the audit of the TFV. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the TFV in accordance with the Code of Conduct of the Board of Audit and Inspection that is relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics of the International Organisation of Supreme Audit Institutions (INTOSAI). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Other Matters

The financial statements of the TFV for the year ended 31 December 2020, were audited by another auditor who expressed an unmodified opinion on those statements on 30 June 2021. The TFV's financial statements previously reported did not reflect the adjustments described in Note 2.44 to the financial statements. The TFV's financial statements for the year ended 31 December 2021, presented herein for comparative purposes, were restated to reflect this adjustment. We were not engaged to audit or review or apply any procedures to the financial statements of the TFV for the year ended 31 December 2020 including the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the financial statements for the year ended 31 December 2020 taken as a whole.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Board of Directors of the TFV (BoD) is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS, and for such internal

control as the BoD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the BoD is responsible for assessing the TFV's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the BoD either intends to liquidate the TFV or to cease operations. Those charged with governance are responsible for overseeing the TFV's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit 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 Court's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Registrar;
- Conclude on the appropriateness of the Registrar's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Court's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Court to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CHOE Jaehae

Chair, Board of Audit and Inspection of Korea  
External Auditor

Seoul, Korea  
13 July 2022

## Statement I

### Trust Fund for Victims - Statement of financial position as at 31 December 2021 (in thousands of euros)

	<i>Note</i>	<i>2021</i>	<i>2020 restated</i>
<b>Assets</b>			
<i>Current assets</i>			
Cash and cash equivalents	3	15,512	19,526
Prepayments	4	1,543	734
Inventory	5	-	4
Receivables	6	1,226	414
<i>Total current assets</i>		<i>18,281</i>	<i>20,678</i>
<i>Non-current assets</i>			
Receivables	6	-	417
<i>Total non-current assets</i>		<i>-</i>	<i>417</i>
<b>Total assets</b>		<b>18,281</b>	<b>21,095</b>
<b>Liabilities</b>			
<i>Current liabilities</i>			
Accounts Payable	7	3	6
Provisions	8	3,336	2,491
Deferred revenue and accrued expenses	9	185	517
Employee benefit liabilities	10	235	207
<i>Total current liabilities</i>		<i>3,759</i>	<i>3,221</i>
<i>Non-current liabilities</i>			
Accounts payable	7	35	-
Provisions	8	2,597	3,058
Employee benefit liabilities	10	794	925
<i>Total non-current liabilities</i>		<i>3,426</i>	<i>3,983</i>
<b>Total liabilities</b>		<b>7,185</b>	<b>7,204</b>
<b>Net assets/equity</b>	11	<b>11,096</b>	<b>13,891</b>
<b>Total liabilities and net assets/equity</b>		<b>18,281</b>	<b>21,095</b>

The accompanying notes form an integral part of these financial statements.



## Statement II

### Trust Fund for Victims - Statement of financial performance for the year ended 31 December 2021 (in thousands of euros)

	<i>Note</i>	<i>2021</i>	<i>2020 restated</i>
<b>Revenue</b>			
Assessed contributions	12	3,200	3,226
Voluntary contributions	12	2,969	3,003
Financial revenue	12	270	140
Other revenue	12	-	330
<b>Total revenue</b>		<b>6,439</b>	<b>6,699</b>
<b>Expenses</b>			
Administrative expenses	13	3,340	3,135
Programme expenses	13	5,879	1,862
<b>Total expenses</b>		<b>9,219</b>	<b>4,997</b>
<b>Surplus/(deficit) for the period</b>		<b>(2,780)</b>	<b>1,702</b>

The accompanying notes form an integral part of these financial statements.

## Statement III

### Trust Fund for Victims - Statement of changes in net assets/equity for the year ended 31 December 2021 (in thousands of euros)

	<i>Reparations Programme</i>	<i>Assistance Programme</i>	<i>Incidental Program Costs</i>	<i>Secretariat of the Trust Fund</i>	<i>Total Net Assets/equity</i>
<b>Opening balance as at 1 January 2020</b>	<b>2,213</b>	<b>9,680</b>	<b>899</b>	<b>165</b>	<b>12,957</b>
<b>Movement in net assets/equity in 2020</b>					
Surplus/(deficit)	608	1,016	(14)	91	1,835
Net remeasurement gains/(losses) for post-employment plans	-	-	-	(131)	(131)
2018 Trust Fund for Victims Secretariat's (surplus)/deficit	-	-	-	(636)	(636)
Allocation to Incidental Program Costs	-	(531)	531	-	-
<i>Total movements during the year</i>	<i>608</i>	<i>485</i>	<i>517</i>	<i>(676)</i>	<i>934</i>
<b>Total net assets/equity as at 31 December 2020</b>	<b>2,821</b>	<b>10,165</b>	<b>1,416</b>	<b>(511)</b>	<b>13,891</b>
<b>Movement in net assets/equity in 2021</b>					
Surplus/(deficit)	(854)	(1,529)	(260)	(137)	(2,780)
Net remeasurement gains/(losses) for post-employment plans	-	-	-	268	268
2019 Trust Fund for Victims Secretariat's (surplus)/deficit	-	-	-	(282)	(282)
Transfer to Reparations reserve	1,000	(1,000)	-	-	-
<i>Total movements during the year</i>	<i>146</i>	<i>(2,529)</i>	<i>(260)</i>	<i>(151)</i>	<i>(2,794)</i>
<b>Total net assets/equity as at 31 December 2021</b>	<b>2,966</b>	<b>7,636</b>	<b>1,156</b>	<b>(662)</b>	<b>11,096</b>

Fund balance of assistance programme includes amounts pending allocation.

The accompanying notes form an integral part of these financial statements.

## Statement IV

### Trust Fund for Victims - Statement of cash flows for the year ended 31 December 2021 (in thousands of euros)

	2021	2020 restated
<b>Cash flows from operating activities</b>		
Surplus/(deficit) for the period (Statement II)	(2,780)	1,702
Unrealized foreign exchange differences	(210)	(64)
(Increase)/decrease in time deposits	-	2,688
(Increase)/decrease in receivables	(394)	221
(Increase)/decrease in prepayments	(809)	(609)
(Increase)/decrease in inventory	4	(4)
Increase/(decrease) in accounts payable	31	(26)
Increase/(decrease) in deferred revenue and accrued expenses	(332)	(5)
Increase/(decrease) in employee benefit liabilities	(103)	456
Remeasurement (gain)/loss related to employee benefit plans	268	(131)
Increase/(decrease) in provisions	384	(137)
Less: interest income	(1)	(14)
<i>Net cash flows from operating activities</i>	<i>(3,942)</i>	<i>4,077</i>
<b>Cash flows from investing activities</b>		
Plus: interest received	-	47
<i>Net cash flows from investing activities</i>	<i>-</i>	<i>47</i>
<b>Cash flows from financing activities</b>		
Credits to States Parties	(282)	(636)
<i>Net cash flows from financing activities</i>	<i>(282)</i>	<i>(636)</i>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(4,224)</b>	<b>3,488</b>
Unrealized foreign exchange gains/(losses) on cash and cash equivalents	210	64
Cash and cash equivalents at beginning of financial period	19,526	15,974
<b>Cash and cash equivalents at 31 December (Statement I)</b>	<b>15,512</b>	<b>19,526</b>

The accompanying notes form an integral part of these financial statements.

## Statement V

### Trust Fund for Victims - Statement of comparison of budget and actual amounts for the year ended 31 December 2021 (in thousands of euros)

<i>Appropriation approved*</i>	<i>Total expenditure</i>	<i>Total surplus</i>
3,200	3,199	1

\*The budget for the Secretariat is approved as Major Programme VI of the Court's budget.

Further details of approved appropriations and expenditures are presented in the report of the Court on "Activities and programme performance of the ICC for the year 2021" (CBF/38R/7).

The accompanying notes form an integral part of these financial statements.

## Notes to the financial statements

### 1. The Trust Fund for Victims and its objectives

#### 1.1 *Reporting entity:*

The Trust Fund for Victims (“the Trust Fund”) was established by the Assembly of States Parties (“the Assembly”) in its resolution ICC-ASP/1/Res.6, for the benefit of victims of crimes within the jurisdiction of the International Criminal Court (“the Court”), and the families of such victims.

In the annex to the resolution ICC-ASP/1/Res.6, the Assembly established a Board of Directors (“the Board”), which is responsible for management of the Trust Fund.

The Secretariat of the Trust Fund (“the Secretariat”) administers the Trust Fund, offers administrative support to the Board and its meetings and operates under the full authority of the Board. For administrative purposes, the Secretariat and staff are attached to the Registry of the Court and are part of the staff of the Registry and, as such, of the Court, and enjoy the same rights, duties, privileges, immunities and benefits.

By resolution ICC-ASP/4/Res.3, the Assembly adopted the Regulations of the Trust Fund for Victims, which state that the Trust Fund is a separate reporting entity. The Trust Fund and the Secretariat are controlled by the Board and are considered to be a single economic entity for financial reporting purposes. The Trust Fund and the Secretariat are referred to together as the Trust Fund.

### 2. Summary of significant accounting and financial reporting policies

#### **Basis of preparation**

2.1 The financial statements of the Trust Fund are maintained in accordance with the Financial Regulations and Rules of the Court. The financial statements of the Trust Fund have been prepared on the accrual basis of accounting, in compliance with the International Public Sector Accounting Standards (IPSAS). These notes form an integral part of the Trust Fund’s financial statements. Figures in the statements and notes are rounded to thousand euros. Amounts may not add-up due to rounding difference.

2.2 *Financial period:* the financial period is one calendar year.

2.3 *Historical cost basis:* the financial statements are prepared on the historical cost basis of accounting.

#### **Currency of accounts and treatment of exchange rate movements**

2.4 The Trust Fund’s functional and presentation currency is the euro.

2.5 Foreign currency transactions are translated into the functional currency using the United Nations operational rates of exchange which approximate the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end of exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of financial performance.

2.6 Non-monetary assets and items that are measured in terms of historical cost in foreign currency are translated using the exchange rate at the date of the transaction and are not retranslated at the reporting date.

### **Use of estimates and judgements**

2.7 The preparation of the financial statements in conformity with IPSAS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. The estimates and associated assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, and information available at the date of preparation of the financial statements, the results of which form the basis of judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

2.8 The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and any future periods affected.

### **Cash and cash equivalents**

2.9 Cash and cash equivalents are held at nominal value and comprise cash on hand, funds held in current accounts, interest-bearing bank accounts and time deposits with a maturity of less than three months.

### **Financial instruments**

2.10 The Trust Fund classifies its financial instruments as loans and receivables and other financial liabilities. Financial assets consist mainly of short-term bank deposits and accounts receivable. Financial liabilities consist of accounts payable.

2.11 All financial instruments are initially recognized in the Statement of financial position at their fair values plus transaction costs. Subsequently, they are measured at amortized cost using the effective interest method. The historical cost-carrying amount of receivables and payables subject to normal trade credit terms approximates the fair value of the transaction.

### **Financial Risks**

2.12 The Trust Fund has instituted prudent risk management policies and procedures in accordance with the Court's Financial Regulations and Rules. The Trust Fund makes short-term investments of moneys not needed for immediate requirements. In the normal course of business, the Trust Fund is exposed to financial risk, such as market risk (foreign currency exchange and interest rate), credit risk and liquidity risk.

2.13 *Currency risk*: the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Trust Fund is exposed to currency risk through transactions in foreign currencies relating to the projects it funds.

2.14 *Interest rate risk*: the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In 2021, the European Central Bank (ECB) base interest rate remained at the record low of 0 percent. In addition, the ECB deposit rate remained as low as -0.5 per cent. Several banks charge negative interest rates of 0.5 per cent or higher above certain balance on all accounts. The Trust Fund is risk averse and its first priority will remain to continue to preserve its funds. The Trust Fund will strive to generate and optimize returns in a difficult market, while safeguarding funds by adhering to its strict policies on the investment of surplus funds. However, considering recent ECB monetary policy decisions and the continued trend of falling interest rates, it will not be possible to avoid some negative interest charges in 2022.

2.15 *Credit risk*: the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Trust Fund is exposed to credit risk through advances of funds to project implementing partners and deposits at banks. The Trust Fund has policies that limit exposure to risk from any one financial institution.

2.16 *Liquidity risk*: this risk arises from the general funding of the Trust Fund's activities. The operations of the Secretariat are funded from assessed contributions through the Court. Grants to implementing partners are made on the basis of voluntary contributions received.

2.17 As of 31 December 2021, the date of the Statement of Financial Position, the following IPSAS Standards had been issued, but had not taken effect:

PSAS 41 – Financial instruments; and

IPSAS 42 – Social benefit.

IPSAS 41 and IPSAS 42 will come into force in periods beginning on or after 1 January 2023. The potential effects of these standards are being evaluated.

### **Prepayments and Receivables**

2.18 The Trust Fund advances funds to implementing partners on the basis of contractual provisions. The status of funds advanced is disclosed under Schedule 1.

2.19 Receivables and advances are recognized initially at nominal value. Allowances for estimated irrecoverable amounts are recognized for receivables and advances when there is objective evidence that the asset is impaired, the impairment losses being recognized in the statement of financial performance.

2.20 Amounts due to/from the Court are recognized for the amount assessed for funding the activities of the Secretariat, net of expenses incurred against this assessment. In its resolution ICC-ASP/3/Res. 7, the Assembly decided that, pending further evaluation by the Assembly, the Secretariat would be funded by the regular budget. The Board submits a proposed budget for the Secretariat which is presented as a separate Major Programme VI in the Court's budget and is adopted by the Assembly. The Court assesses States Parties for the budget of the Secretariat. In substance, the Court collects assessed contributions as an agent of the Trust Fund and these assessments do not increase net assets or revenue of the Court, but are recognized as a receivable and revenue of the Trust Fund. The receivables are reduced as expenses are incurred by the Secretariat. Liabilities to vendors and the staff of the Secretariat are settled directly by the Court. Settlement of receivables or payables, coincides with finalization of cash surplus, in accordance with the Financial Regulations and Rules of the Court, for the year in which receivable/payable was recognized.

2.21 Other receivables are interest accrued on bank accounts and deposits.

### **Accounts payable**

2.22 Accounts payable are recognized initially at nominal value, which best estimates the amount required to settle the obligation at the reporting date.

### **Deferred revenue and accrued expenses**

2.23 Deferred revenue includes pledged contributions with conditions and other revenue received but not yet earned.

2.24 Accrued expenses are recognized in respect of goods and services delivered during the reporting period for which invoices have not been received.

### **Related party disclosures**

2.25 The Trust Fund will disclose related parties that have the ability to exercise control or significant influence over the Trust Fund by making financial and operational decisions, or will disclose if a related party and the Trust Fund are subject to common control. Transactions that are within a normal supplier or client/recipient relationship on terms and conditions not more or less favourable than those done at arm's length in the same circumstances between the Trust Fund and its related parties will not be considered as related party transactions and therefore will not be disclosed.

2.26 The key management personnel of the Trust Fund are the Board of Directors and the Executive Director, both of whom have authority and responsibility for planning, directing and controlling the activities of the Trust Fund and influencing its strategic direction. The remuneration and benefits of key management personnel are disclosed. In addition, the Trust

Fund will disclose any specific transactions with key management personnel and their family members.

### **Provisions, contingent liabilities and contingent assets**

2.27 *Provisions* are recognized when the Trust Fund has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle that obligation, and the amount can be reliably estimated. The amount of the provision is the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are released only for such expenses in respect of which provisions are recognized at inception. If the outflow of economic benefits to settle the obligations is no longer probable, the provision is reversed.

2.28 *Contingent liability* is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust Fund, or a present obligation which will probably not result in an outflow of economic resources/service potential or the amount of which cannot be measured with sufficient reliability. Contingent liabilities, if any, are disclosed in the notes to the financial statements.

2.29 *Contingent asset* is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust Fund. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If an inflow of economic benefits or service potential has become probable, contingent assets are disclosed. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

### **Commitments**

2.30 *Commitments* are non-cancellable obligations to provide funds in the future to organizations that are implementing projects based on a contract entered into with the Trust Fund. Commitments are recognized off-balance sheet and are disclosed in the financial statements until such time as funds are advanced or the implementing partner submits financial reports demonstrating that activities, for which the organization is entitled to receive funds, have been performed.

### **Non-exchange revenue**

2.31 *Voluntary contributions*: revenue from voluntary contributions that include restrictions on their use is recognized upon signature of a binding agreement between the Trust Fund and the donor providing the contribution. Revenue from voluntary contributions that attach conditions to their use, including an obligation to return the funds to the contributing entity if such conditions are not met, is recognized as the conditions are satisfied. Until such conditions are met, the obligation is recognized as a liability. Voluntary contributions and other revenues which are not provided for by binding agreements are recognized as revenue when received.

2.32 *Goods-in-kind contributions* are recognized at their fair value and the corresponding revenue is recognized immediately if no condition is attached. If conditions are attached, a liability is recognized until such time as the conditions are met and the obligation is satisfied. Revenue is recognized at fair value, measured as of the date of acquisition of the donated assets.

2.33 *Services-in-kind*: revenue resulting from services-in-kind is not recognized. Major services-in-kind are disclosed in the financial statements, including their fair value, when it is practicable to determine it.



## Exchange revenue

2.34 *Financial revenue* comprises interest revenue and net foreign exchange gains. Interest revenue is recognized in the Statement of financial performance as it accrues, taking into account the effective yield on the asset. At the end of the financial period, a net balance of the account for foreign exchange gains and losses, if positive, is recognized as revenue.

## Expenses

2.35 *Financial expenses* comprise bank charges and net foreign exchange loss. At the end of the financial period, a net balance of the account for foreign exchange gains and losses, if negative, is recognized as an expense.

2.36 *Expenses arising from the purchase of goods and services* are recognized at the point that the supplier has performed its contractual obligations, which is when the goods and services are received and accepted by the Trust Fund.

2.37 *Expenses arising from transactions with implementing partners* are recognized when goods are delivered or services rendered by implementing partners, as confirmed by the receipt of certified expense reports, financial reports or project delivery reports, as applicable. If funds are advanced on the basis of contracts that do not include measurable performance conditions, expenditure is recognized when funds are disbursed.

## Fund accounting and segment reporting

2.38 A segment is a distinguishable activity or group of activities for which it is appropriate to separately report financial information. Segment information is based on principal activities and sources of financing of the Trust Fund. To achieve its aims, the Trust Fund implements reparations awards ordered by the Court against a convicted person and it provides assistance to victims and their families through programmes of physical and psychological rehabilitation and material support.

2.39 Separate financial information is reported for four segments: reparations programme, assistance programme, incidental programme cost and Secretariat of the Trust Fund.

2.40 *Fund accounting*: the Trust Fund's accounts are maintained on a fund accounting basis to allow for the separation of funds to facilitate the receipt of earmarked contributions, money and other property collected through fines or forfeiture transferred by the Court, where the Court has stipulated particular usages, or resources collected through awards for reparations.

## Net assets/equity

2.41 Net assets/equity comprises surpluses or deficits in the fund. Reserves may be created on the basis of a decision of the Board.

## Budget comparison

2.42 A comparison of actual amounts with the amounts in the original and final annual programme budget is presented in Statement V. This comparison is made on the same modified cash basis of accounting as adopted for the annual programme budget.

2.43 A reconciliation of the actual amounts on a modified cash basis with actual amounts presented in the financial statements is included in note 13, considering that the full accrual accounting and modified cash basis budget differ.

## Restatement of prior year comparatives

2.44 Comparative information for 2020 is restated to recognize employee benefit liabilities of the Secretariat of the Trust Fund for Victims which were previously recognized on a pooled basis with the Court's staff. The restatement has the following effect:

## Statement of financial position

In thousands of euros	2020 Financial Statements ICC-ASP/20/13	Adjustment	Comparative information in 2021 financial statements
Receivables non-current	225	192	417
Employee benefit liabilities – current	-	207	207
Employee benefit liabilities – non-current	-	925	925
<b>Total net assets/equity</b>	<b>14,831</b>	<b>(940)</b>	<b>13,891</b>

## Statement of financial performance

In thousands of euros	2020 Financial Statements ICC-ASP/20/13	Adjustment	Comparative information in 2021 financial statements
Administrative expenses	3,002	133	3,135
<b>Surplus/(deficit) for the period</b>	<b>1,835</b>	<b>(133)</b>	<b>1,702</b>

**3. Cash and cash equivalents**

<i>In thousands of euros</i>	<i>2021</i>	<i>2020</i>
Cash at bank – current account	5,754	3,055
Cash at bank – savings account	9,758	16,471
<b>Total</b>	<b>15,512</b>	<b>19,526</b>

3.1 Cash and cash equivalents include amounts equivalent to €5,201 thousand held in currencies other than the euro.

**4. Prepayments**

<i>In thousands of euros</i>	<i>2021</i>	<i>2020</i>
Advances to implementing partners	1,443	682
Advances to staff	100	52
<b>Total</b>	<b>1,543</b>	<b>734</b>

4.1 An increase in prepayments in 2021 compared to 2020 is due to advances paid at the end of 2021 against the new contractual agreements the TFV entered with Implementing Partners for assistance programmes in situation countries in addition to the last quarter disbursements to the Implementing Partners in the other existing situations.

**5. Inventory**

<i>In thousands of euros</i>	<i>2021</i>	<i>2020</i>
Goods in transit to beneficiaries	-	4
<b>Total</b>	<b>-</b>	<b>4</b>

## 6. Receivables

<i>In thousands of euros</i>	2021	2020 restated
Voluntary contributions receivable	576	132
Receivable from the Court 2019	-	282
Receivable from the Court 2020	417	417
Receivable from the Court for Incidental Program Costs	232	-
Accrued interest	1	-
Other receivables	-	-
<b>Total</b>	<b>1,226</b>	<b>831</b>

6.1 Voluntary contributions receivable represent amounts pledged to the Trust Fund in 2021 and not paid by the reporting date.

## 7. Accounts payable

<i>In thousands of euros</i>	2021	2020
Payable to the Court – STFV deficit for 2021	35	-
Other payables	3	6
<b>Total</b>	<b>38</b>	<b>6</b>

## 8. Provisions

<i>In thousands of euros</i>	2021	2020
Provision for ILOAT cases	-	76
Provision for Reparation awards	5,933	5,473
<b>Total</b>	<b>5,933</b>	<b>5,549</b>

### Changes in Provisions

<i>In thousands of euros</i>	<i>Provision for ILOAT cases</i>	<i>Provision for reparation awards</i>
Provision as at 1 January 2021	76	5,473
Decrease due to payments	(76)	(1,057)
Revaluation of provision	-	17
Increase in provision	-	1,500
<b>Provision as at 31 December 2021</b>	<b>-</b>	<b>5,933</b>

8.1 Provision for reparation awards pertain to the complementary funding provided by the Trust Fund towards the payment of the reparations awards due to the indigence of the convicted persons. Pursuant to the Regulation 56 of the Trust Fund for Victims (ICC-ASP/4/Res.3) a decision to complement to reparations awards is a discretionary decision within the sole authority of the Board and is governed by the factors set out in the Regulation, such as ensuring a complement does not prejudice its assistance mandate activities and taking particular account of ongoing legal proceedings that may give rise to other reparations awards that may require a complement.

## 9. Deferred revenue and accrued expenses

<i>In thousands of euros</i>	2021	2020
Deferred voluntary contributions	177	516
Accrued Expenses	8	1
<b>Total</b>	<b>185</b>	<b>517</b>

## 10. Employee benefit liabilities

<i>In thousands of euros</i>	2021	2020
<b>Current</b>		
Annual leave accrual	171	140
Other long-term benefits	64	67
<i>Sub-total current</i>	<i>235</i>	<i>207</i>
<b>Non-current</b>		
Annual leave accrual	88	52
Other long-term benefits	171	157
Post-employment benefits	535	716
<i>Sub-total non-current</i>	<i>794</i>	<i>925</i>
<b>Total</b>	<b>1,029</b>	<b>1,132</b>

10.1 Current liabilities comprise of the current portion of annual leave accrual and other long-term benefits.

10.2 Annual Leave Accrual represents the accumulated annual leave accrual as at 31 December 2021 for all staff members of the Trust Fund. Liability for annual leave accrual is not discounted as the impact is immaterial.

10.3 Actuarial assumptions used to determine the value of other long-term benefits and post-employment benefits are as follows:

<b>Financial assumptions</b>	<b>2021</b>	<b>2020</b>
Discount rate:		
Home leave, family visit and survivor's benefit	0.05%	(0.2)%
ASHI	0.9%	0.25%
Staff repatriation grant	0.7%	0.13%
Death grant, transportation deceased	0.67%	0.11%
Staff wage inflation	2.50%	2.7%
Price inflation	2.00%	2.00%
Medical cost trend rate	3.75%	5.00%
Individual salary increase rate	0.5%	1.20%
<b>Demographic assumptions</b>		
Individual turnover rates	From 0% to 17% depending on age group	
Disability rates	Based on UNJSPF	
ASHI participation rate	66.67%	
Mortality tables	BUCK mortality table (2021)	
Age corrections	BUCK correction (2021)	
Age difference M/F	Based on actual age difference	

10.4 The discount rate used to discount benefit obligations reflects time value of money. The currency and term of the financial instrument selected to reflect time value of money is consistent with the currency and estimated term of the benefit obligation. The discount rate used for valuation of employee benefit liabilities is calculated by reference to the market information on corporate bonds with an average credit rating between AA+ and AA- or similar, issued in euros.

10.5 The actuarial gains due to changes in financial assumptions are mainly caused by the changes of the discount rates. The discount rates for all defined benefit plans and other long-term employee benefit plans have increased. For the ASHI plan the actuarial gains due to financial assumptions are also caused by the change of the medical trend rate. The actuarial gains and losses due to changes in demographic assumptions are caused by the changes in mortality rates. The actuarial gains due to experience adjustments for the ASHI plan are mainly caused by the decrease of the premium rates.

#### Reconciliation of the opening and closing balance of the present value of the defined benefit obligation

	<i>Other long-term</i>	<i>ASHI</i>	<i>Total</i>
<b>Present value of the defined benefit obligation as at 1 January 2021</b>	<b>224</b>	<b>716</b>	<b>940</b>
Service cost	70	85	155
Interest expense	-	2	2
Remeasurement (gains)/losses	(42)	(268)	(310)
Benefits paid	(17)	-	(17)
<b>Present value of the defined benefit obligation as at 31 December 2021</b>	<b>235</b>	<b>535</b>	<b>770</b>

#### Total defined benefit cost recognised in the Statement of financial performance and net assets/equity

	<i>Other long-term</i>	<i>ASHI</i>	<i>Total</i>
Net service cost	70	85	155
Net interest on the net defined benefit liability/(asset)	-	2	2
Remeasurement of the net defined benefit liability	(42)	-	(42)
Defined benefit cost recorded in profit or loss	28	87	115
Remeasurement of the net defined benefit liability	-	(268)	(268)
Defined benefit cost recorded in net assets/equity	-	(268)	(268)
<b>Total defined benefit cost</b>	<b>28</b>	<b>(181)</b>	<b>(153)</b>

**Maturity profile of the defined benefit obligation**

<i>Durations</i>	
Home leave (and family visit)	0.22
Removal cost, travel on separation	7.94
Repatriation grant	8.64
Death grant, transportation deceased	7.6
ASHI	29.26

**Sensitivity analysis**

10.6 A significant actuarial assumption for the determination of the defined benefit obligation is the discount rate. The sensitivity analyses have been determined based on a 0.25% change of the assumptions at the end of reporting period.

	<i>Discount rate %</i>	<i>Defined benefit obligation</i>	<i>Discount rate plus 0.25%</i>	<i>Defined benefit obligation</i>	<i>Discount rate less 0.25%</i>	<i>Defined benefit obligation</i>
Home leave benefits	0.05	34	0.30	34	(0.20)	34
Family visit	0.05	2	0.30	2	(0.20)	2
Removal/Travel on separation	0.67	66	0.92	64	0.42	67
Repatriation grant	0.70	122	0.95	119	0.45	125
Death grant and transportation deceased	0.67	11	0.92	10	0.42	11
ASHI	0.90	535	1.15	497	0.65	577

10.7 Effect of an increase of one percentage point and effect of a decrease of one percentage point in the assumed medical cost trend rates are as follows:

**Medical trend rate**

<i>In thousands of euros</i>	<i>2.75%</i>	<i>3.75%</i>	<i>4.75%</i>
ASHI Defined benefit obligation as at 31/12/2021	446	535	648
Current Service cost for Fiscal year 2022	48	58	69

**United Nations Joint Staff Pension Fund**

10.8 The Fund's Regulations state that the Pension Board shall have an actuarial valuation made of the Fund at least once every three years by the Consulting Actuary. The practice of the Pension Board has been to carry out an actuarial valuation every two years using the Open Group Aggregate Method. The primary purpose of the actuarial valuation is to determine whether the current and estimated future assets of the Pension Fund will be sufficient to meet its liabilities.

10.9 The Court's financial obligation to the Fund consists of its mandated contribution, at the rate established by the United Nations General Assembly (currently at 7.9% for participants and 15.8% for member organizations) together with any share of any actuarial deficiency payments under Article 26 of the Regulations of the Pension Fund. Such deficiency payments are only payable if and when the United Nations General Assembly has invoked the provision of Article 26, following determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Fund as of the valuation date. Each member organization shall contribute to this deficiency an amount proportionate to the total contributions which each paid during the three years preceding the valuation date.

10.10 The latest actuarial valuation for the Fund was completed as of 31 December 2019, and the valuation as of 31 December 2021 is currently being performed. A roll forward of the participation data as of 31 December 2019 to 31 December 2020 was used by the Fund for its 2020 financial statements

10.11 The actuarial valuation as of 31 December 2019 resulted in a funded ratio of actuarial assets to actuarial liabilities, assuming no future pension adjustments, of 144.4%. The funded ratio was 107.1% when the current system of pension adjustments was taken into account.

10.12 After assessing the actuarial sufficiency of the Fund, the Consulting Actuary concluded that there was no requirement, as of 31 December 2019, for deficiency payments under Article 26 of the Regulations of the Fund as the actuarial value of assets exceeded the actuarial value of all accrued liabilities under the plan. In addition, the market value of assets also exceeded the actuarial value of all accrued liabilities as of the valuation date. At the time of this report, the General Assembly has not invoked the provision of Article 26.

10.13 Should Article 26 be invoked due to an actuarial deficiency, either during the ongoing operation or due to the termination of the Fund, deficiency payments required from each member organization would be based upon the proportion of that member organization's contributions to the total contributions paid to the Fund during the three years preceding the valuation date. Total contributions paid to the Fund during the preceding three years (2018, 2019 and 2020 amounted to USD 7,993.15 million, of which approximately 1% was contributed by the Court.

10.14 During 2021, contributions paid to the Fund by the Court in relation to the STFV staff members amounted to €0.6 million (2020 €0.6 million). No significant variance is expected in the contributions due in 2022.

10.15 Membership of the Fund may be terminated by decision of the United Nations General Assembly, upon the affirmative recommendation of the Pension Board. A proportionate share of the total assets of the Fund at the date of termination shall be paid to the former member organization for the exclusive benefit of its staff who were participants in the Fund at that date, pursuant to an arrangement mutually agreed between the organization and the Fund. The amount is determined by the United Nations Joint Staff Pension Board based on an actuarial valuation of the assets and liabilities of the Fund on the date of termination; no part of the assets which are in excess of the liabilities are included in the amount.

10.16 The United Nations Board of Auditors carries out an annual audit of the Fund and reports to the Fund Pension Board and to the United Nations General Assembly on the audit every year. The Fund publishes quarterly reports on its investments and these can be viewed by visiting the Fund at [www.unjspf.org](http://www.unjspf.org).

#### **Service-incurred injury**

10.17 The Court entered into an agreement with an insurance company to offer coverage for service-incurred injuries for the Court's staff, judges, consultants and temporary assistants. The insurance premium is charged to the organization's budget and is reflected in the accounts under expenditures. The total premium paid during 2021 for this insurance in relation to the STFV staff members was €10 thousand.

## 11. Net assets/equity

<i>In thousands of euros</i>	<i>2021</i>	<i>2020 restated</i>
Reparations programme	2,966	2,821
Assistance programme	7,635	10,165
Incidental Programme Costs	1,156	1,416
<i>Total programmatic fund balances</i>	<i>11,758</i>	<i>14,402</i>
Secretariat of the Trust Fund – remeasurement gains / (losses) for post-employment plans	(151)	(419)
Secretariat of the Trust Fund – other fund balances	(511)	(92)
<i>Secretariat of the Trust Fund</i>	<i>(662)</i>	<i>(511)</i>
<b>Total</b>	<b>11,096</b>	<b>13,891</b>

## 12. Revenue

<i>In thousands of euros</i>	<i>2021</i>	<i>2020</i>
<i>Assessed contributions (non-exchange)</i>	<i>3,200</i>	<i>3,226</i>
<i>Voluntary contribution (non-exchange)</i>		
Earmarked contributions	1,590	712
Non-earmarked contributions	1,379	2,291
<i>Sub-total voluntary contributions</i>	<i>2,969</i>	<i>3,003</i>
<i>Financial revenue (exchange)</i>		
Interest revenue	1	14
Net foreign exchange gain	269	126
<i>Sub-total financial revenue</i>	<i>270</i>	<i>140</i>
<i>Other revenue (non-exchange)</i>	<i>-</i>	<i>330</i>
<b>Total</b>	<b>6,439</b>	<b>6,699</b>

### Contributions in kind

12.1 The Court provides various services free of charge to the Trust Fund, including office space, equipment and administrative services.

12.2 In 2021 TFV received services-in-kind related to short-term pro bono personnel. The value of such services received by TFV in 2021 is estimated at €11 thousand.

## 13. Expenses

<i>In thousands of euros</i>	<i>2021</i>	<i>2020 restated</i>
Administrative expenses	3,340	3,135
Reparations expenses	1,887	27
Reparations provision revaluation	17	(33)
Sexual and gender-based violence project expenses	619	417
Other Assistance project expenses	3,356	1,451
<b>Total</b>	<b>9,219</b>	<b>4,997</b>



13.1 Expenses include administrative costs of implementing partners related to Assistance projects as follows: Uganda - €131 thousand, Central African Republic - €97 thousand, Cote d'Ivoire - €22 thousand, Democratic Republic of the Congo - US\$108 thousand.

## 14. Statement of comparison of budget and actual amounts

14.1 The Trust Fund's budget and accounts are prepared on different bases. The Statement of financial position, Statement of financial performance, Statement of changes in net assets/equity and Statement of cash flows are prepared on a full accrual basis, whereas the Statement of comparison of budget and actual amounts (Statement V) is prepared on a modified cash basis of accounting.

14.2 As required under IPSAS 24, where the financial statements and the budget are not prepared on a comparable basis, the actual amounts presented on a comparable basis to the budget are reconciled to the actual amounts presented in the financial statements, identifying separately any basis, timing and entity differences. There are also differences in formats and classification schemes adopted for the presentation of financial statements and the budget.

14.3 Differences in basis occur when the approved budget is prepared on a basis other than the accounting basis, as stated in paragraph 14.1 above.

14.4 Timing differences occur when the budget period differs from the reporting period reflected in the financial statements. There are no timing differences for the Trust Fund for the purposes of comparison of the budget and the actual amounts.

14.5 Entity differences occur when the budget omits programmes or entities that are part of the entity for which the financial statements are prepared. Entity differences include reparations and assistance funds that are reported in detail in the financial statements but are not included in the budgetary process.

14.6 Differences in presentation are due to differences in the format and classification schemes adopted for the presentation of the Statement of cash flows and Statement of comparison of budget and actual amounts.

14.7 Reconciliation between the actual amounts on a comparable basis in the Statement of comparison of budget and actual amounts (Statement V) and the actual amounts in the Statement of cash flows (Statement IV) for the period ended 31 December 2021 is presented below:

<i>In thousands of euros</i>	<i>Operating</i>	<i>Investing</i>	<i>Financing</i>	<i>Total</i>
<b>Actual amount on comparable basis (Statement V)</b>	1	-	-	1
Basis differences	281	-	-	281
Presentation differences	282	-	(282)	-
Entity differences	(4,506)	-	-	(4,506)
<b>Actual amount in the Statement of cash flows (Statement IV)</b>	<b>(3,942)</b>	-	<b>(282)</b>	<b>(4,224)</b>

14.8 Open commitments including open purchase orders versus accrued expenses and net cash flows from operating activities are presented as basis differences. The settlement of Trust Fund for Victim's surplus/deficit, that do not form part of the Statement of comparison of budget and actual amounts are reflected as presentation differences. Under entity differences, the activities funded from voluntary contributions that are reported in the financial statements are included, as these are not included in the budgetary process.

14.9 An explanation of material differences between the budget and actual amounts is included in the Report on Activities and Programme Performance of the International Criminal Court for the year 2021.

## 15. Segment Reporting

### Statement of financial position by segment as at 31 December 2021

<i>In thousands of euros</i>	<i>Reparations Programme</i>	<i>Assistance Programme</i>	<i>Incidental Programme Costs</i>	<i>Secretariat of the Trust Fund</i>	<i>Inter-segment</i>	<i>Total</i>
<b>Assets</b>						
<i>Current assets</i>						
Cash and cash equivalents	7,686	6,896	930	-	-	15,512
Prepayments and other current assets	1,103	440	-	-	-	1,543
Inventory	-	-	-	-	-	-
Receivables	293	301	232	417	(17)	1,226
<b>Total current assets</b>	<b>9,082</b>	<b>7,637</b>	<b>1,162</b>	<b>417</b>	<b>(17)</b>	<b>18,281</b>
<i>Non-current assets</i>						
Receivables	-	-	-	-	-	-
<b>Total non-current assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>9,082</b>	<b>7,637</b>	<b>1,162</b>	<b>417</b>	<b>(17)</b>	<b>18,281</b>
<b>Liabilities</b>						
<i>Current liabilities</i>						
Accounts payable	2	1	0	17	(17)	3
Provisions	3,336	-	-	-	-	3,336
Deferred revenue and accrued expenses	181	1	6	-	-	185
Employee benefit liabilities	-	-	3	232	-	235
<b>Total current liabilities</b>	<b>3,519</b>	<b>2</b>	<b>6</b>	<b>116</b>	<b>(17)</b>	<b>3,759</b>
<i>Non-current liabilities</i>						
Accounts payable	-	-	-	35	-	35
Provision	2,597	-	-	-	-	2,597
Employee benefit liabilities	-	-	-	794	-	794
<b>Total non-current liabilities</b>	<b>2,597</b>	<b>-</b>	<b>-</b>	<b>829</b>	<b>-</b>	<b>3,426</b>
<b>Total liabilities</b>	<b>6,116</b>	<b>2</b>	<b>6</b>	<b>1,078</b>	<b>(17)</b>	<b>7,185</b>
<b>Net assets/equity</b>	<b>2,966</b>	<b>7,635</b>	<b>1,156</b>	<b>(662)</b>	<b>-</b>	<b>11,096</b>
<b>Total liabilities and net assets/equity</b>	<b>9,082</b>	<b>7,637</b>	<b>1,162</b>	<b>416</b>	<b>(17)</b>	<b>18,281</b>

### Statement of financial performance by segment for the year ended 31 December 2021

<i>In thousands of euros</i>	<i>Reparations Programme</i>	<i>Assistance Programme</i>	<i>Incidental Programme Costs</i>	<i>Secretariat of the Trust Fund</i>	<i>Total</i>
<b>Revenue</b>					
Assessed contributions	-	-	-	3,200	3,200
Voluntary contributions	873	2,096	-	-	2,969
Financial revenue	154	116	-	-	270
<b>Total revenue</b>	<b>1,027</b>	<b>2,212</b>	<b>-</b>	<b>3,200</b>	<b>6,439</b>
<b>Expenses</b>					
Administrative expenses	2	1	-	3,337	3,340
Sexual and gender-based violence project expenses	-	619	-	-	619
Other assistance project expenses	-	3,121	235	-	3,356
Reparations expenses	1,862	-	25	-	1,887
Reparations provision revaluation	17	-	-	-	17
<b>Total expenses</b>	<b>1,881</b>	<b>3,741</b>	<b>260</b>	<b>3,337</b>	<b>9,219</b>
<b>Surplus/(deficit) for the period</b>	<b>(854)</b>	<b>(1,529)</b>	<b>(260)</b>	<b>(137)</b>	<b>(2,780)</b>

## Statement of financial position by segment as at 31 December 2020

<i>In thousands of euros</i>	<i>Reparations Programme</i>	<i>Assistance Programme</i>	<i>Incidental Programme Costs</i>	<i>Secretariat of the Trust Fund</i>	<i>Total</i>
<b>Assets</b>					
<i>Current assets</i>					
Cash and cash equivalents	8,751	9,359	1,416	-	19,526
Prepayments and other current assets	52	682	-	-	734
Inventory	4	-	-	-	4
Receivables	-	132	-	282	414
<b>Total current assets</b>	<b>8,809</b>	<b>10,175</b>	<b>1,416</b>	<b>282</b>	<b>20,678</b>
<i>Non-current assets</i>					
Receivables	-	-	-	417	417
<b>Total non-current assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>417</b>	<b>417</b>
<b>Total assets</b>	<b>8,809</b>	<b>10,175</b>	<b>1,416</b>	<b>697</b>	<b>21,095</b>
<b>Liabilities</b>					
<i>Current liabilities</i>					
Accounts payable	-	6	-	-	6
Provisions	2,415	-	-	76	2491
Deferred revenue and accrued expenses	516	1	-	-	517
Employee benefit liabilities	-	-	-	207	207
<b>Total current liabilities</b>	<b>2,930</b>	<b>7</b>	<b>-</b>	<b>283</b>	<b>3,221</b>
<i>Non-current liabilities</i>					
Provision	3,058	-	-	-	3,058
Employee benefit liabilities	-	-	-	925	925
<b>Total non-current liabilities</b>	<b>3,058</b>	<b>-</b>	<b>-</b>	<b>925</b>	<b>3,983</b>
<b>Total liabilities</b>	<b>5,988</b>	<b>7</b>	<b>-</b>	<b>1,208</b>	<b>7,204</b>
<b>Net assets/equity</b>	<b>2,821</b>	<b>10,165</b>	<b>1,416</b>	<b>(510)</b>	<b>13,891</b>
<b>Total liabilities and net assets/equity</b>	<b>8,809</b>	<b>10,175</b>	<b>1,416</b>	<b>697</b>	<b>21,095</b>

## Statement of financial performance by segment for the year ended 31 December 2020

<i>In thousands of euros</i>	<i>Reparations Programme</i>	<i>Assistance Programme</i>	<i>Incidental Programme Costs</i>	<i>Secretariat of the Trust Fund</i>	<i>Total</i>
<b>Revenue</b>					
Assessed contributions	-	-	-	3,226	3,226
Voluntary contributions	100	2,903	-	-	3,003
Financial revenue	172	(32)	-	-	140
Other revenue	330	-	-	-	330
<b>Total revenue</b>	<b>602</b>	<b>2,871</b>	<b>-</b>	<b>3,226</b>	<b>6,699</b>
<b>Expenses</b>					
Administrative expenses	-	-	-	3,135	3,135
Sexual and gender-based violence project expenses	-	417	-	-	417
Other assistance project expenses	-	1,437	14	-	1,451
Reparations expenses	27	-	-	-	27
Reparations provision revaluation	(33)	-	-	-	(33)
<b>Total expenses</b>	<b>(6)</b>	<b>1,854</b>	<b>14</b>	<b>3,135</b>	<b>4,997</b>
<b>Surplus/(deficit) for the period</b>	<b>608</b>	<b>1,017</b>	<b>(14)</b>	<b>91</b>	<b>1,702</b>

## 16. Related party disclosures

16.1 The expense recognized includes aggregate remuneration paid to key management personnel, including net salaries, post adjustment, entitlements, assignment and other grants, rental subsidy, employer contributions to the pension plan and current health insurance contributions. It also includes expense in respect of post-employment benefits and other long-term benefits.

16.2 The key management personnel of the Trust Fund are the Board of Directors and the Executive Director. The Board serves on a pro bono basis.

16.3 The expense recognized during the year and outstanding balances of receivables at year end are as follows:

<i>In thousands of euros</i>	<i>No. of individuals</i>	<i>Aggregate remuneration</i>	<i>Receivables</i>
Key management personnel	6	208	-

16.4 Key management personnel also qualify for post-employment benefits and other long-term benefits. At year end, accrued liabilities amounted to:

<i>In thousands of euros</i>	<i>Annual leave accrual</i>	<i>Other long-term benefits</i>	<i>Post-employment benefits</i>	<i>Total</i>
Key management personnel	31	1	168	200

16.5 In 2021, the Assembly approved an appropriation of €3,200 thousand for the Secretariat of the Trust Fund for Victims, which administers the Trust Fund and provides administrative support to the Board and its meetings. The amount of assessment less expenses incurred resulted in deficit of €35 thousand for STFV in 2021. This amount is recognized as a liability towards the Court.

16.6 The Court provides various services free of charge to the Trust Fund, including office space, equipment and administrative services. Related party transaction balances with the Court are disclosed under the notes 6 and 7.

## 17. Commitments

17.1 Commitments include purchase orders and service contracts that are not delivered as at end of the reporting period. As at 31 December 2021, the Trust Fund had commitments of €3,829 thousand.

<i>In thousands of euros</i>	<i>2021</i>	<i>2020</i>
Reparations mandate	1,642	110
Assistance mandate	1,823	995
Incidental Programme Costs	364	-
<b>Total</b>	<b>3,829</b>	<b>1,105</b>

## 18. Events after the reporting date

18.1 On the date of signing of these accounts, there were no material events, favourable or unfavourable, between the reporting date and the date on which the financial statements were authorized for issue that affected these statements.

## Annex

## Schedule 1

## Status of projects as at 31 December 2021

Annual project	Project currency	Committed Funds	Outstanding advances/refunds due at 1 January 2021	Advances Paid	Expense recorded	Refunds collected	Outstanding advances at 31 December 2021	Expenses (including prior years)
TFV/DRC/2007/R2/026 - Réintégration psychosociale et socioéconomique des filles-mères victimes des guerres en Ituri (PO 5100124)	USD	150,000	80	75,000	75,080	-	-	150,000
TFV/DRC/2007/R2/033 - Psychological support and social and economic reintegration projects aimed at victim survivors of sexual violence in North Kivu - Beni Territory (PO 5100125)	USD	150,000	4,295	75,000	79,295	-	-	150,000
TFV/DRC/2007/R1/019 - A l'école de la paix (PO5100126)	USD	150,000	512	75,000	75,512	-	-	150,000
TFV/DRC/2007/R2/032 - Accompagnement psychosociale et réinsertion socioéconomique de 550 jeunes femmes victimes des violences sexuelles dans les territoires de Mwenga et Walungu à l'Est de la RDC (PO 5100127)	USD	149,800	0	74,900	74,900	-	-	149,800
TFV/DRC/2007/R1/043 - Réhabilitation psychologique et appui medical et socio-économique aux victimes des mutilations et de tortures dans la Province de Ituri (PO 5100128)	USD	150,000	52,792	22,500	75,292	-	-	150,000
TFV/DRC/2007/R1/004 - Media de l'Ituri pour la promotion de la culture de la paix et la cohésion sociale (PO 5100129)	USD	140,600	11	70,300	70,311	-	-	140,600
TFV/DRC/2007/R1/011 - Projet d'Appui à la cohabitation pacifique et réinsertion socio-économique des victimes des conflits armés dans les territoires de Djugu et Maliagi, Province de l'Ituri (PO 5100130)	USD	150,000	13	75,000	75,013	-	-	150,000
TFV/DRC/2007/R1/021 - Pour une réhabilitation psychologique de qualité des survivant(e)s des violences sexuelles (SVS) du Sud-Kivu dans le cadre de la prise en charge holistique offerte au sein du HGR de Panzi (PO 5100131)	USD	130,000	14,777	65,000	79,777	-	-	130,000
TFV/DRC/2007/R2/031 - Assistance et réhabilitation des survivants des violences sexuelles et autres crimes contre l'humanité dans la Province du Nord Kivu (PO 5100133)	USD	150,000	10,099	75,000	85,099	-	-	150,000
TFV/DRC/2007/R1/001 - Physical Rehabilitation to Survivors of SGBV in Eastern DR Congo (PO 5100134)	USD	149,985	61,511	74,992	136,503	-	-	149,985
TFV/UG/2007/R1/018 - Integrated Physical and Psychological Rehabilitation Assistance for Victims in Northern Uganda (PO5100143)	EUR	300,000	32,885	45,000	77,885	-	-	300,000
TFV/UG/2007/R1/005 - Centre for expertise in psychological support services for war-affected individuals, families and communities (PO5100144)	EUR	300,000	69,522	45,000	114,522	-	-	300,000
TFV/UG/2007/R1/020 - Treating the Mental Health Needs of Ugandan Victims of War Crimes: A Service and Capacity Building Approach (PO5100145)	EUR	300,000	1,559	45,000	46,559	-	-	300,000
TFV/UG/2007/R1/014b - Integrated Physical and Psychological Rehabilitation Assistance for Victims in Northern Uganda (PO5100146)	EUR	300,000	152,525	45,000	197,525	-	-	300,000
TFV/UG/2007/R2/041 - Provision of Integrated Physical and Psychological Rehabilitation Assistance to War Victims in Northern Uganda (PO5100147)	EUR	300,000	71,244	45,000	116,244	-	-	300,000
TFV/CAR/2007/R1/001 - Assistance aux victimes de la situation en République Centrafricaine (PO 5100148)	EUR	250,000	81,311	125,000	206,311	-	-	250,000
TFV/CIV/2020/R1/001 - Projet intégré de Renforcement des Opportunités en faveur des Victimes pour leur Inclusion Économique et Sociale «PRO-VIES» (PO 5100152)	EUR	98,214	49,107	39,286	63,645	-	24,748	63,645
TFV/CIV/2020/R1/002 - Projet d'assistance et de prise en charge des victimes des crises à l'Ouest de la Côte d'Ivoire (PO5100153)	EUR	100,610	50,305	50,305	62,530	-	38,080	62,530
TFV/CIV/2020/R1/003 - Soulager les victimes de la commune Yopougon et d'Abobo de la crise de 2011 pour contribuer à la cohésion sociale en Côte d'Ivoire: graine de paix (PO 5100154)	EUR	100,609	50,305	-	34,250	-	16,075	34,250
TFV/CAR/2020/R1/002 - Renforcement d'accès aux soins psychologiques et un soutien matériel pour les victimes des violences sexuelles liées aux conflits en RCA (PO 5100155)	EUR	177,972	-	74,976	74,673	-	303	74,673
TFV/CAR/2020/R1/003 - Soutien à la réhabilitation physique, psychosociale et à la réintégration socio-économique des victimes de conflits relevant de la responsabilité de la CPI dans la préfecture de la Kemo, République Centrafricaine (PO 5100156)	EUR	180,000	-	135,000	134,960	-	40	134,960
TFV/CAR/2020/R1/004 - Services de réhabilitation physique, psychologique et réinsertion économique intégrés aux survivants des violences sexuelles et basées sur le genre et leur familles liées aux conflits dans l'Ombella M'Poko en République Centrafricaine (PO 5100157)	EUR	292,002	-	262,802	146,001	-	116,801	146,001
TFV/CAR/2020/R1/006 - Assistance en vue de la réhabilitation physique, psychologique et soutien socio-économique aux victimes dans la situation de la République Centrafricaine (PO 5100158)	EUR	170,000	-	135,000	134,985	-	15	134,985
TFV/CAR/2020/R1/005 - Projet d'assistance en vue de la réhabilitation physique, psychologique et soutien socio-économique aux victimes des violences liées aux conflits dans l'Ouham Pende et l'Ouham en République Centrafricaine (PO 5100159)	EUR	150,000	-	135,000	83,517	-	51,483	83,517
TFV/UG/2007/R1/018 - Integrated Physical and Psychological Rehabilitation Assistance for Victims in Teso Sub Region and Northern Uganda (PO 5100164)	EUR	300,000	-	248,281	248,281	-	-	248,281
TFV/UG/2007/R2/041 - Provision of Integrated Physical and Psychological Rehabilitation Assistance to War Victims in Northern Uganda (PO 5100165)	EUR	300,000	-	255,000	201,780	-	53,220	201,780
TFV/UG/2007/R1/005 - Centre for expertise in psychological support services for war-affected individuals, families and communities (PO 5100166)	EUR	300,000	-	255,000	233,665	-	21,335	233,665
TFV/UG/2007/R1/014b - Integrated Physical and Psychological Rehabilitation Assistance for Victims in Northern Uganda (PO 5100167)	EUR	300,000	-	150,000	146,095	-	3,905	146,095
TFV/UG/2007/R1/020 - Treating the Mental Health Needs of Ugandan Victims of War Crimes: A Service and Capacity Building Approach (PO5100168)	EUR	300,000	-	255,000	218,641	-	36,359	218,641
TFV/DRC/2007/R2/026 - Réintégration psychosociale et socioéconomique des filles-mères victimes des guerres en Ituri (PO 5100170)	USD	143,317	-	71,658	71,658	-	-	71,658
TFV/DRC/2007/R2/033 - Psychological support and social and economic reintegration projects aimed at victim survivors of sexual violence in North Kivu - Beni Territory (PO 5100171)	USD	143,317	-	71,658	71,658	-	-	71,658
TFV/DRC/2007/R2/032 - Accompagnement psychosociale et réinsertion socioéconomique de 550 jeunes femmes victimes des violences sexuelles dans les territoires de Mwenga et Walungu à l'Est de la RDC (PO 5100172)	USD	143,126	-	71,563	71,563	-	-	71,563
TFV/DRC/2007/R1/021 - Pour une réhabilitation psychologique de qualité des survivant(e)s des violences sexuelles (SVS) du Sud-Kivu dans le cadre de la prise en charge holistique offerte au sein du HGR de Panzi (PO 5100173)	USD	124,208	-	62,104	28,685	-	33,419	28,685
TFV/DRC/2007/R2/031 - Assistance et réhabilitation des survivants des violences sexuelles et autres crimes contre l'humanité dans la Province du Nord Kivu (PO 5100174)	USD	143,317	-	71,658	70,152	-	1,506	70,152
TFV/DRC/2007/R1/019 - A l'école de la paix (PO 5100175)	USD	143,317	-	71,658	60,493	-	11,165	60,493
TFV/DRC/2007/R1/043 - Réhabilitation psychologique et appui medical et socio-économique aux victimes des mutilations et de tortures dans la Province de Ituri (PO 5100176)	USD	143,317	-	121,819	71,658	-	50,161	71,658
TFV/DRC/2007/R1/004 - Assistance aux victimes par la réhabilitation psychologique et la promotion de la culture de la paix et la cohésion sociale en Ituri (PO 5100177)	USD	134,328	-	67,164	62,538	-	4,626	62,538
TFV/DRC/2007/R1/011 - Projet d'Appui à la cohabitation pacifique et réinsertion socio-économique des victimes des conflits armés dans les territoires de Djugu et Maliagi, Province de l'Ituri à l'Est de la RD Congo (PO 5100178)	USD	143,317	-	71,658	71,629	-	29	71,629
TFV/DRC/2007/R1/001 - Physical Rehabilitation to Survivors of SGBV in Eastern DR Congo (PO 5100180)	USD	149,995	-	-	-	-	-	-
TFV/CIV/2020/R1/001 - Projet intégré de Renforcement des Opportunités en faveur des Victimes pour leur Inclusion Économique et Sociale «PRO-VIES» (PO 5100184)	EUR	166,786	-	-	-	-	-	-
TFV/CIV/2020/R1/002 - Projet d'assistance et de prise en charge des victimes des crises à l'Ouest de la Côte d'Ivoire (PO 5100185)	EUR	159,390	-	-	-	-	-	-
TFV/CIV/2020/R1/003 - Soulager les victimes de la commune Yopougon et d'Abobo de la crise de 2011 pour contribuer à la cohésion sociale en Côte d'Ivoire: graine de paix (PO 5100186)	EUR	110,391	-	-	-	-	-	-

Annual project	Project currency	Committed Funds	Outstanding advances/refunds due at 1 January 2021	Advances Paid	Expense recorded	Refunds collected	Outstanding advances at 31 December 2021	Expenses (including prior years)
<b>Reparations Mandate</b>								
Katanga Collective Reparations (PO 4701358)	USD	15,226	5,862	-	3,230	2,632	0	12,594
Al Mahdi - Identification of Victims (PO 4701404)	XOF	9,476,500	1,230,297	4,116,500	4,114,200	1,232,597	-	8,243,903
Katanga Collective Reparations (PO 4701447)	USD	317,571	48,680	100,623	89,743	-	62,573	185,790
Katanga Collective Reparations (PO 4701448)	USD	82,275	3,800	20,472	7,715	1,886	17,689	19,598
Lubanga - Identification of Victims (PO 4701501)	USD	22,978	-	20,923	22,908	-	70	22,908
Al Mahdi Individual Reparations (PO 4701517)	XOF	19,577,000	-	19,577,000	14,821,219	-	4,755,781	14,821,219
Al Mahdi Individual Reparations (PO 4701518)	XOF	233,839,400	-	193,630,917	179,289,441	-	14,341,476	179,289,441
Al Mahdi Symbolic Reparations (PO 4701523)	XOF	52,988,400	-	52,988,400	33,480,272	19,508,128	-	33,480,272
Ntaganda - Identification of Victims (PO 4701537)	USD	6,730	-	6,730	5,570	-	1,160	5,570
Katanga Collective Reparations - Psychological Consultant (PO 4904290)	EUR	34,916	-	-	24,080	-	-	24,080
Katanga Collective Reparations - Psychological Consultant (PO 4904449)	USD	3,000	-	-	3,000	-	-	3,000
TFV/MLI/REP/ALM/2020/002 - Réparation durable des moyens économiques et valeurs communautaires des victimes de la guerre à Tombouctou	EUR	400,000	-	200,000	108,365	-	91,635	108,365
TFV/MLI/REP/ALM/2020/001 - Réparations collectives symboliques et pour préjudice moral à Tombouctou et Bamako (PO 5100161)	EUR	105,000	-	99,750	49,218	-	50,532	49,218
Al Mahdi Symbolic Reparations - Captation de la cérémonie de réparations (PO 5100162)	EUR	7,242	-	-	7,242	-	-	7,242
Al Mahdi Symbolic Reparations - Voice of the victims (PO 5100163)	XOF	18,552,771	-	-	18,545,000	-	-	18,545,000
TFV/DRC/2007/R2/026 - Intégration de services complémentaires pour les victimes en situation d'urgence dans le cadre de l'Affaire Ntaganda (PO 5100170)	USD	150,000	-	75,000	-	-	-	-
TFV/DRC/2007/R1/043 - Réhabilitation psychologique et appui médical et socio-économique aux victimes des mutilations et de tortures dans la Province de l'Ituri (PO 5100176)	USD	150,000	-	75,000	-	-	-	-
TFV/DRC/REP/LUB/2021/001 - Réparations collectives sous forme de services apportées aux victimes des crimes pour lesquels Thomas Lubanga Dyilo a été reconnu coupable (PO 5100169)	USD	2,210,041	-	1,105,021	819,691	-	285,330	819,691
Katanga Collective Reparations - Purchase of Motorbikes (PO 5100179)	USD	3,600	-	-	-	-	-	-
TFV/DRC/REP/LUB/2021/002 - Réparations collectives symboliques apportées aux victimes relatives à la condamnation de Thomas Lubanga Dyilo par la Cour pénale internationale (PO 5100181)	USD	590,000	-	295,000	-	-	295,000	-
TFV/MLI/REP/ALM/2021/001 - Sécurisation et renforcement des biens du Patrimoine culturel de Tombouctou (PO 5100182)	EUR	427,049	-	213,534	-	-	213,534	-
<b>Incidental Program Costs</b>								
Situational Assessments - Mali (PO 4701437)	XOF	3,652,086	-	-	-86	-	-	3,652,000
Fundraising and Visibility - Outreach Sessions in CAR (PO 4701528)	XOF	5,000,000	-	5,000,000	5,000,000	-	-	5,000,000
Monitoring and Evaluation - Advisory Services on MIS and M&E (PO 4904333)	EUR	39,000	-	-	32,500	-	-	32,500
Monitoring and Evaluation - Independent External Evaluations (PO 5100183)	EUR	287,800	-	-	-	-	-	-
Fundraising and Visibility - Advisory Services on public donor funding (PO 4904441)	EUR	49,500	-	-	-	-	-	-
Fundraising and Visibility - Visual Journalist in DRC (PO 4904454)	EUR	20,000	-	-	-	-	-	-



## Final audit report on the financial statements of the Trust Fund for Victims for the year ended 31 December 2021

### *Table of contents*

Executive Summary .....	32
<b>I. Audit objectives, scope and approach .....</b>	<b>33</b>
<b>II. Restatement of prior year financial statements .....</b>	<b>33</b>
<b>III. Recommendations and observations .....</b>	<b>34</b>
1. Internal controls for implementing partners .....	34
2. Disclosure of provisions .....	35
3. Statement of comparison of budget and actual amounts .....	36
<b>IV. Follow-up of previous recommendations.....</b>	<b>37</b>
<b>V. Summary of the financial position .....</b>	<b>38</b>
<b>VI. Investments of financial resources.....</b>	<b>38</b>
<b>VII. Monitoring of voluntary contributions .....</b>	<b>39</b>
<b>VIII. Acknowledgments .....</b>	<b>40</b>

## Executive Summary

*The Board of Audit and Inspection of the Republic of Korea was appointed to serve in the capacity of the External Auditor of the International Criminal Court (ICC) and the Trust Fund for Victims (TFV) for four financial years 2021-2024, at the fourth plenary meeting of the Assembly of States Parties on 16 December 2020.*

*To carry out the initial audit engagement as the External Auditor in accordance with the International Standards on Auditing and other relevant regulations, we communicated with the predecessor auditor, Cour de Comptes, and performed an interim audit in December 2021 to understand the TFV's operations and environment and identify various risk factors that will determine the focus of audit team's efforts. We conducted a final audit for three weeks in May 2022, by performing audit procedures to test the appropriateness of journal entries and accounting estimates, and verifying evidence about amounts and disclosures in the financial statements. Audit results were discussed and reviewed with the relevant level of staff members from the TFV and the ICC.*

*Based on the audit, we have provided an unmodified audit opinion on the financial statements of the TFV for the year ended 31 December 2021, by concluding that they present fairly, in all material respects, the financial position, financial performance, changes in net assets, cash flows, and comparison of budget and actual amounts for the year ended 31 December 2021 in accordance with the International Public Sector Accounting Standards (IPSAS).*

*During the audit, we found that up to the financial year of 2020, the employee benefit liabilities and related expenses for the Secretariat of the TFV have been recorded in the financial statements of the ICC. This accounting treatment is not consistent with the Accounting Policies of the ICC that stipulates the TFV is a separate reporting entity. It is a material error that IPSAS 3 'Accounting Policies, Changes in Accounting Estimates, and Errors' requires restatements thereof to be made retrospectively. Upon the request by the External Auditor, the TFV corrected these prior period errors by restating the comparative amounts for FY 2020, which resulted in decreases of € 940 thousand and € 133 thousand in net assets/equity and surplus of the prior year, respectively.*

*The External Auditor also recommended that the TFV strengthen its multi-layered control system on the implementing partners to enhance the compliance and performance of their activities and that the detailed information including the accounting policy concerning provisions of the TFV, changes in provisions, and status of projects as at the reporting date be clearly and concisely stated in Notes or Annex to financial statements to offer more sufficient and understandable information to readers.*

*With the expansion of projects in both reparations and assistance programmes, the TFV's financial performance for the FY 2021 recorded a substantial deficit of € 2.780 million, contrary to the surplus for the past two years. In 2021, programme expenses surged by over € 4 million compared to the previous year, amounting to € 5.879 million; however, on the revenue side, with a voluntary contribution of € 2.969 million, the TFV suffered a continued stagnation in the growth of funding sources. Accordingly, net assets/equity as at the end of 2021 decreased by a similar amount of € 2.795 totaling € 11.096 million, a 20 percent decline from the prior year, and the level of cash and cash equivalents diminished from € 19.526 million in 2020 to € 15.512 million in 2021.*

*Finally, we would like to express our deepest gratitude to all the members of the TFV and the ICC who had been supportive and cooperative during the audit.*



## I. Audit objectives, scope and approach

1. We have audited the financial statements of the Trust Fund for Victims (TFV) in accordance with the International Standards on Auditing (ISA) and Regulation 12 of the Financial Regulations and Rules (FRR) of the International Criminal Court (ICC), including the additional terms of reference governing the audit of the TFV.
2. The objective of the audit is to determine with reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, thereby enabling the External Auditor to express an opinion that the financial statements present fairly, in all material respects, the TFV's financial position, financial performance, changes in net assets/equity, cash flows, and comparison of budget and actual amounts in accordance with the International Public Sector Accounting Standards (IPSAS) for the financial year 2021.
3. The additional terms of reference governing the External Auditor are set out in the annex to the FRR, paragraph 6 (c), which stipulates that the External Auditor can indicate other matters that should be brought to the notice of the Assembly of States Parties (ASP) such as improper use of the TFV's money and other assets, and any expenditure not in accordance with the intention of ASP.
4. The audit consisted of three phases:
  - (a) Communication with the previous auditor (held remotely on 8 March and 4 May 2021, and in-person on 7 September 2021) focused on risk analysis to conduct an initial audit engagement of the external audit mandate as well as hand-over discussion with the predecessor auditor, Cour des Comptes;
  - (b) An interim audit (held from 1 to 10 December 2021) concentrated on understanding the TFV's activities and environment, and performing walk-throughs on various internal control procedures; and
  - (c) A final audit (held from 4 to 24 May 2022) focused on obtaining evidence on the account balances and satisfying disclosure requirements in the financial statements imposed by IPSAS.
5. The audit findings were discussed with the Executive Director of the TFV and his staff, and the Division of Management Services (DMS) of the ICC. The closing meeting was held on 24 May 2022 and the draft recommendations and observations have been reviewed, taking into account the written comments sent by the TFV.
6. The External Auditor received a Letter of Management Representation, signed by the Executive Director of the TFV on 13 July 2022.
7. We express an unmodified opinion on the financial statements of the TFV for the financial year ended 31 December 2021.

## II. Restatement of prior year financial statements

8. Up to FY 2020, employee benefit liabilities and related expenses for the Secretariat of the TFV (STFV) have been recorded in the financial statements of the ICC rather than in those of the TFV. The amounts that have not been recognized in the financial statements of the TFV as of the year-end of FY 2020 were employee benefit liabilities of € 1,132 thousand and a receivable from the ICC of € 192 thousand, respectively. In addition, € 133 thousand of expenses associated with employee benefits for the STFV were also excluded from the book of the TFV during FY 2020.
9. Annex I in the analysis section of the Accounting Policies states that the STFV resources should be reported within the financial statements of the TFV considering that:
  - TFV is a separate reporting entity by ASP resolution (ICC-ASP/4/Res.3);
  - TFV is independent from the ICC and managed by the Board of Directors which has overall accountability for the management of the TFV's budgetary and extra-budgetary resources, as well as oversight of the STFV;

- IPSAS 35 Consolidated Financial Statements requires the controlling entity to consolidate all controlled entities; and
  - in order to meet the IPSAS objectives of accountability of the entity for the resources entrusted to it, the TFV's financial statements should include all sources, allocation, and uses of financial resources, including those relating to the STFV.
10. During the on-site audit, we proposed employee benefits-related amounts for the STFV be removed from the ICC financial statements and be recognized in the TFV financial statements since the existing accounting treatment is inconsistent with the current Accounting Policies which stipulate that the TFV is a separate reporting entity. We also proposed this be communicated to the management and those charged with governance along with the predecessor auditor for their opinions in accordance with the ISA 710.
  11. IPSAS 3 Accounting Policies, Changes in Accounting Estimates, and Errors stipulates that a material prior year error shall be corrected by retrospective restatement, when practicable, in the first set of financial statements authorized for issue after its discovery. In the retrospective restatement, a prior year error can be corrected by adjusting the opening balance of each affected component of net assets/equity and the other comparative amounts for the prior period as if it had never occurred. IPSAS 3 differentiates corrections of prior year errors from changes in accounting estimates that may need revision prospectively as additional information becomes known. It also requires that the entity should separately disclose the amounts of each component of financial statements resulting from the correction of errors.
  12. The TFV accepted the External Auditor's request to correct prior year errors for its financial statements both for FY 2021 and FY 2020, and disclosed comparative information on the impact of prior year error correction in Notes 2.44 to the financial statements. The restatement of the financial statements for FY 2020 resulted in decreases of € 940 thousand and € 133 thousand in net assets/equity and surplus of the prior year, respectively. Meanwhile, for FY 2021, net assets/equity decreased by € 770 thousand and the deficit increased by € 98 thousand in comparison with the amounts in the financial statements initially prepared by the TFV.

### III. Recommendations and observations

#### 1. Internal controls for implementing partners

13. The TFV generally executes its reparations and assistance programmes through the implementing partners (IPs) who directly interact with the TFV beneficiaries and respond to their needs. In many instances, they are local and international NGOs. During the FY 2021, the TFV had a total of 29 IPs working on its pilot and regular programmes in the Central African Republic (CAR), Côte d'Ivoire, the Democratic Republic of the Congo (DRC), Mali and Uganda.
14. In June 2020, the TFV began evaluation of its IPs to prevent possible waste or misuse of resources by them and to identify issues that might hinder the fulfilment of contractual commitments in accordance with 'Internal Control and Verification Guidelines in Relation to TFV Implementing Partners'.
15. The guidelines require that Project Managers (PMs) share the verification reports<sup>1</sup> with the Headquarters usually within the second half of the second quarter. When problems are identified during the verification checks, PMs need to conduct additional checks to follow up on issues and evaluate the performance of IPs in the subsequent quarter. PMs are also required to submit the MAOT<sup>2</sup> to the Executive Director within the third quarter of programme implementation.

<sup>1</sup> PMs carry out verification checks to review the compliance of expenditures and management of the project undertaken by IPs. As a result of verification checks, verification reports and recommendations will be released.

<sup>2</sup> MAOT (Management Assessment Overview Tool) is a tool to assess recommended practices of the IPs. MAOT specifies detailed requirements that the IPs should follow during their contract period. PMs can score 5, 4, 1, or 0 for each item based on his or her assessment of whether individual practice is fulfilled or not.

16. During the audit of FY 2016, the predecessor auditor recommended the TFV require external audit reports from IPs and monitor recommendations thereof to improve the quality of work performed by IPs. With the adoption of the procurement process by the TFV for a centralized audit on IPs, however, the previous auditor acknowledged the closing of the recommendation in 2020, in consideration of the fact that the TFV can obtain audit reports and recommendations thereof from IPs.
17. To ensure all relevant procedures are effectively conducted, the External Auditor performed a sample test on six projects (two from the CAR, three from the DRC, and one from Uganda) whose verification reports had noticeable discrepancies<sup>3</sup> between the accounting book and supporting documents. We found that there was no exhaustive control sheet to confirm the receipt of all verification reports, the results of follow-ups, MAOT, and external audit reports from all IPs by the due date, at least once a year. This test revealed that only one out of six projects conducted a follow-up check; MAOT was not in place in one of those six sampled projects; no external audit reports were submitted in three projects. Moreover, three out of those five IPs whose discrepancies were not cleared through follow-up measures scored the highest point of 5 on section 2.1 of MAOT, which requires all transactions to be substantiated by supporting documents.
18. Upon the request of the External Auditor, the STFV drafted a control sheet to confirm the receipt of the abovementioned documents necessary to check the activities of all IPs, but it was found out that not all documents were prepared and submitted by the IPs. This means that there should be a systematic control environment where the activities of IPs are thoroughly evaluated and compensations are awarded accordingly.
19. **Recommendation 1. The External Auditor recommends that the TFV strengthen its multi-layered control system on the implementing partners concerning the evaluation of their services and verification of supporting documents prepared by them to enhance the compliance and performance of their activities.**

## 2. Disclosure of provisions

### [Accounting policy]

20. Provisions for reparation awards amount to € 5.933 million in FY 2021 and € 5.573 million in FY 2020 constituting a majority of the TFV's total liabilities (83 percent in FY 2021 and 76 percent in FY 2020).
21. According to the accounting practices adopted by the STFV, provisions for reparation awards are recognized when the Board of Directors (BoD) of the TFV at its discretion, having considered the availability of the TFV's financial resources, decides to allocate a certain amount to be used for a particular reparation case as a result of the Court Order, when the Court ascertains that a convicted person is indigent and not likely to compensate victims. For year-end book closing, provisions are reviewed to reflect the current best estimate and the total amount of provisions is divided into the current and non-current portions. The current provisions are calculated based on the best estimate of how much of the total provisions will be spent in the next 12 months from the reporting date while the remaining balance is considered non-current.
22. IPSAS 19 Provisions, *Contingent Liabilities and Contingent Assets* prescribes that an entity shall disclose the nature of the obligation and the expected timing of resulting outflows of economic benefits, and the major assumptions made concerning future events, where necessary to provide adequate information.
23. The External Auditor observes that the Accounting Policies and Note to provisions (Note 8) are silent on the specific timing and sufficient reasons for the recognition of provisions for the reparation awards. They are also silent on how the current and non-current provision is calculated.
24. The Accounting Policies specifically outline that the non-current portion of the provision is discounted if the time value of money has a material effect on the provision, which is

<sup>3</sup> From € 670 to € 8,092 in total by each report.

aligned with the IPSAS 19. Technically, the External Auditor would require this analysis to determine whether the time value of money has a material effect on provisions.

25. The TFV, however, currently has only a short-term plan on appropriations of the available resource for the next 12 months from the end of the financial year and no subsequent multi-annual plans beyond that period, which, therefore, makes it difficult for the TFV to discount the non-current portion of the provisions. For the TFV to assess the time value of the non-current provisions, it also requires the appropriate discount rate. Given that the current risk-free interest rate is close to 0 percent, we assume that there may not be a material effect on the provision amount. Going forward, however, the trend of the interest rates may be increasing globally, and therefore, in subsequent years, the TFV will need to establish the multi-annual plan as well as the appropriate risk-free interest rate to discount the non-current provision unless the Accounting Policies, in line with IPSAS, can justify the reason for not discounting the provision.

#### **[Changes in provisions]**

26. IPSAS 19 stipulates that provisions should be reviewed at each reporting date, and adjusted to reflect the current best estimate. The changes in provisions for reparation awards are provided in a table in Note 8.
27. It would be more informative to disclose information that shows how much is allocated by the BoD and the STFV has settled its obligations as at the reporting date compared to the total amount of the reparations order for each case, even though the total reparations order is not the liabilities of the TFV. The table in Note 8 could be expanded to represent the movement in provisions not at an aggregate level but for each reparations order separately.

#### **[Schedule 1: Status of Project as at year-end]**

28. Schedule 1 illustrating the status of projects as at the reporting date has been annexed to the financial statements since FY 2017 because the predecessor auditor suggested inserting a table showing a list of all annual projects along with the information about the annual budget allocated, outstanding advances, and expenses incurred to each project to give a fair view of the TFV's activities. Chapter 3 *Qualitative Characteristics of IPSAS Conceptual Framework for General Purpose Financial Reporting by public sector Entities* states that general purpose financial reports of public sector entities should present information in a manner that responds to the needs and knowledge base of users by classifying, characterizing, and presenting information clearly and concisely to enhance understandability.
29. However, with multiple currencies untranslated into the presentation currency of the Euro, the current table (Schedule 1) may not be easy for readers to grasp the overall picture of the TFV's activities by connecting the balances back up to the financial statements. This problem had already been raised by the predecessor auditor, Cour des Comptes, in the audit report in FY 2020, where they suggested summarizing, through a narrative paragraph added to the financial statements, the amounts of resources committed to the TFV's growing number of projects to mitigate difficulties that the users of the financial statements may encounter.
30. **Recommendation 2. The External Auditor recommends that the accounting policy concerning provisions of the TFV be clearly stated in Notes to financial statements and Accounting Policies to provide adequate and sufficient information to readers. In addition, the TFV should provide detailed information on changes in provisions by each case of reparations orders and on the status of projects more clearly and concisely to enhance understandability.**

### **3. Statement of comparison of budget and actual amounts**

31. IPSAS 24 *Presentation of Budget Information in Financial Statements* requires that financial statements include a comparison of budget and actual amounts arising from execution of the budget on a basis consistent with that adopted for the budget. It states

that the detailed information included in approved budget can be aggregated for presentation to avoid information overload and to reflect relevant levels of legislative or other authoritative body oversight, which will involve professional judgment. IPSAS 24 also explains that this will complete the accountability cycle by enabling users of financial statements to identify whether resources were obtained and used in accordance with the approved budget, and an explanation of the material differences between budget and actual amounts will help users understand the reasons for material departures from the approved budget.

32. The expenditure for the STFV is approved as Major Programme VI of the ICC's budget and it is the only budgetary programme the TFV operates.
33. In FY 2021, the Statement of comparison of budget and actual amounts (Statement V) shows only one line with an aggregate amount of € 3.200 million as the approved budget and € 3.199 million as a total expenditure with € 1 thousand of total surplus at the Major Programme level. This is a substantial change from the previous periods when the TFV has disclosed a detailed breakdown of budget appropriations such as staff costs, general temporary assistance, travel, contractual services, and training.
34. The TFV claims that ASP approves budget amounts only at the Major Programme level via a resolution, even though the details of lower-level distributions are included in the budget proposal submitted for the ASP approval. It also contends that the aggregate presentation will prevent confusion by readers because redeployment of resources among objects of expenditure is allowed by Rule 104.3 of the FRR of the ICC.
35. Granted, the External Auditor observes that the current Statement V with just one line of aggregate numbers fails to provide additional information to the users of the financial statements, since the TFV does not disclose the details of the expenditure associated with the Major Programme VI, and the disclosure in this fashion is not consistent with the previous periods. Therefore, the details of comparison of budget and actual amounts for FY 2021 need to be provided for the users as below.

<i>Object of expenditure</i>	<i>Approved Budget (In thousands of €)</i>	<i>Actual amount (In thousands of €)</i>	<i>Difference (In thousands of €)</i>
Staff costs	1,165	1,338	(173)
General temporary assistance	1,722	1,574	148
<b>Sub-total staff costs</b>	<b>2,887</b>	<b>2,913*</b>	<b>(26)*</b>
Travel	145	124	21
Hospitality	1	-	1
Contractual services	140	156	(16)
Training	19	-	19
General operating expenses	5	2	3
Supplies and materials	3	4	(1)
<b>Sub-total non-staff costs</b>	<b>313</b>	<b>286</b>	<b>27</b>
<b>Total</b>	<b>3,200</b>	<b>3,199</b>	<b>1</b>

Source: Approved 2021 Programme Budget of the ICC.

\* Differences due to summing from rounded numbers.

#### IV. Follow-up of previous recommendations

36. In the prior year's audit report on the financial statements of the TFV, the predecessor auditor acknowledged that all audit recommendations were closed except one. The predecessor auditor classified the Recommendation TFV 2018-1 "Adaptation of the overall budgetary framework" as partially implemented in FY 2020.
37. During FY 2021, we noted that there has been a significant improvement in reporting for extra-budgetary resources such as annual investment proposals for both reparations and assistance activities and incidental programme related cost (IPC) budgets. Nevertheless, we have not identified a multi-annual budget of the TFV showing its

annual revenue of voluntary contributions and allocation of resources to a specific programme for the years ahead.

38. The pluriennial planning of appropriation and authorization of resources would be a piece of key information needed to adequately represent the financial situation of the TFV and to further enhance the performance of programmes thereof. Taking all these into consideration, the External Auditor considers the recommendation as partially implemented.

## V. Summary of the financial position

39. Contrary to the surplus trend for the last two years (€ 1.702 million in 2020 and € 1.902 million in 2019), the TFV's statement of financial performance for the FY 2021 recorded a deficit of € 2.780 million. The deficit was mainly due to a 216 percent (over € 4 million) increase in programme expenses (€ 5.879 million in 2021 vs. € 1.862 million in 2020) compared to the prior year. A four percent decrease in total revenue (€ 6.439 million in 2021 vs. € 6.699 million in 2020) mainly resulted from the decline in other revenue<sup>4</sup> along with the stagnated growth of voluntary contributions. In 2021, both assessed contributions and voluntary contributions experienced a slight decrease of one percent from 2020, amounting to € 3.200 million and € 2.969 million, respectively.
40. Total assets of the TFV decreased by € 2.814 million, a 13 percent decline from the previous year (€ 18.281 million in 2021 vs. € 21.095 million in 2020). Net assets decreased by a similar amount of € 2.795 million resulting primarily from the diminished level of cash and cash equivalents (€ 15.512 million in 2021 vs. € 19.526 million in 2020), despite slight increases in current assets such as prepayment (€ 1.543 million in 2021 vs. € 0.734 million in 2020) and receivables (€ 1.226 million in 2021 vs. € 0.414 million in 2020).
41. Since the TFV has no financial loans, provisions comprised 83 percent of the total liabilities of the TFV. There was an increase of seven percent in the total level of provisions (€ 5.933 million in 2021 vs. € 5.549 million in 2020) while the current portion of provisions (€ 3.336 million in 2021 vs. € 2.491 million in 2020) increased by 34 percent and the non-current portion (€ 2.597 million in 2021 vs. € 3.058 million in 2020) dropped by 15 percent. As for the changes in provisions in FY 2021, € 1.057 million was paid for reparation programmes and € 0.076 million was compensated with regard to losing the ILO Administrative Tribunal case in July 2021. € 1.5 million was recognized as provisions for future payment for reparation awards.
42. As a result of the prior year's correction recommended by the External Auditor, the statement of financial position of the TFV in FY 2021 includes € 1.029 million of employee benefits liabilities with a comparative amount of € 1.132 million for the preceding period. As at the year-end of 2021, employee benefits liabilities account for 14 percent of the total liabilities, the second biggest component after provisions.

## VI. Investments of financial resources

43. The TFV invests surplus funds that are not needed for the investment period. During the prior year, the TFV decided to end its investment in US Dollars considering the risk of potential sanctions from the US government against the ICC in addition to those against certain ICC personnel as individuals. In April 2021, the US government lifted the sanctions imposed on ICC officials. The TFV resumed investment in US Dollars in October 2021 and an average of € 5.4 million (35 percent of its total funds amounting to € 15.5 million as at the end of FY 2021) was invested in US Dollars.

<sup>4</sup> Other revenue in 2020 represents fines of € 330 thousand collected by the ICC and transferred to the TFV.

## VII. Monitoring of voluntary contributions

44. In FY 2021, voluntary contributions revenue has slightly decreased by 1.1 percent, amounting to € 2.969 million (compared to € 3.003 million in 2020). The 99.4 percent (€ 2.952 million) of the voluntary contributions include contributions made by 26 States Parties, while only a minor portion of 0.6 percent (€ 17 thousand) was paid by individuals or non-state party entities. A large part of non-state party contributions (€ 13 thousand) was from the ICC and the TFV personnel. Just 0.2 percent (€ 4 thousand) of the total revenue from voluntary contributions was donated by individuals or entities that are not directly related in some way to the ICC or the TFV.
45. The 73.7 percent of the voluntary contributions recognized as revenue in FY 2021 were from four countries (Sweden, Finland, Norway, and Ireland) amounting to € 2.188 million.
46. The details of the amounts recognized as voluntary contributions revenue in FY 2021 are as follows.

Country	Amount(€)	Share(%)	Country	Amount(€)	Share(%)	Country	Amount(€)	Share(%)
Andorra	8,000	0.3	Hungary	10,000	0.3	Portugal	10,000	0.3
Australia	189,013	6.4	Iceland	10,000	0.3	Republic of Korea	44,186	1.5
Austria	15,000	0.5	Ireland	300,000	10.1	Slovakia	10,000	0.3
Belgium	25,000	0.8	Italy	30,000	1.0	Slovenia	15,000	0.5
Cyprus	20,000	0.7	Liechtenstein	9,371	0.3	Spain	40,000	1.3
Czech Republic	23,240	0.8	Lithuania	20,000	0.7	Sweden	974,839	32.8
Estonia	50,000	1.7	Luxembourg	35,000	1.2	ICC/TFV Personnel	12,800	0.4
Finland	575,000	19.4	Malta	20,000	0.7	Others	4,483	0.2
France	50,000	1.7	Norway	338,240	11.4			
Germany	110,000	3.7	Poland	20,000	0.7	<b>Total</b>	<b>2,969,172</b>	<b>100</b>

Source: Data provided by the Finance Section.

47. Based on the historical data of voluntary contributions received from 2004 to 2021, donations from 20 countries in the group of Western Europe and other States amounted to € 38,702 thousand, accounting for 93.0 percent of the total amount. The top ten donor States Parties in aggregate voluntary contributions are all from the group of Western European and other States. Contributions by the top five countries comprise 66.7 percent of the total voluntary contributions and the top ten countries constitute 85.5 percent. Given the current situation, the TFV needs to develop strategies and explore opportunities to diversify funding sources from both States Parties and external donors.
48. The details of the aggregate amounts (2004-2021) of voluntary contributions by regional groups of states and top ten donor countries are as follows.

Group	Number of States	Amount(In thousands of €)	Share(%)
African States	6	160.16	0.4
Asian-Pacific States	7	1,559.15	3.8
Eastern European States	9	1,041.52	2.5
Latin American and the Caribbean States	5	139.66	0.3
Western European and other States	20	38,702.04	<b>93.0</b>
<b>Total</b>	<b>47</b>	<b>41,602.53</b>	<b>100.0</b>

Source: TFV Management Brief Q4/2021.

<i>Rank</i>	<i>Donor Country</i>	<i>Amount (In thousands of €)</i>	<i>Share of Total Voluntary Contributions(%)</i>	<i>Accumulated Share(%)</i>
1	Sweden	11,151.84	26.8	26.8
2	United Kingdom	4,448.06	10.7	37.5
3	Germany	4,224.79	10.1	47.6
4	Netherlands	4,018.40	9.7	57.3
5	Finland	3,922.95	9.4	<b>66.7</b>
6	Ireland	1,840.30	4.4	71.1
7	Norway	1,704.92	4.1	75.2
8	Australia	1,619.41	3.9	79.1
9	France	1,400.00	3.4	82.5
10	Belgium	1,247.00	3.0	<b>85.5</b>
	<b>Total</b>	<b>35,577.67</b>	<b>85.5</b>	

Source: TFV Management Brief Q4/2021.

49. On a cash basis, the TFV received voluntary contributions of € 2.680 million in 2021. For the past three financial years, annual voluntary contributions paid have remained at around € 2.7 million. Since the future funding needs are rapidly growing with the expansion of its reparations and assistance programmes, the TFV seeks to employ successful fundraising strategies aiming at increasing revenue from enlarging its donor base by developing long-term funding partnerships and improving its capacity to demonstrate its expertise and programme performance.
50. During the period, 53.6 percent of the total revenue from voluntary contributions are earmarked. Deferred revenue as at the end of 2021 is € 177 thousand which was paid in 2018 by Norway as per the written agreement. Voluntary contributions from Finland amounting to € 575 thousand were recorded as receivables at the end of FY 2021, which was received in January 2022.

## VIII. Acknowledgments

51. The External Auditor would like to extend sincere gratitude to the members of the STFV and the Division of Management Service of the ICC, for their cooperation and support during the audit.