



Assembly of States Parties

Distr.: General
11 August 2016

Original: English

Fifteenth session

The Hague, 16-24 November 2016

**Financial statements of the Trust Fund for Victims for
the year ended 31 December 2015**

Contents

	<i>Page</i>
Letter of transmittal	3
Letter to the Registrar	3
Certification of Financial Statements.....	3
Independent auditor’s opinion	4
Statement of financial position as at 31 December 2015.....	5
Statement of financial performance for the year ended 31 December 2015	5
Statement of changes in net assets/equity for the year ended 31 December 2015	6
Statement of cash flows for the year ended 31 December 2015	6
Statement of comparison of budget and actual amounts for the year ended 31 December 2015.....	7
Notes to the financial statements	8
1. The Trust Fund for Victims and its objectives	8
2. Summary of significant accounting and financial reporting policies	8
3. Cash and cash equivalents	12
4. Time deposits	13
5. Prepayments and other current assets	13
6. Receivables from the Court	13
7. Accounts payable	13
8. Deferred revenue and accrued expenses	13
9. Net assets/equity	14
10. Revenue	14
11. Expenses	14
12. Statement of comparison of budget and actual amounts	14
13. Segment reporting	16
14. Commitments	17
15. Related party disclosures	18
16. Events after the reporting date.....	18
External audit report on the financial statements of the Trust Fund for Victims - Financial year ended 31 December 2015.....	19

Letter of transmittal

13 June 2016

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 2015.

Herman von Hebel
Registrar

Richard Bellin
External Audit Director
Cour des Comptes,
13 rue Cambon,
75100 Paris Cedex 01
France

Letter to the Registrar

13 June 2016

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

Motoo Noguchi,
Chair, Board of Directors of the Trust Fund for Victims

Certification of Financial Statements

13 June 2016

The financial statements and supporting notes are approved.

Motoo Noguchi,
Chair, Board of Directors of the Trust Fund for Victims

Independent auditor's opinion

We have audited the Financial Statements of The Trust Fund for Victims (TFV), for the 12 month period ended 31 December 2015. These financial statements include a Statement of Financial Position as at 31 December 2015, a Statement of Financial Performance, a Statement of Changes in Net Assets, a Statement of Cash Flows, a Statement of Comparison of Budget and Actual Amounts and Notes including a summary of the accounting principles and other information.

By virtue of Part IV, paragraph 77 of the Regulations of the Trust Fund for Victims, the Board of Directors is responsible for preparing and presenting the financial statements of The Trust Fund for Victims. These statements are in conformity with the International Public Sector Accounting Standards (IPSAS). This responsibility includes the design, implementation and monitoring of internal control procedures to ensure the preparation and the fair presentation of financial statements, free of significant misstatements, resulting either from frauds or errors. This responsibility also includes the determination of fair accounting estimates adapted to the circumstances.

Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with the International Standards on Auditing (ISA). These Standards require us to comply with the ethical rules and to plan and perform our audit in order to obtain a reasonable assurance that the financial statements are free from material misstatements.

An audit consists in implementing audit procedures in order to collect audit evidence regarding the amounts and the information presented in the financial statements. The design of the audit procedures is based on the external auditor's professional judgment, as well as the risk evaluation that the financial statements include significant misstatements, resulting either from frauds or errors. In the context of this risk evaluation, the auditor considers the internal control in place for the preparation and presentation of the financial statements, in order to design appropriate audit procedures and not in order to express any opinion on the internal control. An audit also consists in evaluating that the accounting method applied and the presentation of the financial statements are appropriate and that the significant accounting estimates are reasonable.

We believe that the audit evidence collected is sufficient and appropriate to constitute a reasonable basis for our opinion.

Based on our audit, the financial statements give a fair view of the financial position of the Trust Fund for Victims as at 31 December 2015, as well as the financial performance, the changes in net assets, the cash flow and the comparison of budget and actual amounts for the 12 month period ending 31 December 2015 in conformity with the IPSAS.

(Signed)
Didier Migaud

Statement I

Trust Fund for Victims Statement of financial position as at 31 December 2015 (in thousands of euros)

	<i>Note</i>	<i>2015</i>	<i>2014</i>
Assets			
Current assets			
Cash and cash equivalents	3	13,186	6,407
Time deposits	4	-	5,473
Prepayments and other current assets	5	533	454
Receivables from the Court	6	154	249
<i>Total current assets</i>		<i>13,873</i>	<i>12,583</i>
Non-current assets			
Receivables from the Court	6	49	154
<i>Total non-current assets</i>		<i>49</i>	<i>154</i>
Total assets		13,922	12,737
Liabilities			
Current liabilities			
Accounts payable	7	-	62
Deferred revenue and accrued expenses	8	-	37
<i>Total current liabilities</i>		<i>-</i>	<i>99</i>
Total liabilities		-	99
Net assets/equity	9	13,922	12,638
Total liabilities and net assets/equity		13,922	12,737

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 2015 (in thousands of euros)

	<i>Note</i>	<i>2015</i>	<i>2014</i>
Revenue			
Assessed contributions	10	1,816	1,586
Voluntary contributions	10	2,943	5,027
Financial revenue	10	94	110
<i>Total revenue</i>		<i>4,853</i>	<i>6,723</i>
Expenses			
Regular administrative expenses		1,766	1,433
Programme expenses		1,554	1,324
<i>Total expenses</i>	11	<i>3,320</i>	<i>2,757</i>
Surplus/(deficit) for the period		1,533	3,966

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 2015 (in thousands of euros)

	<i>General Fund</i>	<i>Other funds</i>	<i>Reparation Reserve</i>	<i>Total Net Assets/equity</i>
Opening balance as at 1 January 2014	392	5,823	2,600	8,815
Movement in net assets/equity in 2014				
Surplus/(deficit)	154	3,812	-	3,966
Credits to States Parties/donors	(143)	-	-	(143)
Transfer to reserve	-	(1,000)	1,000	-
<i>Total movements during the year</i>	<i>11</i>	<i>2,812</i>	<i>1,000</i>	<i>3,823</i>
Total net assets/equity as at 31 December 2014	403	8,635	3,600	12,638
Movement in net assets/equity in 2015				
Surplus/(deficit)	49	1,484	-	1,533
Credits to States Parties/donors	(249)	-	-	(249)
Transfer to reserve	-	(1,200)	1,200	-
<i>Total movements during the year</i>	<i>(200)</i>	<i>284</i>	<i>1,200</i>	<i>1,191</i>
Total net assets/equity as at 31 December 2015	203	8,919	4,800	13,922

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 2015 (in thousands of euros)

	<i>2015</i>	<i>2014</i>
Cash flows from operating activities		
Surplus/(deficit) for the period (Statement II)	1,533	3,966
Unrealized foreign exchange differences	6	(12)
(Increase)/decrease in time deposits	5,473	(5,473)
(Increase)/decrease in receivables from the Court	200	(11)
(Increase)/decrease in prepayments and other current assets	(96)	(93)
Increase/(decrease) in accounts payable	(57)	57
Increase/(decrease) in deferred revenue and accrued expenses	(37)	37
Less: interest income	(57)	(62)
<i>Net cash flows from operating activities</i>	<i>6,965</i>	<i>(1,591)</i>
Cash flows from investing activities		
Plus: interest received	57	62
<i>Net cash flows from investing activities</i>	<i>57</i>	<i>62</i>
Cash flows from financing activities		
Credits to States Parties	(249)	(143)
<i>Net cash flows from financing activities</i>	<i>(249)</i>	<i>(143)</i>
Net increase/(decrease) in cash and cash equivalents	6,773	(1,672)
Unrealized foreign exchange gains/losses on cash and cash equivalents	6	-
Cash and cash equivalents at beginning of financial period	6,407	8,079
Cash and cash equivalents at 31 December (Statement I)	13,186	6,407

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 2015 (in thousands of euros)

<i>Object of expenditure*</i>	<i>Appropriation approved</i>	<i>Total expenditure</i>	<i>Total surplus</i>
<i>Staff costs</i>	740	879	(139)
General temporary assistance	524	185	339
Consultants	145	45	100
<i>Sub-total other staff</i>	669	230	439
Travel	213	227	(14)
Hospitality	3	3	-
Contractual services	146	189	(43)
Training	22	13	9
General operating expenses	20	-	20
Supplies and materials	3	2	1
<i>Sub-total non-staff</i>	407	434	(27)
Total	1,816	1,543	273

* The budget for the Secretariat is approved as Major Programme VI of the Court's budget. 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. Its primary goal is to support victims and their families to overcome harm, lead a dignified life and contribute towards reconciliation and peacebuilding within their communities.

In the annex to that resolution, the Assembly established a Board of Directors (“the Board”), which is responsible for management of the Trust Fund.

The Secretariat of the Trust Fund for Victims (“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, as established by the Assembly in the annex to resolution ICC-ASP/1/Res.6. 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.

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.

2.9 The judgements made by management in the application of IPSAS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are as follows:

(a) The Trust Fund recognizes revenue from voluntary contributions upon receipt or upon signature of a binding agreement, where applicable. While agreements generally include restrictions on the use of funds, they do not include any measurable performance conditions which would require revenue to be deferred until conditions are satisfied;

(b) The Trust Fund advances funds to implementing partners on the basis of contractual provisions. Management believes that outstanding advances to implementing partners are fully recoverable. Provision for doubtful debt is not recognized in respect of any receivables from implementing partners.

Cash and cash equivalents

2.10 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

2.11 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.

2.12 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

2.13 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.

2.14 *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.

2.15 *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. The Trust Fund deposits its funds only in short-term fixed interest accounts, and therefore has no significant interest rate risk exposure.

2.16 *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.

2.17 *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.

Receivables

2.18 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.

2.19 *Receivables from the Court* are recognized for the amount of assessed contributions for funding the activities of the Secretariat, net of expenses incurred from these assessed contributions.

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 give rise to an increase in 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. The receivables are finally settled when the Court credits any cash surplus pertaining to Major Programme VI, in accordance with the Financial Regulations and Rules of the Court, to the States Parties.

Other current assets

2.20 Other current assets comprise interest accrued on bank accounts and deposits.

Accounts payable

2.21 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

2.22 Deferred revenue includes pledged contributions for future financial periods and other revenue received but not yet earned.

2.23 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

2.24 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 no more or less favourable than those done at arm's length in the same circumstance between the Trust Fund and its related parties will not be considered as related party transactions and therefore will not be disclosed. The Trust Fund and the Court are related parties as they are subject to the common control of the Assembly.

2.25 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 considered a related party transaction. In addition, the Trust Fund will disclose any specific transactions with key management personnel and their family members.

Provisions and contingent liabilities

2.26 *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. The estimate is discounted where the effect of the time value of money is material. 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.

2.27 *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.

Commitments

2.28 *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

2.29 *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.

2.30 *Goods-in-kind contributions* are recognized at their fair value and goods and the corresponding revenue are 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.

2.31 *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

2.32 *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

2.33 *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.

2.34 *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.

2.35 *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

2.36 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 fulfils two unique mandates: it 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.

2.37 Separate financial information is reported for two segments: reparations programmes and assistance programmes.

2.38 *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

2.39 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

2.40 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.

2.41 A reconciliation of the actual amounts on a modified cash basis with actual amounts presented in the financial statements is included in note 12, considering that the full accrual accounting and modified cash basis budget differ.

3. Cash and cash equivalents

<i>In thousands of euros</i>	2015	2014
Cash at bank – current account	683	1,407
Cash at bank – savings account	12,503	5,000
Total	13,186	6,407

3.1 Cash and cash equivalents contain restrictions on their availability for use depending upon the segment to which they relate (see note 13 for segment information). Cash and cash equivalents include amounts equivalent to €6 thousand (2014: €50 thousand) held in currencies other than the euro.

3.2 Interest-bearing bank accounts and term deposits yielded interest at an average annual rate of 0.48 per cent.

4. Time deposits

<i>In thousands of euros</i>	2015	2014
Time deposits	-	5,473
Total	-	5,473

4.1 There were no time deposits as at 31 December 2015.

5. Prepayments and other current assets

<i>In thousands of euros</i>	2015	2014
Advances to implementing partners	486	435
Accrued interest	47	19
Total	533	454

6. Receivables from the Court

<i>In thousands of euros</i>	2015	2014
Secretariat's surplus for 2013	-	249
Secretariat's surplus for 2014	154	154
Secretariat's surplus for 2015	49	-
Total	203	403

6.1 For detailed information on receivables from the Court, please refer to note 2.19.

7. Accounts payable

<i>In thousands of euros</i>	2015	2014
Payables to implementing partners	-	62
Total	-	62

7.1 Payables to implementing partners represent balances due to implementing partners which were not settled at year end. There were no payables as at 31 December 2015.

8. Deferred revenue and accrued expenses

<i>In thousands of euros</i>	2015	2014
Accrued expenses	-	37
Total	-	37

8.1 Accrued expenses represent balances due to implementing partners and relate to the last instalment payable for closed projects pending disbursement. There were no deferred revenue or accrued expenses payable to implementing partners as at 31 December 2015.

9. Net assets/equity

<i>In thousands of euros</i>	2015	2014
Reparation reserve	4,800	3,600
Other funds	8,919	8,635
General Fund	203	403
Total	13,922	12,638

9.1 General Fund surplus/deficit is non-distributable and represents the accumulated difference between accrual-based accounting and the cash-based surplus calculation, as stipulated in financial regulation 4.6.

10. Revenue

<i>In thousands of euros</i>	2015	2014
<i>Assessed contributions</i>	<i>1,816</i>	<i>1,586</i>
Voluntary contributions		
Earmarked contributions	278	2,179
Non-earmarked contributions	2,665	2,848
<i>Sub-total voluntary contributions</i>	<i>2,943</i>	<i>5,027</i>
Financial revenue		
Interest revenue	57	62
Net foreign currency gains	37	48
<i>Sub-total financial revenue</i>	<i>94</i>	<i>110</i>
Total	4,853	6,723

Contributions in kind

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

11. Expenses

<i>In thousands of euros</i>	2015	2014
Employee benefit expenses	1,311	1,115
Travel and hospitality	226	150
Contractual services	1,783	1,492
Total	3,320	2,757

11.1 No *ex-gratia* payment was made by the Trust Fund during the financial period.

12. Statement of comparison of budget and actual amounts

12.1 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.

12.2 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.

12.3 Differences in basis occur when the approved budget is prepared on a basis other than the accounting basis, as stated in paragraph 12.1 above.

12.4 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.

12.5 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.

12.6 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.

12.7 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 2015 is presented below:

<i>In thousands of euros</i>	<i>Operating</i>	<i>Investing</i>	<i>Financing</i>	<i>Total</i>
Actual amount on comparable basis (Statement V)	273	-	-	273
Basis differences	(24)	-	-	(24)
Presentation differences	192	57	(249)	-
Entity differences	6,524	-	-	6,524
Actual amount in the Statement of cash flows (Statement IV)	6,965	57	(249)	6,773

12.8 Open commitments including open purchase orders versus accrued expenses and net cash flows from operating activities are presented as basis differences. The credits to States Parties 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.

12.9 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 2015.

13. Segment Reporting

Statement of financial position by segment as at 31 December 2015

<i>In thousands of euros</i>	<i>Reparations Programme</i>	<i>Assistance Programme</i>	<i>Unallocated</i>	<i>Total</i>
Assets				
Current assets				
Cash and cash equivalents	4,800	8,386	-	13,186
Time deposits	-	-	-	-
Prepayments and other current assets	-	533	-	533
Receivables from the Court	-	-	154	154
<i>Total current assets</i>	<i>4,800</i>	<i>8,919</i>	<i>154</i>	<i>13,873</i>
Non-current assets				
Receivables from the Court	-	-	49	49
<i>Total non-current assets</i>	<i>-</i>	<i>-</i>	<i>49</i>	<i>49</i>
Total assets	4,800	8,919	203	13,922
Liabilities				
Current liabilities				
Accounts payable	-	-	-	-
Deferred revenue and accrued expenses	-	-	-	-
<i>Total current liabilities</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total liabilities	-	-	-	-
Net assets/equity	4,800	8,919	203	13,922
Total liabilities and net assets/equity	4,800	8,919	203	13,922

Statement of financial performance by segment for the year ended 31 December 2015

<i>In thousands of euros</i>	<i>Reparations Programme</i>	<i>Assistance Programme</i>	<i>Unallocated</i>	<i>Total</i>
Revenue				
Assessed contributions	-	-	1,816	1,816
Voluntary contributions	-	2,943	-	2,943
Financial revenue	-	94	-	94
<i>Total revenue</i>	<i>-</i>	<i>3,037</i>	<i>1,816</i>	<i>4,853</i>
Expenses				
Administrative expenses	-	-	1,766	1,766
Sexual and gender-based violence project expenses	-	1,008	-	1,008
Other assistance project expenses	-	546	-	546
<i>Total expenses</i>	<i>-</i>	<i>1,554</i>	<i>1,766</i>	<i>3,320</i>
Surplus/(deficit) for the period	-	1,483	50	1,533

13.1 There were no activities relating to the reparations programme during the financial period.

Statement of financial position by segment as at 31 December 2014

<i>In thousands of euros</i>	<i>Reparations Programme</i>	<i>Assistance Programme</i>	<i>Unallocated</i>	<i>Total</i>
Assets				
Current assets				
Cash and cash equivalents	-	6,407	-	6,407
Time deposits	3,600	1,873	-	5,473
Prepayments and other current assets	-	454	-	454
Receivables from the Court	-	-	249	249
<i>Total current assets</i>	<i>3,600</i>	<i>8,734</i>	<i>249</i>	<i>12,583</i>
Non-current assets				
Receivables from the Court	-	-	154	154
<i>Total non-current assets</i>	<i>-</i>	<i>-</i>	<i>154</i>	<i>154</i>
Total assets	3,600	8,734	403	12,737
Liabilities				
Current liabilities				
Accounts payable	-	62	-	62
Deferred revenue and accrued expenses	-	37	-	37
<i>Total current liabilities</i>	<i>-</i>	<i>99</i>	<i>-</i>	<i>99</i>
Total liabilities	-	99	-	99
Net assets/equity	3,600	8,635	403	12,638
Total liabilities and net assets/equity	3,600	8,734	403	12,737

Statement of financial performance by segment for the year ended 31 December 2014

<i>In thousands of euros</i>	<i>Reparations Programme</i>	<i>Assistance Programme</i>	<i>Unallocated</i>	<i>Total</i>
Revenue				
Assessed contributions	-	-	1,586	1,586
Voluntary contributions	-	5,027	-	5,027
Financial revenue	-	110	-	110
<i>Total revenue</i>	<i>-</i>	<i>5,137</i>	<i>1,586</i>	<i>6,723</i>
Expenses				
Administrative expenses	-	-	1,433	1,433
Sexual and gender-based violence project expenses	-	955	-	955
Other assistance project expenses	-	369	-	369
<i>Total expenses</i>	<i>-</i>	<i>1,324</i>	<i>1,433</i>	<i>2,757</i>
Surplus/(deficit) for the period	-	3,813	153	3,966

14. Commitments

14.1 At 31 December 2015, the Trust Fund had contractual commitments amounting to €1,228 thousand based on contracts concluded with implementing partners.

15. Related party disclosures

15.1 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.

15.2 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.

15.3 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	183	-

15.4 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>
Current	14			14
Non-current	-	1	37	38
Total	14	1	37	52

15.5 The Court and the Trust Fund are related parties as they are subject to common control by the Assembly.

15.6 The receivable from the Court at year end amounted to €203 thousand. In 2015, the Assembly approved an appropriation of €1,816 thousand for the Secretariat which administers the Trust Fund and provides administrative support to the Board and its meetings. Expenditures on a modified cash basis for the Secretariat during the financial period, as disclosed in Statement V, are €1,543 thousand. The unspent amount of appropriations for the current and prior period is pending credit to States Parties.

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

16. Events after the reporting date

16.1 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.

External audit report on the financial statements of the Trust Fund for Victims - Financial year ended 31 December 2015

Table of contents

I. Audit objectives, scope and approach	19
II. Recommendations	19
III. Follow-up on prior-year recommendations	20
IV. Financial overview	21
V. Main findings and recommendations	21
VI. Acknowledgements	23
Annex: Follow-up on previous recommendations made by the United Kingdom National Audit Office.....	24

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 of the International Criminal Court, including the additional terms of reference governing the audit.

2. The overall objective of an audit of financial statements is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, thereby enabling the auditor to express an opinion on whether the financial statements are prepared, in all material respects, in accordance with the applicable financial framework.

3. The additional terms of reference governing the audit of ICC and all trust funds including The Trust Fund for Victims, disclosed in the annex 6.(c) to the Financial Regulations and Rules lists other matters, which the External Auditor considers should be brought to the notice of the Assembly of States Parties, such as wasteful or improper expenditure of The Trust Fund for Victims' money and other assets, and expenditure not in accordance with the intention of the Assembly of States Parties.

4. The audit consisted of two phases:

(a) An interim phase (from 11 to 22 January 2016) focused on aspects related to internal controls and International Public Sector Accounting Standards (IPSAS);

(b) A final phase (from 23 May to 10 June 2016) focused on the financial statements and the disclosure requirements under IPSAS, as well as on governance controls and monitoring.

5. The audit closing meeting with the Executive Director of The Trust Fund for Victims and colleagues took place on 9 June 2016.

6. This report has been prepared, taking into account the written comments sent by The Trust Fund for Victims on 6 July 2016.

7. We express an **unqualified opinion** on the financial statements of The Trust Fund for Victims for the financial year ended 31 December 2015.

II. Recommendations

Recommendation 1. The External Auditor recommends that the TFV Secretariat define the performance evaluation criteria in the tender documents to standardise the monitoring procedures and allow for potential benchmarking.

Recommendation 2. The External Auditor recommends that the TFV Secretariat implement financial training initiatives for field programme officers.

Recommendation 3. The External Auditor recommends that the TFV Secretariat strengthen the financial control of operations carried out by the implementing partners by requiring that the Field Programme Officers' duties include spot-checks of expenses incurred (invoices and purchase orders). The results of these checks should be made available to headquarters to justify the actual expenses incurred.

Recommendation 4. To ensure effective project monitoring and control, the External Auditor recommends that the TFV Secretariat strengthen the field teams.

III. Follow-up on prior-year recommendations

8. The External Auditor reviewed the implementation of the recommendations made in the context of the audits of the financial statements conducted in previous years.

<i>No.</i>	<i>Subject</i>	<i>Outstanding recommendations</i>	<i>Partially Implemented</i>	<i>Not implemented</i>
2014/1	Delegation of the Registrar's administrative authority	<p>In order to clarify the scope of the Registrar's delegation of authority to the Secretariat of The Trust Fund for Victims, the External Auditor recommends to:</p> <p>(a) For the TFV Secretariat, in consultation with the Registrar, (i) to review the scope of the delegation of authority in order to clarify the roles and responsibilities over all eventualities, such as the conclusion, suspension, termination and extension of contracts with implementing partners; (ii) and to ensure proper authority has been granted to the TFV Secretariat staff so they may manage their operations and activities, as indicated in the TFV Regulations.</p> <p>(b) Establish a suitable arbitration mechanism, involving if necessary the Board of Directors of the TFV and the Bureau or another appropriate subsidiary organ of the Assembly of State Parties, to guarantee a smooth decision making process and avoid unnecessary delays and tensions.</p>		X
2014/2	Management roles and responsibilities	<p>The external auditor recommends putting an end to existing managerial ambiguities within TFV Secretariat leading to a lack of clarity about accountability and responsibilities by clarifying the roles and responsibilities of the TFV staff mainly as regards to fund-raising, donor relations and project contract management in order to avoid overlaps and to make the decisions and activities of TFV more effective and coordinated. This could be done through the review of the work surveys and job descriptions; and adoption of the responsibility assignment chart as proposed by TFV, which identifies roles and responsibilities and avoids any confusion.</p>		X
Total number of outstanding recommendations: 2			-	2

9. According to the TFV, the 2014-1 and 2014-2 recommendations remain open owing to "partial implementation of the Revision plan adopted in August 2015 by the Board of Directors of The Trust Fund for Victims. This Revision plan called for the abolishment of a Senior Programme Officer position along with a reorganisation of the Secretariat of The Trust Fund for Victims (creation of a Finance Officer position and higher grades for certain existing positions). However, this new structure requires additional funding, which the CBF did not approve at the 2016 budget meeting. It will be reintroduced at the CBF's 2017 budget meeting".

10. The External Auditor also found that the last 2010-6 recommendation in the United Kingdom National Audit Office's audit report was implemented with the adoption of the annual Performance Monitoring Plan in April 2016. The content of the recommendations is detailed in the annex to this report.

IV. Financial overview

11. The TFV's statement of financial performance shows that the surplus for the period declined from €3,966 thousand in 2014 to €1,533 thousand in 2015. This can be attributed mainly to the €2,084 thousand decrease in voluntary contributions and the €230 thousand increase in programme expenses. According to the TFV, voluntary contributions declined as donors are now coping with additional budget constraints due to the massive influx of migrants and refugees into Europe. Additionally, the increase in programme expenses resulted from authorisation to continue existing projects (Democratic Republic of the Congo and Uganda) and establish six new projects in Uganda.

12. The statement of financial position grew by €1,185 thousand in 2015, due mainly to the €1,306 thousand increase in cash on hand.

V. Main findings and recommendations

1. Physical and psychological rehabilitation projects in Uganda

13. The TFV, established by Article 79 of the Rome Statute, was created by decision of the Assembly of States Parties in 2002 and began its field operations in 2008.

14. The TFV has two mandates:

(a) The assistance mandate, which consists of three forms of intervention: physical rehabilitation, psychological rehabilitation and material support. Using donors' voluntary contributions, the TFV provides assistance to victims and their families when their situation falls under ICC jurisdiction. The assistance mandate is one way to provide an immediate response to the urgent needs of victims (and their community) who have suffered harm due to the commission of crimes under the jurisdiction of the ICC. The assistance mandate makes it possible to help victims without having to consider the perpetrator of the crimes.

(b) The reparations mandate, which involves implementing awards for reparations ordered by the ICC against a convicted person.

15. Regarding its assistance mandate, in 2015 the TFV launched six new projects in Northern Uganda with the aim of delivering assistance and integrated physical and psychological rehabilitation services to victims, through its implementing partners on the field.

16. The External Auditor reviewed the six new projects launched in 2015 in Uganda, representing €217 thousand of expenses in 2015.

Table 1: List of new projects funded in Uganda in 2015 (in euros)

<i>Uganda Projects</i>	<i>Budget 2015-2016</i>	<i>Budget 2016-2017</i>	<i>Period</i>
Transcultural Psychosocial Organization - TPO	60,000	100,000	24/04/2015 – 23/04/2016
Amuria District Development Agency -ADDA	60,000	100,000	24/04/2015 – 23/04/2016
North Chili Producers Association -NECPA	60,000	100,000	24/04/2015 – 23/04/2016
Center for Children in Vulnerable Situations-CCVS	50,000	100,000	24/04/2015 – 23/04/2016
Ayira Health Services - AHS	50,000	100,000	24/04/2015 – 23/04/2016
Gulu Women Economic Development and Globalization - GWED-G	60,000	100,000	24/04/2015 – 23/04/2016

Source: external auditor, based on information provided by the TFV.

17. The TFV is organised as follows: the Secretariat is responsible for the management of administrative and financial procedures, the search for donors, and budgetary control of projects. Field programme managers are responsible for finding local partners and operational project monitoring.

18. According to the job description for Field Programme Officers, they are responsible for monitoring the partners and for overseeing implementation of field projects. They must produce critical reports on project set-up including certification of physical and financial implementation. They check the relevance of the financial reports of the implementing partners and certify their accuracy. They conduct a critical assessment of project implementation and prepare reports for the TFV on the progress made and the corrective measures considered or proposed, where applicable.

19. The External Auditor sought to check the implementation of the projects in financial year 2015 by analysing the quarterly reports provided by the partners in charge of carrying out the projects. It also analysed the monitoring and controls performed first by the Field Programme Officer on the field and then by the Monitoring and Evaluation Officer at TFV headquarters. The External Auditor did not carry out field missions.

20. Its examination of the follow-up files for the six projects and of the quarterly reports prepared by the implementing partners¹ finds as follows:

(a) For each project, the implementing partner proposes its own monitoring indicators in the project proposal template submitted to the TFV. These indicators are generally quantitative measurements of the actions taken (number of victims treated and counselled, number of meetings with victims and their families, number of victims reintegrated into their communities, etc.) accompanied by narrative descriptions. These indicators do not provide a qualitative assessment of the project's impact on the victim's rehabilitation and their reintegration within their families and communities.

(b) The lack of uniform monitoring indicators, as well as a performance evaluation system for the different implementing partners, makes it difficult to compare performances so as to express an opinion on the relevance and efficacy of the programmes. Such benchmarking would make it possible to assign partners a ranking to serve as a database when launching other assistance projects.

(c) The content of the quarterly reports submitted by the implementing partners is useful only for checking the project's objectives as quoted in the contract signed with the TFV against their accomplishments. Consequently, these are in no way auditable financial data. The Field Programme Officers focus only on their visits to partners but under no circumstances do they verify the financial data transmitted. The lack of a purely financial monitoring mechanism means the TFV has no assurance that the funds allocated to the projects and used by the implementing partners are being used efficiently and effectively. During the clearing process, the TFV provided the External Auditor with some additional documentation in order to justify the spot checks realized for Uganda's projects. These evidences were not considered as sufficient to demonstrate the existence of spot checks performed by the Field Officer.

(d) An examination of the 2015 quarterly reports provided by the implementing partners pointed to the existence of erroneous quantitative data in various tables concerning the number of beneficiaries per type of intervention. This finding was discussed with the Monitoring and Evaluation Officer who confirmed these errors. When the Monitoring and Evaluation Officer identified a discrepancy, he checked these figures by phone or email by contacting either the Field Programme Officer or the implementing partner. The new figures were forwarded to him with no additional evidence and he did not request any corrections to the quarterly reports transmitted.

21. The External Auditor's analysis of the files points to internal control weaknesses as regards financial project monitoring.

¹ADDA (Amuria District Development Agency), AHS (Ayira Health Services), CCVS (Center for Children in Vulnerable Situations), GWED-G (Gulu Women Economic Development and Globalization), North Chili Producers Association (NECPA) and TPO (Transcultural Psychosocial Organization).

22. The External Auditor noted, however, that the TFV was currently reviewing the monitoring and evaluation practices of its implementing partners with the aim of implementing the new performance monitoring plan approved by the Board of Directors in April 2016.

Recommendation 1. The External Auditor recommends that the TFV Secretariat define the performance evaluation criteria in the tender documents to standardise the monitoring procedures and allow for potential benchmarking.

23. This lack of financial control can be explained by the required education of Field Programme Officers hired, as they do not have a background in finance.

Recommendation 2. The External Auditor recommends that the TFV Secretariat implement financial training initiatives for Field Programme Officers.

Recommendation 3. The External Auditor recommends that the TFV Secretariat strengthen the financial control of operations carried out by the implementing partners by requiring that the Field Programme Officers' duties include spot-checks of expenses incurred (invoices and purchase orders). The results of these checks should be made available to headquarters to justify the actual expenses incurred.

24. In 2015, three Field Programme Officers were in charge of 13 projects: five projects for the offices in the Democratic Republic of the Congo and eight projects for the Field Programme Officer in Uganda. This last office has a total budget of €2,020 thousand (i.e. €845 thousand and €1,285 thousand) for a country that is the same size as the United Kingdom and where projects cover a geographic area of 263 kilometres not easily accessible by transportation (districts of Gulu, Amuru, Nwoya, Lira, Kitgum, Ouke, Alebtong, Amuria, Soroti and Kaberamaido). This makes it difficult to effectively monitor and evaluate the different projects and implementing partners.

Recommendation 4. To ensure effective project monitoring and control, the External Auditor recommends that the TFV strengthen the field teams.

VI. Acknowledgements

25. The External Auditor wishes to thank The Trust Fund for Victims and the members of the Office of the Registrar of the International Criminal Court, for the cooperation and general support provided to the audit teams during the audit.

End of audit observations.

Annex

Follow-up on previous recommendations made by the United Kingdom National Audit Office

<i>Financial year</i>	<i>No. Recommendations</i>		<i>Partially Implemented</i>	<i>Not implemented</i>	<i>Not applicable and withdrawn</i>
2011	3	The Fund's management should work with the OIA to ensure that it receives sufficient guarantees as to the viability and effectiveness of the Fund's framework of governance, risk management and control.	X		
2010	1	The process of setting objectives for the Fund must be examined. All objectives must be measurable, specific and achievable.			X
2010	6	We recommend that The Trust Fund for Victims consider the matter of the resources needed to cover its administrative and financial expenses in view of the expected increase in online donations and reparations in the coming financial years.	X		
Total number of recommendations: 3			2	-	-
					1