

INTERNATIONAL CRIMINAL POLICE ORGANIZATION – INTERPOL (ICPO-INTERPOL)



ANNUAL FINANCIAL REPORT AND FINANCIAL STATEMENTS 2022

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ANNUAL FINANCIAL REPORT 2022

Following two years of the impact of COVID19 restrictions, INTERPOL prepared for rapid acceleration of activities once restrictions were lifted. This increase in activities, resulted in delivery of the budget in line with expectations, an expected and welcome change compared with 2020 and 2021. Budget implementation was managed with operational focus and diligent follow-up. The continued financial prudence was demonstrated in the improved strength of all the key financial indicators that track financial stability, liquidity, and financial performance.

The 2022 regular budget performance also includes the implementation of the EUR 22 million increase in statutory contributions above inflation approved by the General Assembly during its 89th session in Istanbul, Türkiye in 2021 following more than 10 years of only inflationary increases. The EUR 22 million increase is being phased over a three-year period with EUR 5 million in 2022, followed by an additional EUR 7 million increase in 2023 and EUR 10 million in 2024.

The statutory contributions increase supports the continued increase in demand for INTERPOL's services. Since 2018, INTERPOL has seen a steady increase in the number of records held in its databases, growing by 32 per cent. There has also been a 31 per cent increase in global searches in its databases during the period, resulting in a 17 per cent increase in the number of hits in the same period. This growth has also placed increasing pressure on the Organization's core infrastructure, compliance mechanisms, and security frameworks. INTERPOL's member countries recognized the need for an increase in statutory contributions to support the growth and ensure INTERPOL's infrastructure, security and compliance framework are adequate to deliver responsibly on INTERPOL's mandate. The increase in contributions focuses on eight areas for investment:

- Reinforcing analytical capacity
- Identifying victims of child sexual abuse
- Information security
- Disrupting financial crime
- Enhancing the notices and diffusions system
- Establishing a global digital identity for police
- Developing training and support capacity
- Upgrading the corporate backbone

Key financial indicators	Budget 2022 ¹	Actual 2022	Actual 2021	Annual Change
<i>Financial stability</i>				
Regulatory reserve compliance ²	100%	201%	234%	-14.1%
<i>Financial liquidity</i>				
Unrestricted cash (months)	N/A	9.0	8.9	+1%
Statutory contribution collection ³	100%	97.2%	97.8%	-1%
Number of countries in arrears	0	11	17	-6
<i>Financial performance</i>				
Regular budget execution	100%	99%	93%	+6%
Revenue (EUR millions)	155	160	137	+16%
Operating result (EUR millions)	(2.0)	2.6	7.5	-65%

Table 1: Key financial indicators 2022

¹ The Organization's approved budget is further detailed in note 25 to the financial statements.

² The regulatory compliance applies to the General Reserve Fund (GRF) and Permanent Fund for Crisis Relief (PFCR)

³ Combined average statutory contribution collection rate for General and Regional Bureau Budgets

Stability: The Organization continued to take prudent financial decisions during the year, ensuring that the short-term financial position was protected in the face of continued uncertainty, whilst delivering on its key objectives in the medium term. The Organization strengthened its regulatory compliance to reach 101% above the statutory limit. Total assets decreased by EUR 2.9 million (-1%) to EUR 189.9 million in the year, whilst total liabilities reduced by EUR 5.5 million. The financial stability is highlighted by an improvement of the current ratio from 0.80 in 2021 to 1.01 in 2022, also reflecting a movement from non-current investments category to current investments as they near maturity. Total assets to liabilities ratio increased to 1.43 in 2022 from 1.39 in 2021, reflecting the strengthening of the Organization's overall financial position.

Liquidity: The principal financial actions were to closely follow-up on accounts receivable and to focus on budget management and delivery of key operational objectives. The in-year collection rate of statutory contributions for 2022 remained high at 97.2%, although a slight decrease compared to 2021. Members that were seeing a fall in contributions were encouraged to make voluntary contributions to maintain their overall level of contributions from prior years. Only 11 of the 195 member countries were in long term payment arrears as defined in the Organization's Financial Regulations at the end of 2022, a significant improvement from 2021 when there was 17. There was also some success in encouraging member countries in long-term arrears to reschedule their debts. The overall accelerated level of operating activities in 2022 resulted in a decrease in cash flow from operating activities of EUR 1.0 million in the year. This cash flow is primarily on Trust funds and Special Accounts. Total cash and cash equivalents therefore decreased to EUR 60.9 million at the end of 2022. Overall, including investments, accessible liquidity decreased to EUR 158.3 million from EUR 163.3 million in 2021. However, the unrestricted⁴ cash, cash equivalents and investments (i.e. free to use by the Organization) increased slightly to 9.0 months of operating expenditures at the end of 2022 from 8.9 months at the end of 2021 and well above the 2020 level of 6.3 months. This key financial indicator allows for short-term operational flexibility without recourse to external financing and highlights the successful cash management.

Financial performance: The Organization was able to significantly accelerate the delivery of its programme of activities from the second quarter of the year, following the lifting of international cross border travel restrictions in late March 2022. This resulted in a Regular Budget implementation close to the budgeted 100%, at 99.4%, well above the 2021 performance of 93.4%. Increased implementation also helped increase total revenues by 17% or EUR 22.8 million in the year compared to 2021. This is an all-time high of EUR 159.6 million, significantly above the previous record revenue of EUR 141.9 million registered in 2019 and also well above the 2022 budget. The increase in revenue compared with budget was mostly responsible for an operating result surplus of EUR 2.6 million in 2022. This represents a decrease of EUR 4.9 million on the 2021 result due to the higher level of activity implementation. The budgeted result for 2022 was a planned use of reserves of EUR 2.0 million.

⁴ Cash, cash equivalents and investments that are available to the Organization to use without internal restrictions.

Introduction

The International Criminal Police Organization (ICPO-INTERPOL, the Organization) was created to facilitate international law enforcement cooperation. It is the world's largest international police organization by number of member countries, having 195 members. The Organization provides tools and services, and sets standards, to facilitate the secure international exchange of information between law enforcement agencies; it provides analysis and coordinates international law enforcement operations and it assists its members in further developing their international law enforcement capacity.

Strategic Framework

The Organization has established its Strategic Framework for the period 2022 – 2025⁵. The framework is composed of four strategic goals and 17 strategic objectives. It coordinates the work on the long-term global policing goals⁶, which are aligned to the United Nations 2030 Agenda for Sustainable Development. The strategic objectives are translated into operational actions and implemented through four key crime areas: counter-terrorism, cybercrime, organized and emerging crime, and financial crime and anti-corruption, underpinned by continued strengthening of the Organization's regional engagement, strategic partnerships and planning, legal oversight, governance and corporate support functions.

Vision - Connecting police for a safer world

The Organization's vision is that every law enforcement professional can securely access, share and communicate vital police information whenever and wherever needed, thereby supporting the security of the world's citizens.

Mission - Preventing and fighting crime through enhanced cooperation and innovation on police and security matters

The Organization's Constitution defines its mandate: "to ensure the widest possible cooperation between all criminal police authorities and to suppress ordinary law crimes". The Organization helps ensure that law enforcement agencies can communicate securely with each other. It enables access to police data and information. It provides operational support on priority crime areas across its four global policing programmes. It fosters continuous improvement in the capacity of law enforcement for more effective international policing.

Operational implementation

The Organization implements its global policing programmes by developing specific objectives and activities, against which a budget is allocated and progress is monitored. The Organization coordinates the activities with its Members through a Central Bureau in every member country that is run by national authorities. The Organization has extended its secure information exchange network to allow for data exchange at border points. It has six Regional Bureaus that assist in coordinating and implementing its activities across specific regions and liaison offices in key international organizations.

Operating environment 2022

The global security environment in 2022 was characterized by the lifting of restrictions in late March 2022 on international cross border travel that had a significant impact on database activity, coordinating in-person international operations and capacity building events. The accelerated delivery of activities through the increase in these physical events continued to be partly supplemented by activities conducted virtually, with an increase in web-enabled events and training, as well as cyber-enabled initiatives such as combatting child sexual exploitation. The Organization continues to develop tools and services that allow members to share and analyze law enforcement data as well as providing the forum for an effective international law enforcement exchange.

⁵ <https://www.interpol.int/Who-we-are/Strategy/Strategic-Framework-2022-2025>

⁶ <https://www.interpol.int/Who-we-are/Strategy/Global-Policing-Goals>

Financial objectives

The Organization's financial objectives are to ensure that it has the resources to conduct its annual Programme of Activities within the framework of its Financial Regulations. The Organization needs to have sufficient funds at any given time to be able to react to operational emergencies anywhere in the world, to have reserves to ensure financial stability and liquidity, to have a balanced budget in the long-term, and to protect the Organization's assets. The Organization tracks these financial objectives in terms of stability, liquidity and financial performance.

Financial stability

The improvement in the operating environment, characterized by the lifting of international cross border travel restrictions, restored business confidence, however the subsisting financial uncertainty continued to impact the Organization and its Membership throughout the year due to other world events. The primary financial management focus remained on the Organization's financial stability and ensuring its liquidity in order to guarantee the Organization's financial position and cash flow. There was a close follow-up on receivables, notably the member country contributions where members were also encouraged to maintain previous levels of contributions as voluntary contributions.

Key financial indicators	2018	2019	2020	2021	2022
Regulatory reserve compliance	158%	138%	151%	234%	201%

Table 2: Financial stability – five-year trend in key financial indicators

Financial reserves: regulatory reserve compliance

The Organization had budgeted to use EUR 2.0 million of its General Reserve Fund in 2022 to carry out strategic projects that it had committed to implement. There is a marginal increase in the accumulated reserves to EUR 42.7 million in 2022 from EUR 41.3 million in 2021, in total representing 62% of the 2022 annual statutory contributions call to members (2021: 67%). This increase is driven by the close management of countries under Article 52, limiting the need for a bad debt provision and higher income than planned.

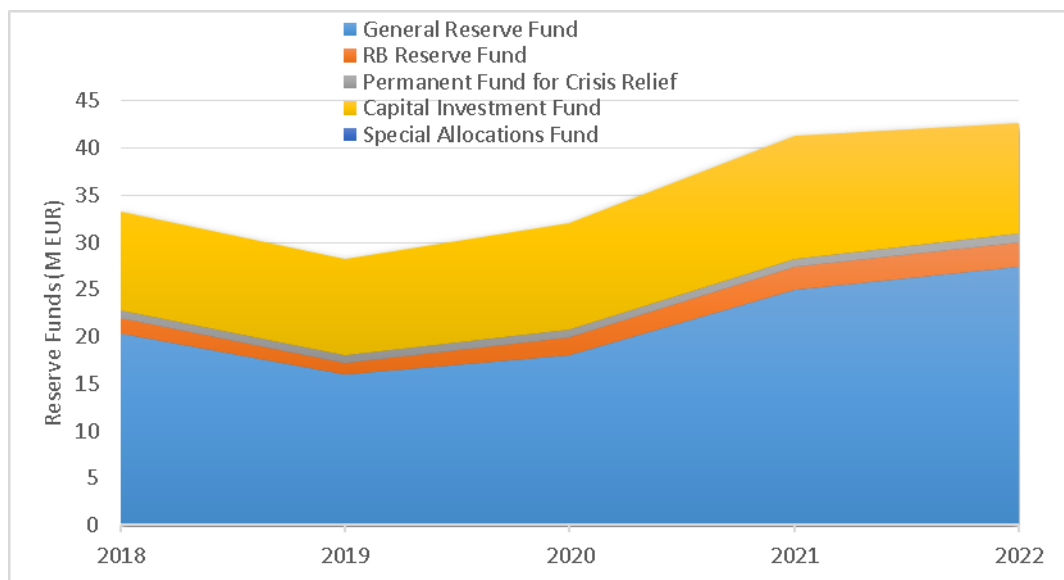


Figure 1: Five-year trend in the evolution of the level of accumulated reserve funds

The Organization has established a financial stability criterion to allow for operational continuity in the very short term (two months of operating expenditures) by setting a threshold to its General Reserve Fund and Permanent Fund for Crisis Relief. The combined level of these funds is currently EUR 28.3 million (2021: EUR 25.9 million) which is a margin of EUR 14.3 million (2021: EUR 18 million) over the compliance limits⁷ or 9 months of operating expenditure. This stability metric is an historical measure, with the requirement declining if actual expenditures decline as shown in figure 2 below. It is less applicable as a forward-looking measure, especially in times of Regular Budget growth. The increase in spend in 2022 linked with the implementation of activities funded by the increase in statutory contributions and strong recovery post Covid19 is increasing the minimum reserve requirements, as can be seen in blue. The area in orange demonstrates the additional reserves beyond the minimum requirement. These additional reserves allow for further budget flexibility in future years in face of the short-term economic uncertainty, especially considering that statutory contributions are not actually due until the end of April each year. It also provides a buffer for unforeseen events considering volatility in world events.

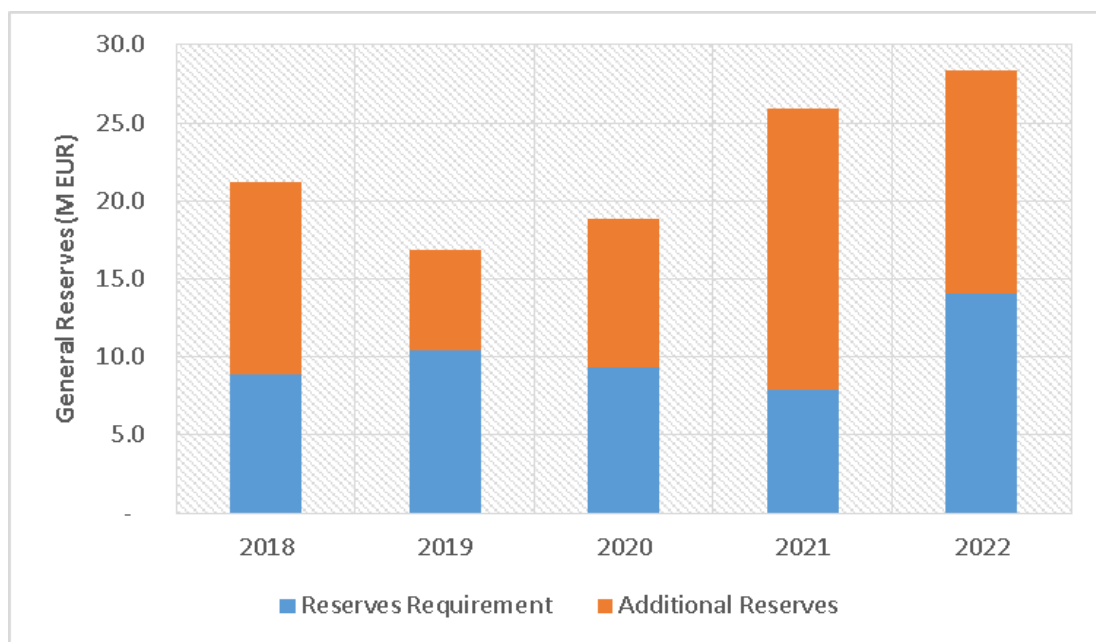


Figure 2: Five-year trend in the accumulated reserve funds and compliance with the Financial Regulations

Assets

Total assets decreased by 1% to EUR 189.9 million from EUR 192.8 million in 2021. This was mainly driven by the decrease in cash and cash equivalents, which represent 32% of total assets. The cash assets are also primarily driven by the level of cash held on behalf of third parties – project funds and staff. This is matched by the level of liabilities for these items. Net asset values of long-term assets (capital items) have been decreasing in recent years, which is consistent with the wider trend towards rental rather than ownership. However, there was a 6% increase in net fixed assets in 2022 compared with 2021. The trend in investment in intangible assets continues to grow, and has seen the proportion of these assets rise in comparison with tangible assets as depicted in figure 3 below.

⁷ There is no statutory level of the capital investment fund or RB reserve fund.

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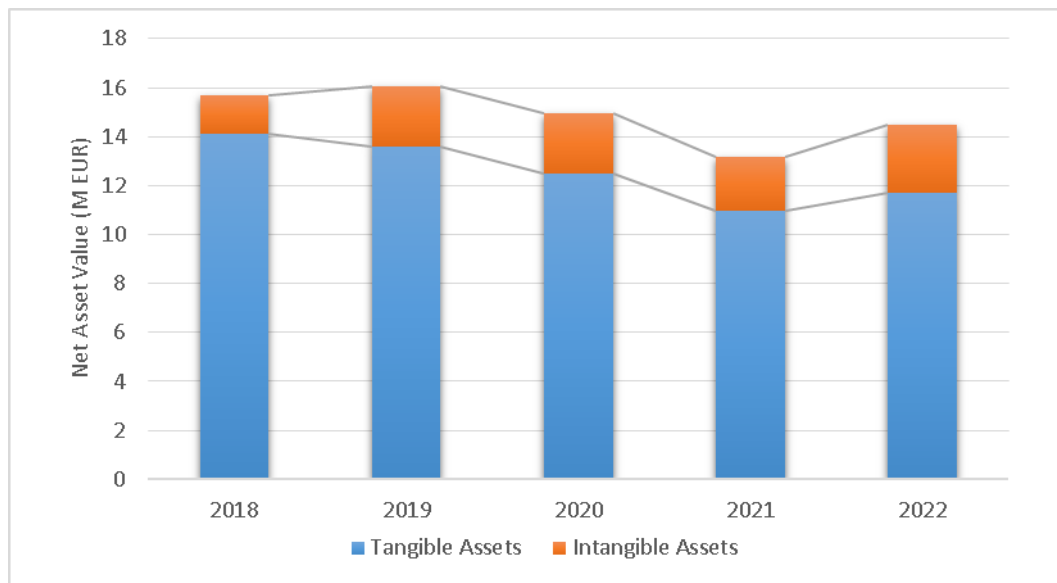


Figure 3: Five-year trend in net asset value of tangible and intangible assets

Liabilities

Liabilities reduced in the year by EUR 5.5 million or 4%, primarily driven by a reduction in the level of deferred revenue. The Organization has three principal sources of liabilities: Accounts payable and accrued charges; employee future benefits; and deferred revenue. Employee future benefits and deferred revenue generally have an associated internally restricted asset in cash, cash equivalent or an investment that exactly matches the liability.

Employee future benefits

The Organization offers a defined contribution pension to its employees under contract⁸. As reflected in figure 4 below, the total pension liability continues to increase to EUR 36.8 million in 2022 for 487 staff (EUR 32.9 million in 2021 for 435 staff). The scheme is fully funded with corresponding restricted cash and investment assets.

⁸ Employees under contract may enroll in national pension schemes, to which the Organization may also contribute. The Organization considers that it has no further liability to the future pensioner enrolled in national schemes.

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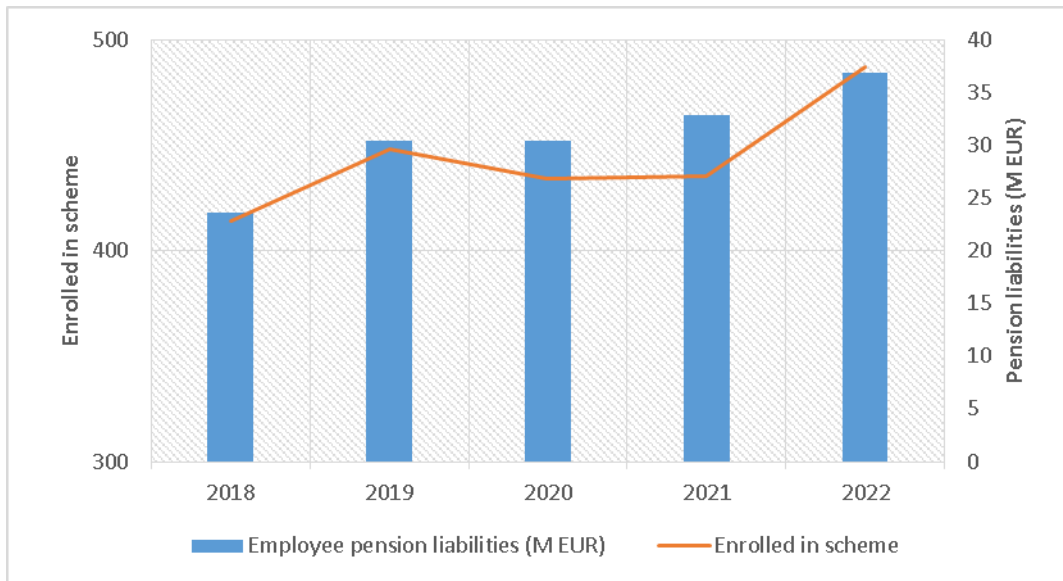


Figure 4: Five-year trend in liability and employees enrolled (line) in the defined contribution pension scheme

Deferred revenue

The Organization implements specific projects funded by external sponsors, usually to facilitate law enforcement capacity building. It normally receives the funding in advance of the implementation, and revenue is not recognized until the project activities are implemented. Deferred revenue decreased by 25% in 2022 against a decrease of 3% in 2021 shown in figure 5 below. This was mainly due to the increased implementation of Trust Fund and Special Accounts projects in 2022 at 115 % of budget, partially catching up on the slowdown in recent years as a result of the COVID-19 pandemic. The deferred revenue balance at the end of 2022 represents almost a year of Trust Fund and Special Accounts implementation.

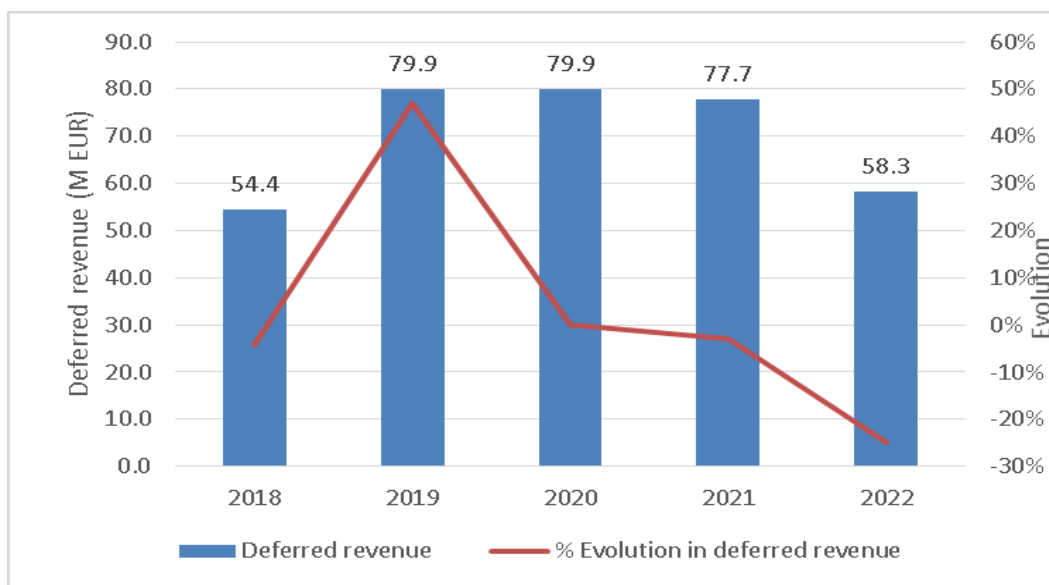


Figure 5: Five-year trend in deferred revenue (future project revenue)

Assets to liabilities ratios

Liabilities are fully covered by assets, with an assets-to-liabilities ratio of 1.43 in 2022 - the Organization is able to cover its long-term liabilities with its overall assets. Current assets were almost equal to current

liabilities in 2022 as shown in figure 6 below, and are mainly impacted by the classification of deferred revenue as a current liability.

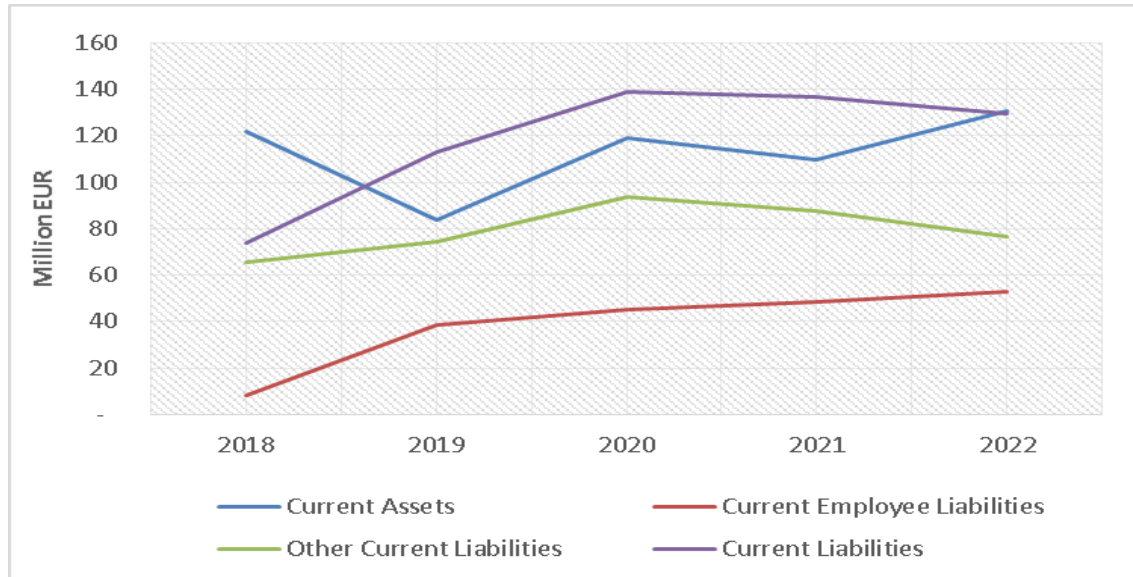


Figure 6: Five-year evolution of total and current assets and liabilities

Liquidity

Cash, cash equivalents and investments decreased by EUR 5.0 million (3%) to EUR 158.3 million. Cash equivalents and investments are not always free-to-use by the Organization as they may have internal restrictions, being held on behalf of third parties including sponsors and employees. The overall decrease was driven by the products with internal restrictions which decreased to EUR 102.4 million in 2022 (-13%), whilst the internally unrestricted balances (i.e. free-to-use) actually increased to EUR 55.9 million (+22%).

Operating cash flow was the main driver of the decrease in cash equivalents and investments as the Organization undertook measures to accelerate its operations whilst being prudent on its cash and investment position, notably in the follow-up of the payment of contributions. On-time payment is a key metric in ensuring short-term liquidity (as shown in table 3 below) – and in managing expenditure commitments.

Key financial indicators	2018	2019	2020	2021	2022
Unrestricted cash (months)	7	5	6	9	9
Statutory contribution collection in year	98.71%	98.45%	97.60%	97.78%	97.20%
Number of countries in arrears	9	13	15	17	11

Table 3: Liquidity: five-year trend in key financial indicators on statutory contribution collection and cash

Operating cash flow and unrestricted cash

The Organization delivered a decrease in operating cash flow in 2022, reducing by EUR 1.0 million in the year (2021: increased by EUR 12.9 million). More than 63% of cash and investments is held on behalf of

third parties – employees and sponsors - slightly down from the previous years where 70% of cash and investments were being managed on behalf of third parties.

The key financial indicator for the Organization’s operating sustainability is the unrestricted cash, cash equivalents and investment balances. Unrestricted cash, cash equivalents and investment balances rose by 22% to 9.0 months of 2022 Regular Budget operating expenses (2021: 8.9 months) as depicted in figure 7 below.

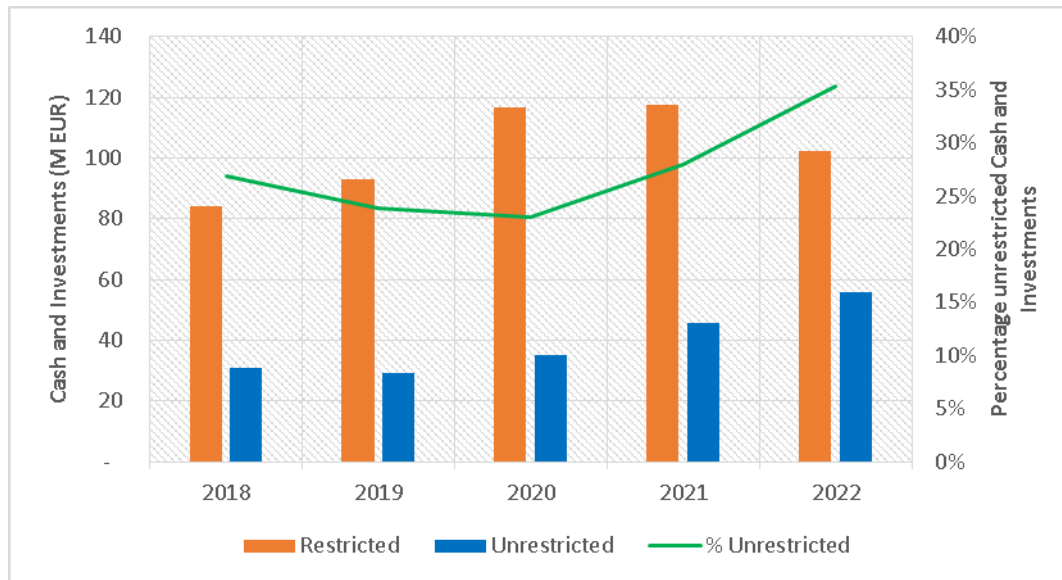


Figure 7: Five-year trend in restricted and unrestricted cash, cash equivalents and investments (M EUR, % total unrestricted). Restricted amounts are managed on behalf of third parties, including staff.

Liquidity ratios

The prudence in maintaining financial stability is demonstrated in the increase in the assets-to-liabilities ratio (1.43 in 2022 from 1.39 in 2021). The near maturity of cash investments on behalf of third parties to short-term investments meant a slight increase in the current ratio to 1.01 at the end of 2022 from 0.80 in 2021 and in the operating cash flow ratio from 0.09 to -0.01. These relatively low ratios, as shown in figure 8 below, are the result of the accounting treatment of liabilities related to employees and Trust Fund and Special Accounts as current liabilities, given that they could potentially be called at short-notice.

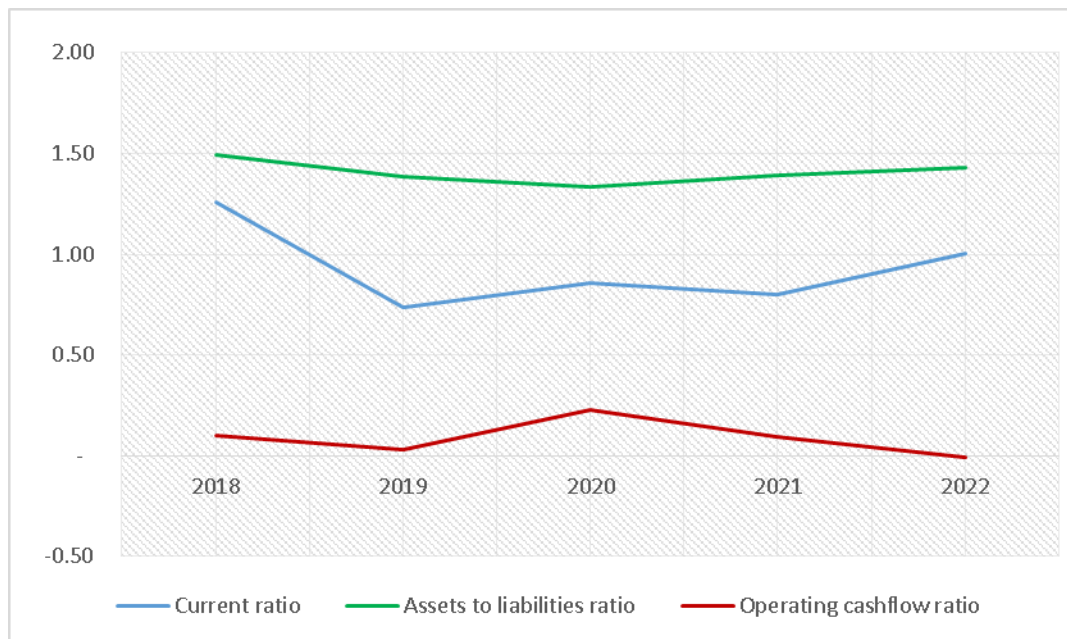


Figure 8: Five-year trend in the current, assets-to-liabilities and operating cash flow ratios

Payment of statutory contributions

Timely collection of statutory contributions is a key financial indicator as it impacts the overall budget available for the implementation of the programme of activities. Each member owes statutory contributions to the General Budget based on a scale that is approved by the General Assembly and is payable by 30 April in a given financial year⁹. The scale is based on a member's economic weight in the world economy.

In-year collection rates – the amount of the budget paid for the specific year *in the year* - were slightly up on the General Budget in 2022, at 97.79%, maintaining the good trend of timely payments. Regional Bureau Budget collection rates slightly dropped to 70.12% in 2022 from 73.16% in 2021 but remained higher than the low of 59.49% in 2020, as reflected in figure 9 below. Collection of statutory contributions for a given year continues after year-end and only when a member has not paid for two financial years, are the balances reflected as a doubtful debt with the member entering Article 52 sanctions.

⁹ Financial Regulation 3.3(2)

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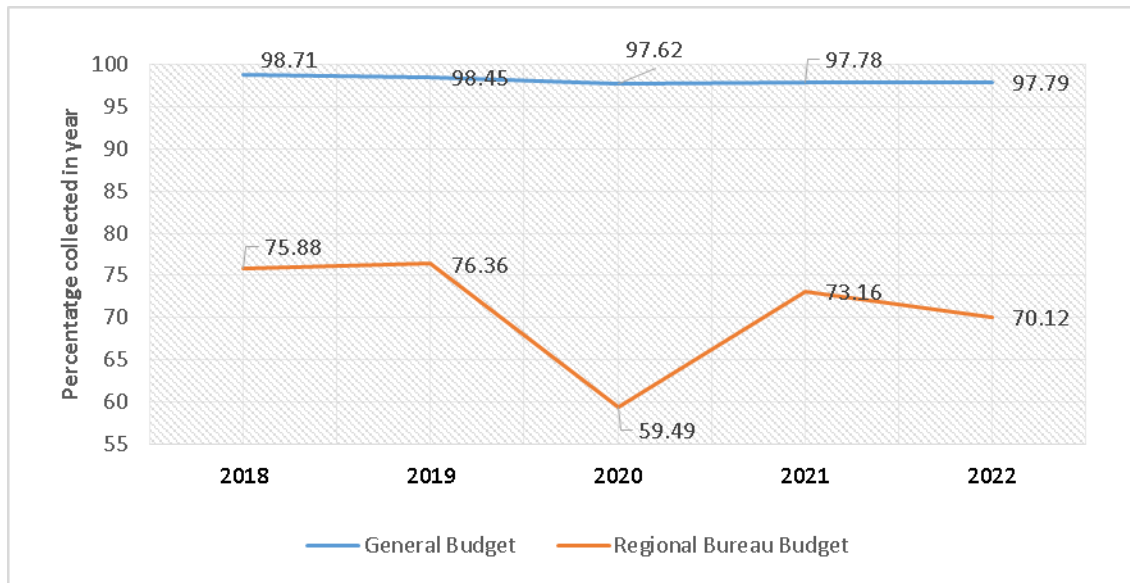


Figure 9: Collection rates of statutory contributions for General and Regional Bureau budgets

As the collection rate of 97.79% shows, there were good in-year statutory contribution payment rates on the General Budget across all of the regions. Member countries from the European region paid all of their statutory contributions due in 2022 (100%), followed by Asia (99%), the Americas (97%), Middle East and North Africa (MENA) (91%) and Africa (71%) as reflected in figure 10 below.

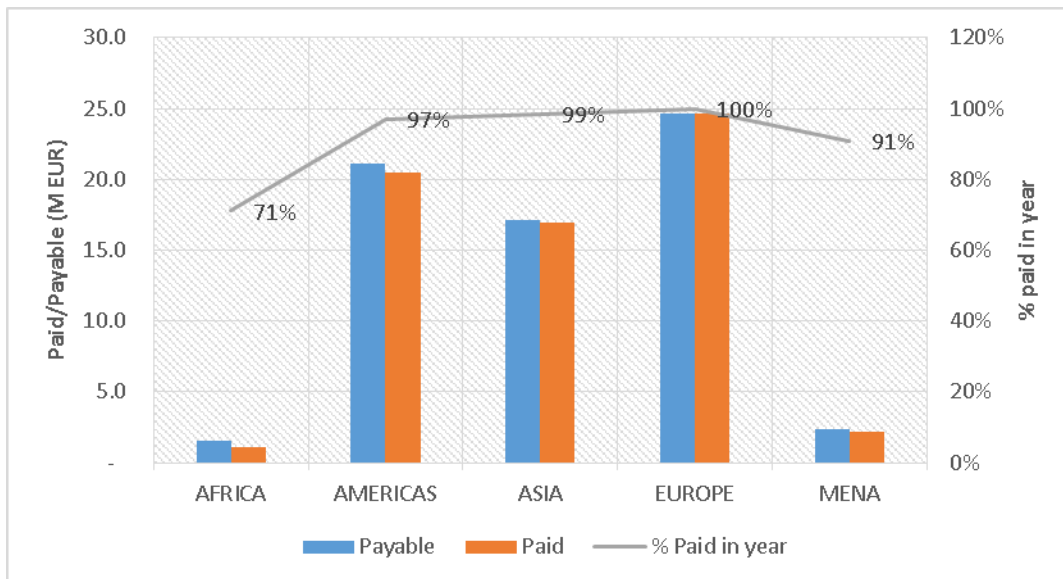


Figure 10: 2022 statutory contributions for the General Budget by INTERPOL region and actual and percentage payments made in the year

Overall outstanding statutory contributions owed from member countries - for all budget periods and when due - increased in the year by EUR 0.3 million (+5%) to EUR 6.5 million, the equivalent of 9% of total annual statutory contributions (2021: 10%). Some of the countries are in long-term payment arrears, for which the Organization has taken a doubtful debt provision. Net of the provision, the amount outstanding equates to 3 % (2021: 2%) of contributions.

Long-term payment arrears

Amounts owing from countries in long-term payment difficulties (Article 52 countries) reduced slightly from EUR 4.8 million (seventeen (17) countries, 9% of the total membership) in 2021 to EUR 4.7 million (eleven (11) countries, 6% of the total membership) in 2022 (refer to figure 11 below), despite the significant increase in contributions in the year. This reflects a close follow-up with membership.

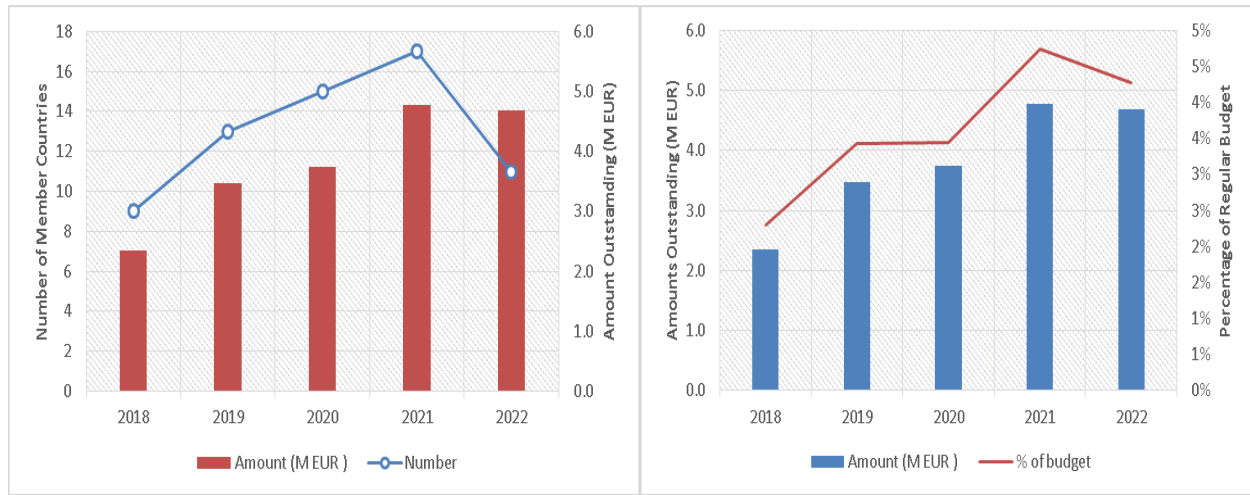


Figure 11: Five-year trend in the number and amount from countries under long-term payment arrears

The Organization continued its dialogue with member countries and is confident to make progress on payment as economic circumstances allow: it is not always the same countries that are subject to non-payment sanctions in a given financial year. Of the eleven (11) member countries subject to Article 52 at the end of December 2022, ten (10) of those were subject to Article 52 sanctions at the end of 2021, 2020, 2019 and eight (8) at the end of 2018. Three (3) countries have been subject to Article 52 since 2001.

Deferred revenue: Trust Fund and Special Accounts

The Organization executes projects on behalf of third-party sponsors. It generally receives funding in advance of execution, and hence the revenue is deferred until project activities are actually implemented. The Organization held EUR 58.3 million at the end of 2022 (2021: EUR 77.7 million) on behalf of sponsors, representing 0.9 years of project execution based on the most recent implementation rate. This level of implementation reserves, together with continued strong Trust Fund and Special Accounts sponsorship, provides confidence in the continuation of these activities in the medium-term, but also a risk in requiring the swift implementation of projects on behalf of sponsors.

Financial performance

Key financial indicators	2018	2019	2020	2021	2022
Regular Budget execution	91%	106%	91%	93%	99%
Revenue (EUR millions)	134.2	141.9	134.9	137.3	159.6
Operating result (EUR millions)	3.8	(4.7)	2.7	7.5	2.6

Table 4: Five-year trend in key financial indicators - financial performance

Operating result

Table 4 above shows the trend in key financial performance indicators. The General Assembly approved a EUR 22 million increase at its 89th session in 2021, phased over three years, with an increase of EUR 5

million in the first year, which was 2022. The Organization made a surplus of EUR 2.6 million in 2022, mainly due to increased operating revenue. The overall financial performance strengthened the Organization's reserve position by EUR 4.6 million compared with a planned use of reserves of EUR 2.0 million in the budget.

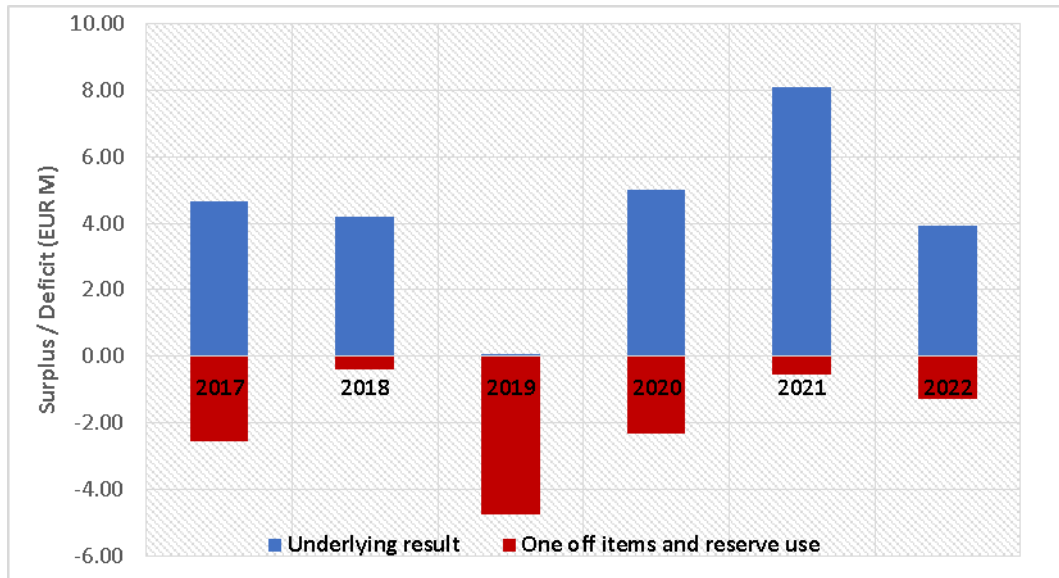


Figure 12: Financial Performance - five-year view of operating result

Revenue overview

Compared to 2021, revenue in 2022 increased by EUR 22.2 million to EUR 159.6 million EUR (+16%), and remained 3% above the budgeted revenue of EUR 155.2 million. The main driver of the increase in revenue was the EUR 16.2 million increase in reimbursements and recoveries from Trust Fund and Special Accounts' projects (voluntary cash contributions), where project implementation was accelerated after the lifting of international border restrictions due to the global pandemic¹⁰.

By type: There are three principal revenue streams: mandatory statutory contributions, voluntary contributions that may be direct support for specific activities (usually as reimbursements and recoveries on the Trust Fund and Special Accounts' projects) and in-kind contributions that are for seconded staff and for the free-use of buildings.

¹⁰ Revenue is recognized on trust fund and special accounts projects only when the project activities are delivered.

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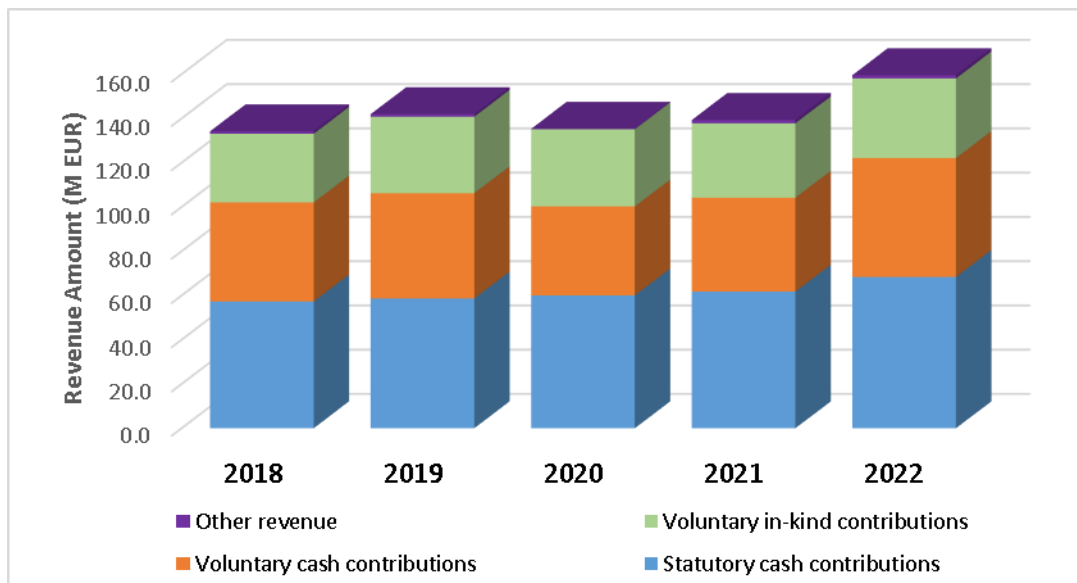


Figure 13: Five-year evolution of operating revenue

Whilst the statutory contributions (cash and in-kind) have remained relatively stable over the previous five years, the voluntary cash contributions had reduced in 2021 and 2020, primarily as a result of the low implementation rate of Trust Fund and Special Accounts' projects, as the COVID-19 pandemic had limited the Organization's implementation ability. However, this trend has started to improve with the increased rate of implementation of projects in 2022 as is shown in figure 13 above and significant receipts remain in the form of restricted cash and investments to be able to implement projects in the coming periods.

By region: The statutory contributions are set according to a defined scale of contributions by member country: based on a scale adopted for implementation periods 2020 to 2022. Figure 14 below demonstrates the geographic distribution of the contributions with slightly more than a third (37%) of the statutory contributions, excluding Regional Bureau contributions, coming from Europe. Revenue is recognized when it is due – payments are closely followed up and are an important source of the Organization's liquidity.

In addition, the Organization encouraged members to pay voluntary contributions, especially those members that have been seeing reductions in contributions from the changes in the scale of contributions. In total the voluntary contributions totalled EUR 0.6 million in 2022, slightly above the EUR 0.5 million budget with 20 members paying voluntary contributions (EUR 1.2 million in 2021 from 109 members).

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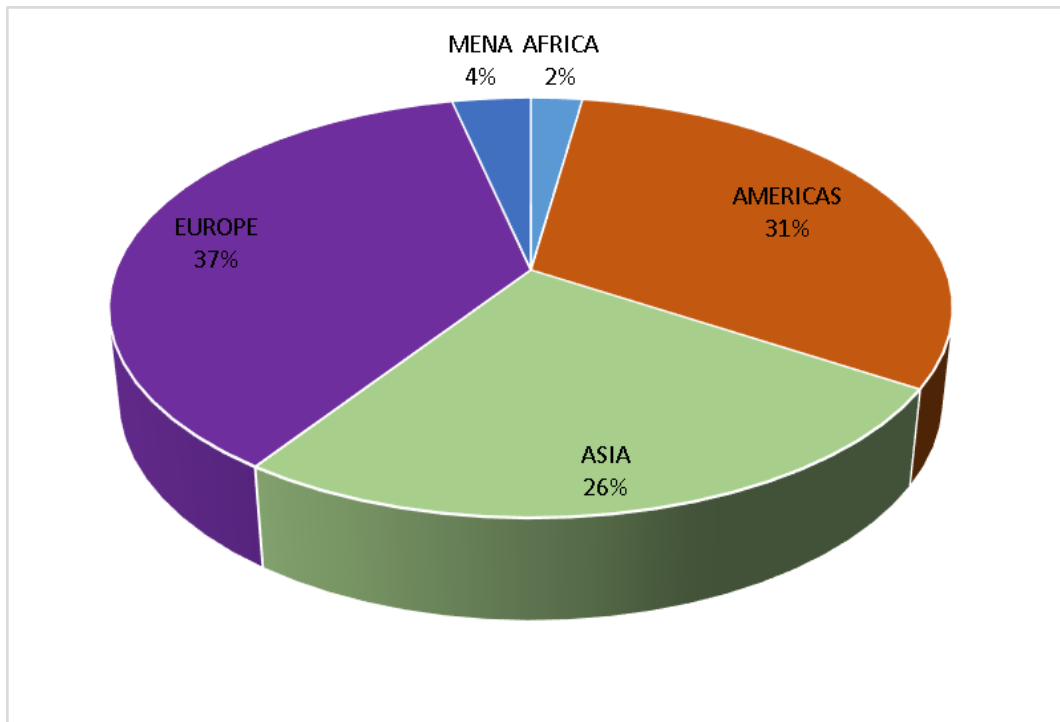


Figure 14: Share of 2022 statutory contributions (General Budget only) revenue by INTERPOL region

Expenses overview

Total expenses increased in 2022 to EUR 157.0 million (21.4%) from EUR 130.0 million in 2021, due to increased activity on both the regular budget and the Trust Fund and Special Accounts budget. Employee pay costs, including the in-kind pay costs, remained the principal expense category as is shown in figure 15 below. The increase in activity is demonstrated by the increase in mission and meeting costs compared with 2020 and 2021, recovering to 2019 levels.

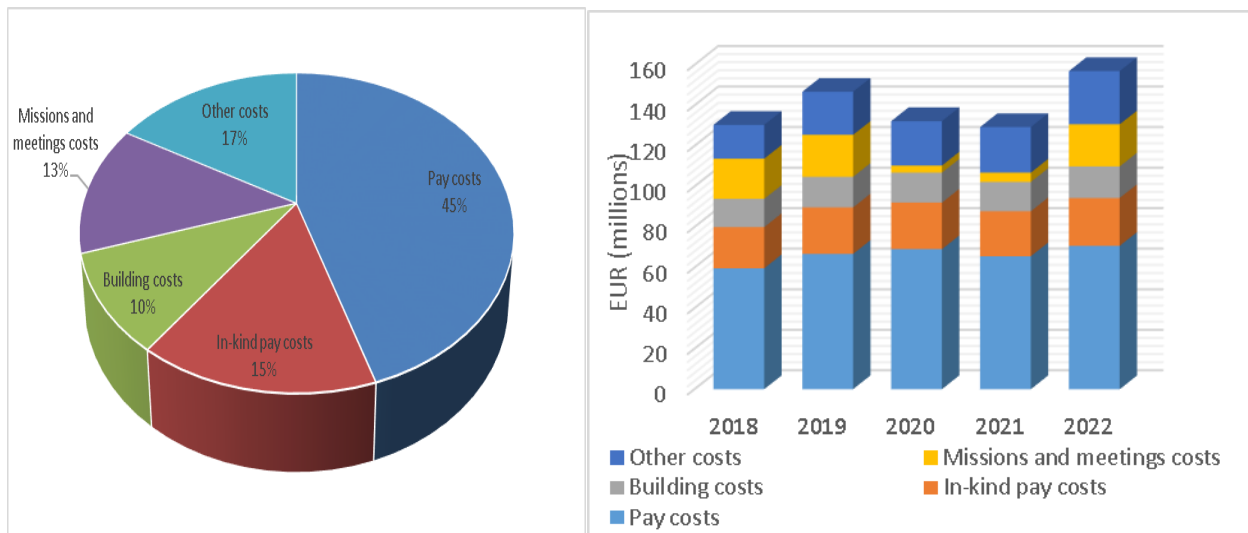


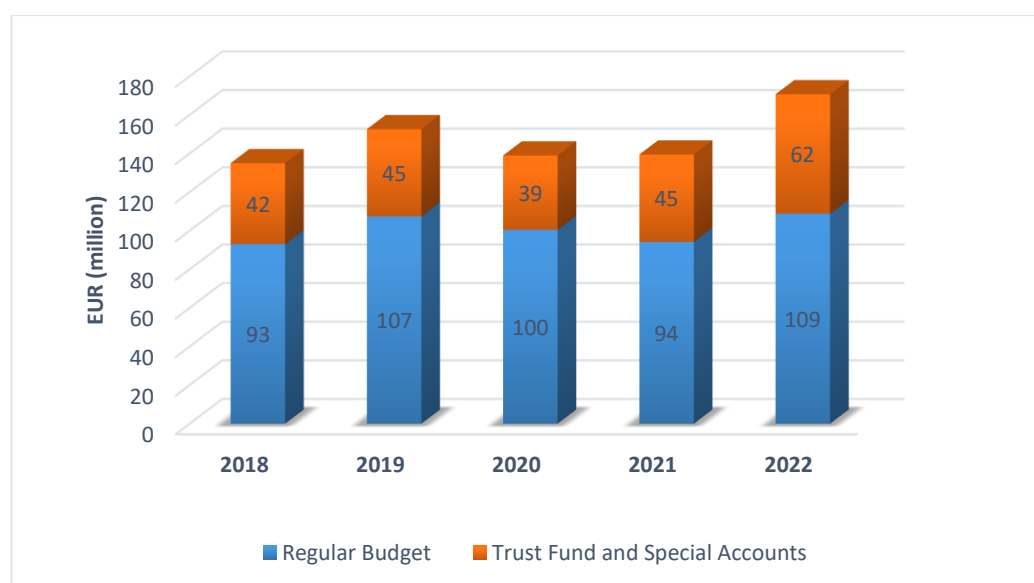
Figure 15: 2022 Operating expenses by type and five-year evolution

Financial performance by budget segment

Budget type	Budget 2022 (EUR million)	Actual 2022 (EUR million)	Implementation rate %
Regular Budget	109.4	108.8	99.4%
Capital Budget	4.8	5.8	121.1%
Trust Fund and Special Accounts	53.8	61.9	115.0%

Table 5: Execution rate (expenses) by budget type

The Regular Budget represented 60.5% of total operating expenditures with the Trust Fund and Special Accounts representing the remainder as shown by figure 16 below. The Capital Budget is monitored separately for longer-term expenditures. Table 5 above shows a high implementation rate of all the budgets as the delivery of the programme of activities had accelerated from the second quarter in 2022 following the lifting of international cross border travel restrictions. Financial results from the various budgets are accounted for against the specific reserve.

**Figure 16: Five-year evolution of operating budgets by type****Regular Budget including Capital Budget**

As shown in table 5 above, execution of the Regular Budget was in line with plan at 99.4%, and expenses were 6% higher than the previous year (2021: 93.4% budget implementation), as the programme of activities implementation accelerated due to the improved operating environment. The 2022 operating result is a surplus of EUR 2.6 million compared with a budgeted use of reserves (deficit) of EUR 2.0 million (2021: surplus of EUR 7.5 million).

Capital Budget

The Capital Budget forms part of the Regular Budget and had expenditures of EUR 5.8 million in 2022 (2021: EUR 2.8 million). Similar to the operating budgets, implementation of the Capital Budget program accelerated and increased as the Organization caught up on some of the investments that were delayed

due to the impact of the COVID-19 pandemic. The implementation rate was 121% of the budget in 2022 (2021: 63%).

Trust Fund and Special Accounts' Budget

Trust Fund and Special Accounts activity continued the positive trend from the previous year as implementation increased to EUR 61.9 million (+37% compared to 2021), and above the budget of EUR 53.8 million (+15%). New contracts signed with sponsors totalled EUR 46.4 million in 2022.

The other feature of the Trust Fund and Special Accounts revenue is increased diversification – an increase in the number of different sponsors, totalling 56 different sponsors in 2022 (63 in 2021). The top five sponsors represents 48% of total implementation in 2022 compared to 57% in 2021 and the top ten sponsors represented 73% of implementation (71% in 2021), demonstrating the diversification. The Organization continues to target public funding: Public entities sponsored 88% of the projects implemented in 2022 (2021: 95%).

Transfers between budgets (combination adjustment or cost recovery)

Certain services are shared between the different budgets. The Organization applies a cost methodology to ensure that Trust Fund and Special Accounts activities do not result in a long-term liability to members that contribute to the Organization's Regular Budget. The cost for services provided by resources paid for from the Regular budget to deliver activities on Trust Fund and Special Accounts is charged to these projects and is recovered on the regular budget. This methodology is disclosed as revenue to the Regular Budget¹¹ The amount of these transfers were EUR 13.7 million in 2022 (EUR 9.7 million in 2021), an increase of EUR 4.0 million. The recovery rate to the Regular Budget for services provided, remained at 22% of project expenditures in 2022 (21% in 2021). Implementation of the cost recovery methodology started in 2020 and has now been rolled out to almost all sponsors to Trust Fund and Special Accounts demonstrated by the fact that the ratio is plateauing (See figure 17 below).

¹¹ These budgetary transfers are eliminated when the budgets are combined and presented in the financial statements.

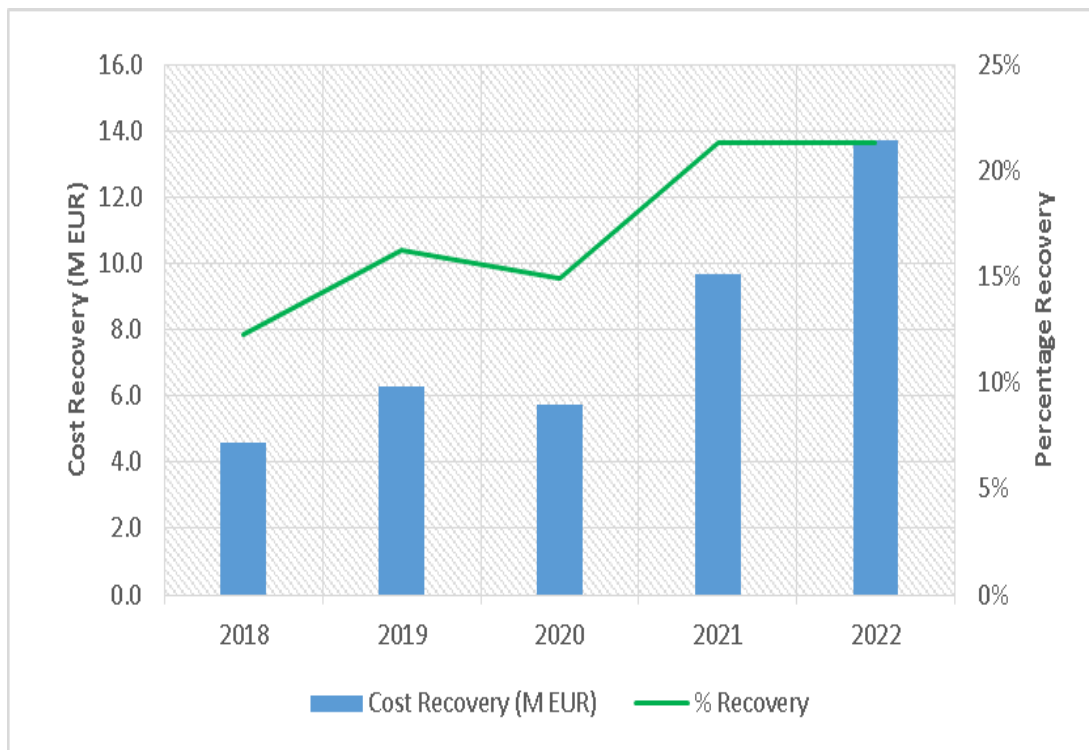


Figure 17: Five-year evolution in cost recovery from Trust Fund and Special Account projects

Financial risks and risk management

Principal financial risks and risk management

The Organization is truly global with its 195 Member countries and is subject to a wide-range of financial risks, especially economic shocks impacting its Membership. The Organization monitors its principal financial risks and prepares risk mitigation measures to address them through its system of internal control and oversight.

Reliance on member country contributions

The Organization belongs to its Members and depends on their long-term financial support, both in cash and in-kind, and their operational input for the delivery of its activities. More than 65% of the Organization's revenue comes from statutory or in-kind contributions from its Membership. Although the cash support is divided between the 195 different member countries according to an agreed scale, a significant portion of the cash revenue is supplied by a smaller number of countries: the top ten contributors (5% of the total countries) provided two-thirds of the cash contributions in 2022. Economic or political change resulting in unpaid contributions can restrict the Organization's operational capability.

The Organization also receives non-monetary support from its members, notably in the secondment of law enforcement officials that assist in implementing the Organization's activities. At the end of 2022, 25% of total staff (2021: 26%) were seconded to the Organization from national, mainly law enforcement, administrations. In addition, the Organization receives free use of some of its buildings and equipment. A reduction in these contributions could materially impact the Organization's operations.

Risk mitigation: The Organization manages the risk by closely following up on payments of statutory contributions and by ensuring minimum reserve levels and liquidity. It monitors the payment of statutory contributions and assesses recoverability. The scale of contributions is designed to distribute contributions fairly, based on a member's overall ability to pay. The Organization maintains strong relations with its

Membership, especially its host countries, and has representation from all of its regions on its Executive Committee. It provides international training and development opportunities for seconded officials.

Reliance on Trust Fund and Special Accounts partners and voluntary contributions

The Organization supplements statutory contributions from Members with other contributions, usually for specific activities, on a voluntary basis. Voluntary cash contributions, including reimbursements and recoveries, made up 29% of the Organization's revenue in 2022 and in-kind revenue, also considered voluntary, was 23%. A slow-down in this voluntary support could impact the overall activities delivered by the Organization. In addition, these voluntary activities may develop assets such as databases that require on-going servicing that may lead to a continued financial obligation to members.

Risk mitigation: In order not to become overly reliant on Trust Fund and Special Accounts revenue nor on a single sponsor, the Organization's Financial Regulations protect the Organization against that risk by stipulating a limit of 50% of total operating revenue to be sourced from Trust Fund and Special Accounts in any particular year. Similarly, the total annual donation from a single donor in Trust Fund and Special Accounts, other than the INTERPOL Foundation, cannot exceed 15% of total operating revenue in that year. No single donor exceeded this amount, including the INTERPOL Foundation. The highest single sponsor to the Trust Fund and Special Accounts activity was the European Commission that contributed 8% of total operating revenue, being 21% of total Trust Fund and Special Accounts revenue in 2022 (6% and 19% respectively in 2021). The total number of sponsors that contributed EUR 100 000 or more in Trust Fund and Special Accounts revenue in the year was 42 (also 42 in 2021).

Budget execution, commitments and liquidity

The implementation of the Organization's different budgets may impact future Organizational financial performance – for example, in terms of cost recovery revenue or member country support of future budgets. Budget execution increased in 2022, being 99.4% on the Regular Budget, 121.1% on the Capital Budget and 115.0% on the Trust Fund and Special Accounts (table 5 above).

Risk mitigation: The Organization manages the budget risk by not making excessive long-term commitments and matching contracts with the associated revenue streams. In particular, contracting on behalf of Trust Fund and Special Accounts is linked to the underlying contractual agreements and availability of funding from the sponsor. Commitments on pay costs are linked to underlying and fully budgeted posts.

Data volume and quality, operating environment and legal challenges

The Organization depends on its member countries for the input of notices and data to its databases. There has been an increase in the amount of data and records held by the Organization. Total records in the databases increased by 5% in 2022 to 125 million records (2021: 119 million). Total searches across the Organization's databases increased by 49% in 2022 to 5.9 billion (2021: 4.0 billion). Successful results on searches or Hits increased by more than 8% to 1.4 million (2021: 1.3 million).

The Organization is exposed to risks in the quality of the data and implementation of new data-handling standards. Legal challenges and further costs in reviewing and ensuring data quality may result in future financial liabilities to the Organization. The Organization conducts its operations in high-risk areas and may be subject to other legal claims in the ordinary course of its operations.

Risk mitigation: The Organization monitors the risks of litigation that occur in the conduct of its activities. It ensures that the handling of data from member countries is made according to the rules on data handling and has data oversight mechanisms. It has adopted mitigating measures and precautions to limit the financial impact of potential legal risks. Safeguards include an in-depth review of red notices and wanted persons diffusions; stricter criteria for publication of extracts on the Organization's public website; separation between notices and diffusions in the notice form; support and guarantees from member countries; and third-party insurance coverage.

Pension and social security schemes

Contracted employees may enroll in a defined contribution pension scheme or may be affiliated to national pension schemes. A shortfall in funding of these schemes, the Organization's withdrawal from national schemes or other contributions to national social security schemes may require additional contributions from employees or the Organization. As the Organization is in the process of enhancing its defined contribution pension scheme¹², the enhancement changes may impact the Organization's financial position in the future. No actuarial assessment has been made on these potential financial risks.

Risk mitigation: The Organization continues to discuss with its host member countries on any potential ongoing pension liabilities and social security liabilities. The Organization segregates and manages assets for its own employee liabilities and reports on these separately as well as having separate oversight mechanisms.

Other financial risks including inflation, currency risk, interest rate risk, credit risk, liquidity risk

The Organization operates internationally. High inflation, notably in certain duty stations, may impact the level of expenditure that the Organization can support. The Organization receives, makes transfers and holds cash and cash equivalents in a number of currencies. The Organization is subject to fluctuating exchange rates on these transactions and the positions it takes in these currencies. The Organization invests some of its available funds in investment products – including on behalf of third parties such as employees and sponsors. It is subject to the credit quality of the products and the institutions that manage them as well as to liquidity risk in accessing funds. The Organization is also subject to the credit quality of all its accounts receivable, including the amounts receivable from its member countries.

Risk mitigation: The Organization's Treasury Policy addresses its currency, credit and interest rate risks. This includes limits on the amounts held with single institutions and the credit rating of the investment products it deals in. There is regular monitoring and follow-up of the Organization's financial exposures. Currency risk management includes matching foreign currency inflows with expected outflows. Sensitivity analysis is performed on its financial instruments for interest rate and currency risks.

¹² General Assembly Resolution GA-2022-90-RES-13.

STATEMENT OF INTERNAL CONTROL

15 May 2023

Scope of responsibility

As Secretary General of ICPO-INTERPOL, in accordance with Regulation 1.3 of the Financial Regulations, I am responsible and accountable for the proper financial management of the Organization. I have established mechanisms of internal oversight and financial control to ensure the effective and efficient use of the Organization's resources and the safeguarding of its assets.

Operating environment

ICPO-INTERPOL operates globally with a physical representation in all of its member countries. The diverse and challenging environments and the engagement with multiple funding and delivery partners expose the Organization to many potential risks and opportunities. There is a high level of inherent risk, including for the security of employees, which presents challenges in maintaining high standards of internal control.

Purpose of the system of internal control

ICPO-INTERPOL has designed an internal control system to reduce and manage the risk of implementation in its operating environment. Internal control is an ongoing process that identifies and evaluates the principal risks and manages them efficiently, effectively and economically.

The system of internal control consists of measures conducted by the General Assembly, the Executive Committee, Advisors and the General Secretariat including senior management, the Office of Internal Oversight and other departments. It is not a single policy or procedure but a set of processes running continuously throughout the Organization at all levels. It is designed to provide reasonable assurance on achieving the internal control objectives:

- Effective and efficient conduct of its operations including all of its financial operations;
- Safeguard of assets;
- Prevention, detection and reporting of fraud;
- Reliable, accurate and complete recording of its transactions and related financial reporting;
- Objective assessment of the risks and potential liabilities and their effective management;
- Compliance with the regulatory framework, notably its Financial Regulations.

Internal control framework and risk management

The Organization has implemented an internal control framework comprising but not limited to:

- Sets of regulations, policies and rules including the Code of Conduct, Financial Regulations, Staff Manual and data protection and due diligence procedures;
- Automatic system and regular manual operating controls and monitoring activities;
- Senior management accountability reinforced by specific management declarations;
- An Office of Internal Oversight to provide regular reviews and internal audits;
- Governing and review bodies which are independent of management;
- Independent external audit and evaluation.

The Organization has established a risk management system. This includes the identification of risks, classified according to relevance, impact and probability of occurrence and their periodic review. The risk management system is implemented through regular operational reviews and is reinforced by external parties, notably with appropriate insurance cover.

Review of the effectiveness of ICPO-INTERPOL system of internal control 2022

My review of the effectiveness of the system of internal controls for 2022 is mainly informed by:

- Senior management, who are formally accountable for results, performance and the control of their activities and the resources entrusted to them;
- Internal departments for ensuring the application of the Organization's regulatory texts including the Executive Directorate of Legal Affairs for pending or potential legal actions;
- Audits, evaluations and investigations performed by the Office of Internal Oversight and independent external financial verifications on behalf of the various sponsors of the Trust Fund and Special Accounts;
- Governing body observations and comments and independent advisors such as the Advisory Group on Financial Matters;
- External audit and other independent review committees including the Commission for the Control of INTERPOL files;
- Feedback from member countries and external sponsors.

Internal control issues arising in the year

The system of internal control identified no major internal control weaknesses in 2022. Areas where further improvements in internal control may be required include:

Legal Framework: The Organization is subject to legal challenges and continues to update its operating processes and strengthen its legal reviews, notably in the processing of data. Significant improvements have taken place and will continue in this front, including strengthening of data protection;

Audit recommendations: The Office of Internal Oversight and the external auditors provide recommendations for improving management processes and financial reporting. The Organization addresses any weaknesses and regularly reports on the progress of the implementation of the recommendations to its governing bodies;

Enterprise risk management: The Organization is strengthening its risk management, including its insurance cover. Systematic risk reporting, especially financial risk reporting, and risk management can be further improved.

Approval for the financial year 2022

No matter how well designed, effective internal control has inherent limitations including the possibility of circumvention. It can only provide reasonable, not absolute, assurance. The effectiveness of internal control may vary over time owing to changes in operating conditions. I am committed to the continuous development of the system of internal control, addressing weaknesses and taking timely remedial actions.

Based on the above, I conclude that, to the best of my knowledge, ICPO-INTERPOL has an effective system of internal control, that there are no material weaknesses nor are there other significant matters arising which would need to be raised in the present document for the year ended 31 December 2022 and up to the approval of the financial statements.

Jürgen Stock
Secretary General

APPROVAL OF THE 2022 FINANCIAL STATEMENTS

Regulation 6.3 of the ICPO–INTERPOL Financial Regulations gives the responsibility to management for the production of the financial statements. The Organization has adopted International Public Sector Accounting Standards (IPSAS) as its accounting reference standard. These financial statements have been prepared in accordance with IPSAS and the Financial Regulations, and management considers that it has been compliant with both throughout the year.

The Secretary General is responsible for establishing and maintaining adequate internal financial controls. The Organization’s system of internal financial control is designed to provide reasonable assurance on the reliability of financial reporting including detailed accounting procedures and operations and the prevention, detection and reporting of fraud. The system of internal control includes policies, procedures and approval of financial operations at both the organizational level and transactional level.

Organizational level controls include the policies and procedures that set the internal financial control environment, provide for the maintenance of records, the authorization levels of management and the Office of Internal Oversight that reports directly to the Secretary General. Management is responsible for establishing and maintaining transactional level controls that provide reasonable assurance that the Organization complies with its Financial Regulations and other approved policies and procedures including accounting for all authorized receipts and expenditures and for the prevention and detection of unauthorized acquisition, use or disposition of the Organization’s assets. Senior management makes a declaration on their or related parties’ outside interests that may be in conflict or prejudicial to the Organization and that could call into question their independence in exercising their ICPO-INTERPOL functions. These organizational level controls have not identified any transactions that have not been included in these financial statements that may have a material impact on their reliability.

These financial statements include certain amounts that are based on Management’s best estimates and probabilities on the likelihood of occurrence at the financial statement approval date.

Management establishes controls to investigate reported incidents of fraud. No reported incidents were substantiated during the year. Management has reasonable assurance that its system of internal financial control has been operating effectively during the year and that there are no material misstatement or omissions. Management therefore considers that these financial statements present a true and fair view of the Organization’s financial position as at 31 December 2022 and the results of financial operations and cash flows for the year at that date.

The financial statements were approved by Management on 15 May 2023. The financial statements are audited by the Supreme Audit Office of Poland, who was appointed by the General Assembly¹³ for a three-year term beginning in 2022.

Jürgen Stock
Secretary General

Alberto Varano
Executive Director, Resource Management

¹³ GA-2021-89-RES-06

OPINION OF THE EXTERNAL AUDITOR

OPINION OF THE EXTERNAL AUDITOR

To the General Assembly of the International Criminal Police Organization

REPORT BY THE EXTERNAL AUDITOR TO THE INTERNATIONAL CRIMINAL POLICE ORGANIZATION FOR THE YEAR ENDED 31 DECEMBER 2022

We have audited the accompanying financial statements of the International Criminal Police Organization (ICPO–INTERPOL, the Organization), which comprise the statement of financial position as at 31 December 2022, and statement of financial performance, statement of changes in net assets and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Audit Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at 31 December 2022, its financial performance and its cash flows for the year then ended in accordance with the International Public Sector Accounting Standards (IPSAS). The underlying transactions were carried out in compliance with the Constitution, the General Regulations and the Financial Regulations of ICPO–INTERPOL.

Basis for Opinion

We conducted our audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). 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 audited organization in accordance with INTOSAI-P-10 – Mexico Declaration on SAI¹ Independence, and the ethical requirements laid down in ISSAI 130 – Code of Ethics, and the Code of Conduct of the Supreme Audit Office of Poland, together with other requirements that are relevant to our audit of the financial statements of an international institution as set forth in INTOSAI GUID 5090 – Audit of International Institutions. We have fulfilled our ethical and other responsibilities in accordance with the said standards and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the ICPO–INTERPOL Management and Those Charged with Governance for the Financial Statements

The Organization's management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS, and for such internal control as the management 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, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using going concern basis of accounting unless the Organization either intends to liquidate its existence or to cease operations, or the Organization has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Responsibility of the ICPO–INTERPOL Management for Compliance

ICPO–INTERPOL management is also responsible for the use of the Organization's financial resources in compliance with the Organization's regulations, rules and instructions, inter alia, the ICPO–

¹ SAI – Supreme Audit Institution.

INTERPOL Financial Regulations, and all other applicable policies, professional standards, and good practices where standards have not been set².

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 auditor's opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs 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 influence the economic decisions of users taken on the basis of these financial statements.

Our objective is also to express an opinion on compliance with the respective Organization's applicable policies, rules and regulations as regards making use of financial resources of the Organization.

As part of an audit, in accordance with ISSAIs, we exercise professional judgment and maintain professional scepticism 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.
- Identify and assess the risks of non-compliance with authorities, whether due to fraud or error (audit of non-compliance with authorities was limited to the realm of the financial statements audit, specifically to the relevant regulations in reference to the voluntary contributions, pensions schemes, remunerations, and compliance with accounting standards and policies), 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 on compliance with authorities. The risk of not detecting an incidence of non-compliance with authorities resulting from fraud is higher than the 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained by the date of the auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

² Collectively referred to as compliance with authorities.

ICPO-INTERPOL

- 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.
- Obtain sufficient appropriate audit evidence whether events occurring between the date of the financial statements and the date of the auditor's report that require adjustments of, or disclosures in, the financial statements are appropriately reflected in those financial statements.

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 have identified during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and with all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those of most significance in the audit of the financial statements of the current period as the key audit matters. We describe these matters in the auditor's report unless the Organization's rules and regulations preclude public disclosure or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably outweigh the benefits of such communication.

Signed by:



Marian Banaś
President of NIK
Chairman of ICPO-INTERPOL
External Audit Steering Committee



Magdalena Bratkowska
External Auditor
of ICPO-INTERPOL

19 May 2023
Supreme Audit Office
ul. Filtrów 57
Warsaw, Poland

STATEMENT OF FINANCIAL POSITION

As at 31 December

<i>000s euros</i>	Notes	2022	2021
ASSETS			
Current assets			
Cash and cash equivalents	8	60 862	87 635
Investments	9	52 713	6 031
Statutory contributions receivable	10	1 456	927
Accounts receivable	11	10 369	12 362
Prepaid expenses	12	4 439	2 086
Inventories	13	575	485
Total current assets		130 414	109 526
Non-current assets			
Investments	9	44 706	69 606
Statutory contributions receivable	10	353	461
Intangible assets	14	2 795	2 197
Plant, property and equipment	15	11 680	10 985
Total non-current assets		59 534	83 249
TOTAL ASSETS		189 948	192 775
LIABILITIES			
Current liabilities			
Accounts payable and accrued charges	16	10 595	8 630
Contributions received in advance	17	7 871	1 411
Deferred revenue	18	58 281	77 661
Employee future benefits	19	52 877	48 750
Total current liabilities		129 624	136 452
Non-current liabilities			
Employee future benefits	19	3 259	1 821
Total non-current liabilities		3 259	1 821
TOTAL LIABILITIES		132 883	138 273
NET ASSETS			
Capital financing reserve	21	14 475	13 182
Accumulated reserve funds	22	42 590	41 320
TOTAL NET ASSETS		57 065	54 502

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

STATEMENT OF FINANCIAL PERFORMANCE

For the financial year ended on 31 December

<i>000s euros</i>	Notes	Revised Combined Budget 2022	2022	2021
Operating revenue	29			
Statutory contributions		66 909	66 931	60 340
Regional bureau financing		1 441	1 443	1 406
In-kind contributions		32 651	35 970	33 637
Voluntary contributions		493	601	1 152
Reimbursements and recoveries		53 241	53 439	39 557
Financial revenue		250	545	404
Other revenue		251	651	321
Total operating revenue		155 236	159 580	136 817
Operating expenses	30			
Pay costs		73 901	70 706	65 608
In-kind pay costs		21 325	23 627	22 178
Other staff costs		2 066	2 783	1 940
Premises running costs		5 149	3 159	3 029
In-kind premises running costs		11 326	12 343	11 459
Maintenance		8 066	5 472	4 183
Missions and meetings		15 625	20 767	4 541
Office expenses		2 325	3 838	4 124
Telecommunication costs		2 041	1 310	1 189
Third party and other costs		10 165	8 117	6 945
Depreciation and amortization		5 247	4 138	4 594
Exchange rate (gains) losses net		0	757	(513)
Total operating expenses		(157 236)	(157 017)	(129 277)
Surplus / (deficit) for the year		(2 000)	2 563	7 540

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

STATEMENT OF CHANGES IN NET ASSETS
For the financial year ended on 31 December

000s euros	Total net assets	Capital Financing Reserve	Accumulated Reserve Funds	Breakdown of Accumulated Reserve Funds			
				General Reserve Fund	Permanent Fund for Crisis Relief	Capital Investment Fund	Regional Bureau Reserve Fund
Notes		21	22	23	24	25	26
Balance at 31 December 2020	46 962	14 961	32 001	18 009	855	11 233	1 904
Surplus /(deficit) for the year	7 540	0	7 540	7 017	0	0	523
<i>Items not in the statement of financial performance</i>							
- Capital expenditure	0	2 817	(2 817)	0	0	(2 817)	0
- Depreciation and amortization	0	(4 594)	4 594	0	0	4 594	0
- Disposals	0	(2)	2	0	0	2	0
Balance at 31 December 2021	54 502	13 182	41 320	25 026	855	13 012	2 427
Surplus /(deficit) for the year	2 563	0	2 563	2 383	0	0	180
<i>Items not in the statement of financial performance</i>							
- Capital expenditure	0	5 811	(5 811)	0	0	(5 811)	0
- Depreciation and amortization	0	(4 138)	4 138	0	0	4 138	0
- Disposals	0	(380)	380	0	0	380	0
Balance at 31 December 2022	57 065	14 475	42 590	27 409	855	11 719	2 607

The accompanying notes form an integral part of these financial statements

STATEMENT OF CASH FLOW
For the financial year ended on 31 December

<i>000s euros</i>	Notes	2022	2021
Cash flow from operating activities			
Surplus for the year		2 563	7 540
<i>Adjustments for non-cash movements</i>			
Depreciation and amortization	14, 15	4 138	4 594
Effect of unrealized (gains) on foreign currency		(432)	(426)
Loss on disposal of assets	14, 15	373	2
<i>Changes in assets</i>			
(Increase) decrease in statutory contributions receivable (net)	10	(421)	607
Decrease in accounts receivable	11	5 501	9 390
(Increase) decrease in prepaid expenses	12	(2 352)	241
(Increase) decrease in inventories	13	(90)	3
<i>Changes in liabilities</i>			
Increase (decrease) in accounts payable and accrued	16	614	(4 653)
Increase in contributions received in advance	17	6 460	174
(Decrease) in deferred revenue	18	(22 881)	(8 315)
Increase in employee future benefits	19	5 564	3 771
Net cash flow from operating activities		(963)	12 928
Cash flow from investing activities			
Purchases of plant, property and equipment	15	(3 046)	(1 404)
Purchases of intangible assets	14	(1 414)	(481)
Maturity of investments	9	6 031	26 853
Purchases of investments	9	(27 813)	(22 906)
Net cash flow from investing activities		(26 242)	2 062
Effect of foreign currency exchange rates in cash and cash equivalents		432	426
Net change in cash and cash equivalents		(26 773)	15 416
Cash and cash equivalents at the beginning of period	8	87 635	72 219
Cash and cash equivalents at the end of period	8	60 862	87 635

EUR 281 000 of interest received is included in the net cash flow from operating activities (2021: EUR 241 000).

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

NOTES TO THE FINANCIAL STATEMENTS

Note 1: General information

The International Criminal Police Organization – INTERPOL (ICPO-INTERPOL, “The Organization”) was founded in 1923 to enhance police co-operation around the world. The Organization is legally registered as an international organization. It currently has 195 countries as equal members who effectively own and govern the Organization by approving its governing texts, including the Constitution and General Regulations. The Organization’s Financial Regulations are an appendix to its General Regulations.

As set out in Article 2 of its Constitution, the aims of the Organization are:

- To ensure and promote the widest possible mutual assistance between all criminal police authorities within the limits of the laws existing in the different countries and in the spirit of the Universal Declaration of Human Rights;
- To establish and develop all institutions likely to contribute effectively to the prevention and suppression of ordinary law crimes.

The vision and mission of the Organization summarize these aims:

Vision: *“Connecting Police for a Safer World”;*

Mission: *“Preventing and fighting crime through enhanced cooperation and innovation on police and security matters”.*

The Organization carries out its mission by focusing on achieving its four strategic goals:

1. To serve as the trusted global law enforcement hub for the exchange of actionable information and analysis;
2. To maximize resources, knowledge and operations through cooperation and strategic partnerships;
3. To advance the global law enforcement community through research and innovative solutions;
4. To be an Organization of excellence that is accountable, transparent and agile.

The Members meet annually at the General Assembly session. The Members elect representatives by region to the Executive Committee to oversee the Organization. The Executive Committee meets regularly to provide oversight, and it elects the Secretary General, responsible for operational management. The current Secretary General was re-elected in November 2019 for a mandated second and final term.

The Organization has its General Secretariat headquarters (IPSG) in Lyon, France, and the INTERPOL Global Complex for Innovation (IGCI) in Singapore. It has representative Liaison Offices (LOs) in Addis Ababa, Ethiopia; Brussels, Belgium; and New York, United States of America. The Organization has Regional Bureaus (RBs) in Abidjan, Côte d’Ivoire; Buenos Aires, Argentina; Harare, Zimbabwe; Nairobi, Kenya; San Salvador, El Salvador; and Yaoundé, Cameroon. It has legal agreements with each of these countries and operates in each country in accordance with these agreements. The Organization may also have privileges and immunities in the countries in which it operates, notably that of being exempt from paying most forms of taxation. In addition to these offices, each member country has a representative office, known as the ICPO-INTERPOL National Central Bureau (NCB), through which the Organization coordinates its operational activities with each member.

Note 2: Management of the activities of the Organization

The Organization organizes and manages its activities through its Strategic Framework. The Organization's four key crime areas: counter-terrorism, cybercrime, organized and emerging crime, and financial crime and anti-corruption are the principal means for delivery against the Strategic Framework, underpinned by continued strengthening of the Organization's regional engagement, strategic partnerships and planning, legal oversight, governance and corporate support functions.

All internal strategies and plans within the Organization, including those for the regions and crime areas, are interconnected, and aligned with the Strategic Framework. Furthermore, all established implementation plans require flexibility in order to respond to any challenges or risks that may arise in the course of the financial year. Together, these strategic plans cater to the needs of NCBs, by offering effective support and contributing to operational success.

The Programme of Activities is the Organization's annual plan and is financed by the Budget for the period. The Members approve the Programme of Activities and the Budget at the General Assembly session.

The Secretary General is responsible for the delivery of the Programme of Activities within the Budget and ensures that controls are established to monitor their implementation. The Budget for the Organization is the combination of the Organization's different operational budgets, further described in Note 5 below, which may have different financial conditions.

The approval of the Budget empowers the Secretary General to:

- receive revenue and resources for the period, up to the approved limits;
- commit and authorize expenditures for the period for approved activities up to the approved limits.

Minor changes to the Budget allow for operational delivery. These changes result in a revised budget against which financial performance is measured and reported.

Note 3: Basis of preparation of the financial statements

The financial statements have been prepared according to the Organization's governing texts: its Constitution, General Regulations, Financial Regulations, Financial and Staff Directives. The Financial Regulations establish International Public Sector Accounting Standards (IPSAS) as the Organization's appropriate governing financial accounting and reporting standard.

Going concern

Management has expressed confidence in the Organization as a going concern:

1. The Organization has the support of its members for long term initiatives:
 - 1.1 The Strategic Framework 2022-2025¹⁴ was developed with input from all units in the Organization and member countries and approved by the General Assembly in 2021 for implementation for the period 2022 - 2025. The 2022 operations are therefore based on the approved Strategic Framework;
 - 1.2 In 2022, the Organization launched the INTERPOL Vision 2030¹⁵ initiative to meet the needs and expectations of its Membership in the years ahead. Going beyond the scope of the Strategic Framework (2022-2025), this initiative aims to identify the challenges ahead and shape the strategic direction of the Organization to maximize its effectiveness. This strategic direction document also aims to propose the potential composition and range of INTERPOL's products and services on the occasion of INTERPOL's centenary celebrations in 2023;
 - 1.3 The General Assembly, at its 90th session (in 2022), approved the Programme of Activities and Budget for 2023 and Budget Indications for 2024 and 2025¹⁶, which included the

¹⁴ GA-2021-89-RES-07

¹⁵ GA-2022-90-REP-17

¹⁶ GA-2022-90-RES-10

second year of the increase in statutory contributions of EUR 22 million approved by the General Assembly at its 89th session (in 2021). EUR 5 million was included in the budget for 2022, an additional EUR 7 million is included for 2023 with the last year of phasing in of the increase being 2024 with the remaining additional EUR 10 million.

2. The Organization has long-term financial support from its members and third parties:
 - 2.1 The revised scale of distribution between members of statutory contributions for the period 2023 - 2025 was approved at the 90th session of the General Assembly¹⁷ and some member countries have already made their contributions to the 2023 Budget;
 - 2.2 There is long-term commitment from member countries and third parties, including for the secondment of officials including positions on the Executive Committee, the free-use of assets - including buildings - and the Trust Fund and Special Account projects, which run to 2026 and beyond;
 - 2.3 The overall 2022 collection rates on the General Budget remained above 97 percent.
3. The Organization has its own resources and will continue to garner support for its initiatives:
 - 3.1 Reserve limits of the General Reserve Fund are above its mandated financial requirements;
 - 3.2 The Organization has the capacity to raise additional financing, including loans, should it be needed;
 - 3.3 The Organization is independent and is able to act rapidly in taking decisions as required, including measures to reduce expenditures in the short term.

Financial statements presentation

The financial statements have been prepared on an accrual basis. The functional and presentation currency of the Organization is the euro. Unless otherwise stated, the information is presented to the nearest one thousand euros (EUR 000s).

Note 4: New accounting standards

The International Public Sector Accounting Standards Board (IPSASB) revises and issues new accounting standards.

New standards applicable from 1 January 2022

No new IPSAS standards came into effect in 2022.

Accounting standards issued but not yet effective until 1 January 2023 or later

The IPSASB has issued four standards: IPSAS 41 – Financial Instruments, IPSAS 42 – Social Benefits, IPSAS 43 – Leases and IPSAS 44 - Non-current Assets Held for Sale and Discontinued Operations.

IPSAS 41 - Financial Instruments: the standard is effective for the annual reporting year beginning on or after 1 January 2023. The standard establishes the principles for financial reporting of financial assets and financial liabilities for the assessment of the amounts, timing and uncertainty of an entity's future cash flows. The Organization has assessed that the adoption of the standard will have an impact on the financial statements disclosure note, as it will result in changes in terminology and the requirement for expected credit loss (ECL) calculations.

IPSAS 42 – Social Benefits: the standard is effective for the annual reporting year beginning on or after 1 January 2023. The standard establishes principles and requirements on the recognition, measurement and presentation of Social Benefits in the financial statements. The Organization has assessed that the standard will not have any impact on the financial statements as the staff benefits it provides do not fall under the scope of IPSAS 42.

¹⁷ GA-2022-90-RES-11

IPSAS 43 – Leases: the standard is effective for the annual reporting year beginning on or after 1 January 2025. The standard sets out the principles for recognition, measurement, presentation and disclosure of leases. The Organization is currently assessing the impact of adoption of the standard on the financial statements.

IPSAS 44 - Non-current Assets Held for Sale and Discontinued Operations: the standard is effective for annual periods beginning on or after 1 January 2025. The standard sets out the accounting for non-current assets held for sale and the presentation and disclosure of discontinued operations. The Organization has assessed the standard and considers that it does not impact its financial statements.

In addition to the standards noted above, IPSASB published an update on improvements to IPSAS in 2019, also with a future implementation date of 1 January 2023. The Organization considers that there is no impact from these improvements.

Note 5: Budgets and budget approval

The Combined Budget of the Organization consists of the Regular Budget and Specific Budgets and is approved by the General Assembly for a period of one year.

The General Assembly-approved budgets for a year may subsequently be reallocated by the Executive Committee to allow for operational implementation of the activities. The Executive Committee may also approve extensions and amendments to the Trust Fund and Special Accounts' Budgets (Specific Budgets) that have been made with donor approval. Budget comparisons in the financial statements are made against the Executive Committee-approved budgetary revisions.

The Regular Budget has two components: operating and capital budgets. The operating part consists of the General Budget and the Regional Bureau (RB) Budgets. The General Budget is the main operating budget of the Organization. It is primarily financed by all Members, notably via an agreed statutory call for contributions, and supports all activities of the Organization. The Organization's Capital Budget is financed through asset depreciation on the General Budget. Financial results from the General Budget, including the Capital Budget, pass to the Organization's General Reserve Fund (GRF) and Capital Investment Fund (CIF). RB Budgets are limited to the member countries that part-support operational activities at each RB. Financial results for each Regional Bureau are allocated to the RB Reserve Fund. Pay costs and Capital expenditures at the Regional Bureaus are supported by the General Budget.

Specific Budgets are composed of the Trust Fund and Special Accounts. The Trust Fund and Special Accounts support additional, specific activities that complement the General Budget. The Organization's Trust Fund was established to ensure common conditions for the management of donor funds and the activities that they finance. The Trust Fund has specific operating conditions; the funds are internally separated and managed for the agreed activities. Special Accounts are individual contracts negotiated separately with a funding party, usually national public agencies, for the execution of defined activities. Approval and implementation of Trust Fund and Special Accounts' projects does not necessarily follow the Organization's annual Regular Budget cycle as the projects may be approved at any time within a financial year and/or over multiple financial periods.

An adjustment for financial transactions and transfers between the different budgets, known as the combination adjustment, is made to ensure that transactions are not counted twice in the financial statements.

Note 6: Significant accounting policies

The principal accounting policies adopted by the Organization are set out below:

Revenue recognition

Statutory contributions are recognized as revenue in full in the period that they are due on the basis of General Assembly approval of the budget and are due by 30 April of that budget year. Member country statutory contributions are set according to an agreed scale of assessed contributions that is

approved in advance by the General Assembly. The scale of assessed contributions applied in these financial statements was approved by the General Assembly for the period from 2020 to 2022¹⁸.

Regional Bureau financing consists of statutory contributions from specific member countries linked to each Regional Bureau and are recognized as revenue in full in the period that they are due on the basis of General Assembly approval for the amount per member country for that year's budget.

In-kind contributions are non-cash, voluntary contributions, usually made from member countries. They consist of officials that are seconded to work under the control of the Organization from their national agencies and the rent-free use of buildings and equipment. There is usually a defined contract between the Organization and the member country or organization that defines the permitted use of the asset or service. The value of the use of these assets and services is estimated at fair-value where a corresponding value can be determined and recognized as revenue in the financial period that they are used. An equivalent expense for the use of the asset or service is also recognized at the same time in the financial statements. Where no value can reasonably be determined no revenue or expense is recognized in the financial statements.

Voluntary contributions are donations received with no specific or defined purpose and are recognized in the year they are received or become receivable. Voluntary contributions may include donations of tangible and intangible assets which are accounted for at fair-value at the date of acquisition.

Revenue from statutory contributions, Regional Bureau financing, in-kind and voluntary contributions are considered to be non-exchange transactions under IPSAS 23. Revenue from sales of INTERPOL branded merchandise and booths at conferences including at the General Assembly is considered to be exchange transactions under IPSAS 9.

Reimbursements and recoveries include amounts reimbursed for operating expenses under a specific agreement or for revenue from conferences for the sale of exhibitor booths or for hosting events. The revenue is recognized when the right to receive it is established under the contract. The amounts received under Trust Fund and Special Accounts are within specific agreements with external donors, including the general conditions of the Trust Fund, for the implementation of defined project activities. These received amounts are initially accounted as deferred revenue of the Organization and are subsequently recognized as revenue to the extent of direct or accrued expenditure on the defined project activities. Unused funds are treated in accordance with the terms of the agreement on their use.

Financial revenue or interest revenue from the Organization's bank accounts and other investments is accounted for on the effective yield basis as it is earned in the month or proportionally over the course of the investment, where the investment extends over multiple months.

Other revenue includes different types of revenue usually for the products and services that the Organization may provide including from the shop, for one-off items and any other revenue that does not easily fit into the remaining revenue categories. No one item of revenue is usually significant enough to warrant specific mention.

Foreign currencies

The Organization holds and manages transactions in multiple currencies. All statutory contributions to the Organization's Regular Budget are payable in euros, although there is no restriction on the currency of payment. Foreign currency transactions are recorded in euros at the exchange rates prevailing on the dates of the transactions for the settlement of invoices and for goods receipts, and at an average rate from the previous month for other accounting transactions. Assets and liabilities denominated in foreign currencies are translated into euros at the exchange rates prevailing on the date of the Statement of Financial Position. Both realized and unrealized gains and losses resulting from the settlement and revaluation of foreign currency transactions are recognized under operating revenue or expenses in the Statement of Financial Performance as exchange rate (gains) / losses based on the net position for the reporting period.

¹⁸ GA-2018-87-RES-14

The Organization uses the European Central Bank's foreign currency exchange rates (<https://www.ecb.europa.eu>) for all quoted currencies and XE (<https://www.xe.com>) for other currencies not quoted by the European Central Bank.

Offsetting assets and liabilities

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position if, and only if, there is a legally enforceable right to do so and the intention is to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

Plant, property and equipment (PP&E)

An item of PP&E is recognized as a non-current asset initially at historical cost if it is deemed probable that a future economic benefit or service potential will flow to the Organization and that the cost of the asset can be measured reliably. Historical cost includes any unrecoverable taxes and directly attributable costs associated with bringing the asset into service. Donated assets of PP&E, acquired through a non-exchange transaction, are recognized at their fair value at the date of transaction with the exception of the land on which the building is constructed which is not recognized because the fair value cannot be reliably estimated.

An assessment of each category of assets is made at the reporting date for any potential impairment. If applicable, assets are written down to their estimated recoverable amount, being the higher of the fair value, less costs of sale, or its estimated value in use. PP&E are derecognized either on disposal or when they are permanently withdrawn from use. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Financial Performance under "Third party and other costs" in the period of derecognition.

All PP&E are stated at historical cost less accumulated depreciation and any applicable impairment losses. Depreciation is provided to recognize the use of the assets over their useful lives according to the following asset classes:

- *Buildings* are depreciated on a straight-line basis over 40 years;
- *Fixtures and fittings*: Furniture and office equipment are depreciated on a reducing balance basis at 40% of net asset value at the start of the year, over seven years. Fittings and sports equipment are depreciated on a straight-line basis over 10 years;
- *Equipment and other assets*: IT hardware assets are depreciated on a reducing balance basis at 50% of net asset value at the start of the year, over four years. Vehicles are depreciated on a reducing balance basis at 40% of net asset value at the start of the year, over seven years.

Improvements to PP&E as a result of major maintenance works are capitalized over the remaining life of the asset when the improvement results in the increase of future economic benefits to the Organization or an extension of its useful life. Normal repair and maintenance costs are expensed in the year when the costs are incurred.

Where the book value of an asset is greater than its estimated recoverable amount, the asset is written down to its recoverable amount. There were no such adjustments in 2022.

Work-in-progress: PP&E assets that are in the course of construction, installation or commissioning are measured at cost and an estimated stage of completion of the asset usually on the basis of contractual payments. No depreciation is recorded until the asset is available for use.

Intangible assets

Perpetual software licenses and development costs, including internal development costs where appropriate, that are directly associated with bringing software into use are capitalized as intangible assets. Donated intangible assets, acquired in a non-exchange transaction, are recognized at their fair value at the date of the exchange. All intangible assets are stated at historical cost less accumulated amortization and impairment losses.

Amortization of intangible assets is based on a reducing balance basis at 50% of the net asset value at the start of the year, over four years. Intangible assets are derecognized either on disposal or when

they are permanently withdrawn from use. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Financial Performance under “Third party and other costs” in the period of derecognition.

Other development costs that do not meet the capitalization criteria are recognized as an expense in the period that they are incurred, notably Research phase expenditures on internally developed intangible assets. Annual software licences are expensed according to their use.

Work-in-process: Intangible assets that are in the course of development are measured at cost and based on the estimated stage of completion. Amounts shown may include part or full payments for assets whose beneficial ownership has passed over to the Organization. No amortization is recorded until the asset is available for use.

Heritage assets

From time to time, the Organization receives donations or free-use of works of art from member countries or other institutions. Such assets are not recognized by the Organization in its financial statements, as the Organization does not consider them to have significant financial value, it is not intended that they will be sold nor are they used in the ordinary course of the Organization’s activities.

Inventories

Inventories are valued at their acquisition cost using the weighted average cost method and this is the value used for the cost of goods sold in the Statement of Financial Performance. Allowances are made for inventories with a net realizable value less than cost.

Statutory contributions receivable and accounts receivable

Statutory contributions and accounts receivable are initially recognized at fair value, and are subsequently measured at cost or amortized cost. Member countries that have not fulfilled their financial obligations towards the Organization according to the Financial Regulations fall under Article 52 of the General Regulations of the Organization. Countries under Article 52 have their right to vote at General Assembly sessions suspended, along with other penalties. Unless there are specific reasons not to do so for a particular country, the Organization makes an allowance for the total amounts due to the Organization from countries under Article 52. Though the Organization may make allowances for the debts per its accounting policy, it retains its rights for the receipt of the gross statutory contributions receivable, unless the Organization’s Members decide among themselves to disallow these amounts.

The Organization may conclude specific agreements, including repayment terms and conditions, allowing a member country to honour their statutory contribution obligations. Member country statutory contributions covered under these long-term debt-rescheduling agreements may have both current and non-current portions. Member country dues not falling under either category, Article 52 or debt-rescheduling agreements, are shown as other member country dues.

Cash and cash equivalents

The Organization holds cash on hand, has on demand bank deposits (together referred to as cash) and makes short-term investments (highly liquid and referred to as cash equivalents) in a number of currencies, all of which are subject to its Treasury Management policy.

The amount of cash and cash equivalents held by the Organization includes sums that have specific uses and are considered as internally restricted. Included in internally restricted cash and cash equivalents are amounts set aside for the employee’s supplementary retirement scheme, for the defined contribution pension scheme, for the Japanese specific account that is held on behalf of Japan for salaries and allowance paid to officials seconded from Japan and on Trust Fund and Special Accounts.

Cash equivalents are highly liquid investments with maturities of less than three months from the date of acquisition that are readily convertible to known amounts of cash and considered to be subject to an insignificant risk of change in value.

Term deposits with a maturity greater than three months are classified as cash and cash equivalents if they respect the criteria of a cash equivalent, are held to meet short-term cash needs and are not

subject to a significant change in value as a result of an early withdrawal. As at 31 December 2022 and 2021, the Organization did not have any such term deposits.

Investments

Term deposits with a maturity greater than three months are classified as investments if they do not meet the criteria noted above to be classified as cash equivalents.

Investments are made by the Organization usually with the intention to hold them to maturity. They are classified as held-to-maturity and measured at amortized cost. Financial interest receivable on investments and cash equivalents is shown in accounts receivable. Included in investments with internally restricted use are amounts for the employee's supplementary retirement scheme, for the defined contribution pension scheme, and for Trust Fund and Special Accounts.

Contingent assets and liabilities

Contingent assets are not recognized in the financial statements unless it has become virtually certain that the revenue will be able to be recognized according to the revenue recognition criteria. A disclosure is made in the notes where the existence of a possible asset is contingent on a future event that is not wholly within the Organization's control. Contingent liabilities are not recognized in the financial statements but are disclosed in the notes unless the possibility of an outflow of economic resources is considered remote.

The Organization recognizes a provision in its financial statements when an obligation exists as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The provision is measured at the amount of cash outflow that the Organization considers is probable, net of any recoverable amounts for example insurance reimbursements for legal cases and fees.

Deferred revenue

The Organization executes projects on behalf of third-party sponsors through Trust Fund and Special Accounts. The amounts received under Trust Fund and Special Accounts are within specific agreements with external donors, including the general conditions of the Trust Fund, for the implementation of defined project activities. It generally receives funding in advance of execution over several instalments. These received amounts are initially accounted as deferred revenue of the Organization and are subsequently recognized as revenue to the extent of direct or accrued expenditure on the defined project activities. Unused funds are treated in accordance with the terms of the agreement on their use. The deferred revenue is normally expected to be used for project activities implementation or, in case of project closure, paid back to the sponsor within 12 months, hence it is classified as current liability.

Employee future benefits

The cost of all employee benefits, such as paid leave, medical cover and contributions towards retirement, is recognized in the period in which the employee renders service. Employees have acquired these benefits according to their contractual employment rights at the Organization. The Organization's contributions towards employee future benefits, including from Trust Fund and Special Accounts, are recorded under pay costs in the Statement of Financial Performance.

The employee future benefits are recorded as accrued liabilities in the Statement of Financial Position and classified according to the contractual terms of the benefit. The liabilities are comprised of both contributions from the Organization and deductions from staff pay. The liabilities under the defined contribution pension scheme are classified as current as they must be settled when a vested official leaves the service. The departing official is entitled to a single lump sum payment. These liabilities are initially measured at the fair value of the contributions and are subsequently adjusted for any gains or losses.

Employees may also be members of a national pension scheme. The Organization contributes to these schemes on behalf of the employee and recognizes no liability for the employee future benefits that are members of the national pension schemes, including on behalf of officials that had been seconded to the Organization from their national administrations.

Employee future benefits are further classified according to their type:

Internal scheme for involuntary loss of employment (ISCILE): This employee termination benefit is to compensate individuals that may have undergone involuntary loss of employment. The scheme is funded entirely by the Organization's contributions. Payments are made to the former official either as a lump sum or on a declining basis for consecutive years of an individual not finding alternate employment, per the rules specified in the Organization's Staff Manual.

Indemnity on retirement and supplementary retirement scheme: The Organization offers two post-employment benefits: indemnity on retirement and supplementary retirement benefits. They are eligible to contracted employees and are calculated according to seniority and service and are entirely funded by the Organization's contributions. Estimates of the impact of the indemnity upon retirement are made at the Statement of Financial Position date and recognized in the Statement of Financial Performance.

Defined contribution pension scheme: The Organization provides a savings plan designed for post-employment retirement benefits. It administers the plan as a defined contribution pension scheme for the employees who choose to participate in it. Both the Organization and the employee contribute to the plan at an agreed level for the period that an employee is under contract with the Organization. This defined contribution pension scheme is not currently legally separated from the Organization. Currently the pension scheme is administered internally: both the assets and the liabilities of the pension scheme are shown within the Organization's Statement of Financial Position.¹⁹ The financial assets under this pension scheme are held and managed by the Organization alongside its own financial assets.

Employee loans

The Organization may offer its employees loans for a duration that may not extend beyond the employee contractual end date and for which financial interest is charged that is comparable to market rates. Interest bearing loans are measured at amortized cost using the effective interest rate method with the remaining amount of the loan outstanding being shown as an account receivable.

Leases

Charges are expensed on a straight-line basis over the operating lease term. Lease agreements entered into are classified as operating leases unless they substantially transfer all of the risk and reward of ownership to the Organization.

Financial risk management

The overall objective of the Organization's Financial Risk Management policies are to manage its Financial Instruments to ensure that its budgets are achieved within the plan set in the agreed Programme of Activities. The Organization's Financial Risk Management policies are consistent with and subject to the Organization's Financial Regulations.

The Organization invests its own funds as well as the funds held for third parties, notably its employees and for external parties that support the Trust Fund and Special Accounts. Exposure to financial risks including, currency, liquidity, and credit risk arises in the normal course of the Organization's operations. Further details on the management of the financial instruments and the financial risks are shown in Note 20 below.

Note 7: Accounting judgments and estimates

Preparing financial statements in accordance with IPSAS and ICPO-INTERPOL's Financial Regulations requires the Organization to make judgments and assumptions in the selection and application of accounting policies and about the carrying amounts of assets, liabilities and for revenue and expenses. While the estimates and underlying assumptions are reviewed on an ongoing basis, the effects of revisions to accounting estimates are recognized in the period in which the estimate is revised, if the

¹⁹ See note 8 cash and cash equivalents under Cash with internally restricted use, note 9 Investments under Investments with internally restricted use, and note 17 Employee future benefits.

estimate affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Significant estimates and assumptions that may result in material adjustments in future years include: selection of the useful lives and the depreciation and amortization policies for plant, property and equipment and intangible assets; impairment of assets; indemnity benefits on retirement; accrued charges; provision for financial risk on inventories and accounts receivable; legal disputes, contingent assets and liabilities.

In the course of preparing the financial statements, significant judgments have been made in the process of applying the Organization's accounting policies relating to non-recognition of the free-use land in Note 15 and classification of investments related to pension funds.

In March 2020, the World Health Organization declared a global pandemic following the outbreak of COVID-19. The pandemic led to significant operational uncertainty and increased the complexity and reliability of certain estimates, assumptions and other balances. These effects continued to subsist albeit to a lesser extent in 2022.

Whilst the Organization is confident in the assessments it has made, certain future changes in these other balances could materially impact the Organization, in particular and including:

- *Accounts receivable and statutory contributions receivable*: the Organization is constantly reviewing its Accounts Receivable and maintains close contact with its membership and other sponsors. If the economic depression persists, it could lead to delays in payments, over and above what has been recognized in the Financial Statements according to the Organization's Accounting Policies;
- *Trust Fund and Special Accounts*: travel challenges to some countries exit, affecting the delivery on these projects. Significant delays may impact the amounts shown in the Statement of Financial Position if sponsors discontinue their support of the projects;
- *Counterparty and foreign exchange rate risk*: the Organization holds significant cash, cash equivalents and investments. A decrease in credit worthiness of the investing counterparty or a significant deterioration in exchange rates could impact the valuation of these assets.

Note 8: Cash and cash equivalents

The Organization holds cash in a number of currencies for operational purposes. The Organization has no credit lines nor does it use any bank overdrafts.

000s euros	31 December	
	2022	2021
Current accounts	8 301	32 808
Savings accounts	52 561	54 827
Total cash and cash equivalents*	60 862	87 635

* As at December 31 2022 and 2021, the Organization did not hold any cash equivalents.

000s euros	31 December	
	2022	2021
Euros	56 996	81 423
USD	2 113	4 425
Other currencies	1 753	1 787
Total cash and cash equivalents	60 862	87 635

Cash with internally restricted use:

Included within cash are amounts held for specific purposes. They are subject to contractual constraints, referred to as internally restricted, as they are not free-to-use by the Organization.

000s euros	Notes	31 December	
		2022	2021
Deferred revenue - Trust Fund and Special Accounts	18	29 141	38 830
Defined contribution pension scheme	19	1 787	3 878
Employee futures benefits – supplementary retirement scheme	19	524	193
Japanese special account	17	939	968
Total cash with internally restricted use		32 391	43 869

Note 9: Investments

The Organization holds investments in order to meet long-term operational needs, commitments and obligations.

Name and location of investment 000s euros	Type	Currency	31 December	
			2022	2021
Current				
BNP Paribas (France)	EMTN	EUR	0	6 000
BECM (France)	EMTN	EUR	24 900	0
BP AURA (France)	DAT	EUR	10 000	0
HSBC (France)	DAT	EUR	12 500	31
Société Générale (France)	DAT	EUR	5 313	0
Total current			52 713	6 031
Non-current				
BECM (France)	DAT	EUR	4 000	24 900
BFCM(France)	OBLIG	EUR	2 106	2 106
BNP Paribas (France)	EMTN	EUR	6 000	0
BP Aura (France)	DAT	EUR	0	10 000
CA-CIB (France)	EMTN	EUR	6 800	6 800
LCL (France)	REPACK	EUR	11 700	11 700
LCL (France)	EMTN	EUR	11 800	11 800
Société Générale (France)	EMTN	EUR	2 300	2 300
Total non-current			44 706	69 606
Total investments			97 419	75 637

(Legend: DAT = Term Deposit linked to bank guarantee; EMTN: Euro Medium Term Note; OBLIG: Obligation to GBP Bond; REPACK: Repackaged Bond converted to Euro.)

Investments with internally restricted use:

Included within investments are amounts held for specific purposes. They are subject to contractual constraints, referred to as internally restricted, as they are not free-to-use by the Organization.

Name and location of investment <i>000s euros</i>	Note	Type	Currency	31 December	
				2022	2021
Defined contribution pension scheme					
BECM (France)		DAT	EUR	12 400	8 400
BP Aura (France)		DAT	EUR	10 000	10 000
CA-CIB (France)		EMTN	EUR	2 000	0
CIC (France)		EMTN	EUR	0	0
LCL (France)		EMTN	EUR	4 000	4 000
LCL (France)		REPACK	EUR	6 600	6 600
Total defined contribution pension scheme	19		EUR	35 000	29 000
Employee futures benefits – supplementary retirement scheme					
LCL (France)		EMTN	EUR	800	800
LCL (France)		REPACK	EUR	5 100	5 100
Total employee futures benefits – supplementary retirement scheme	19		EUR	5 900	5 900
Deferred revenue - Trust Fund and Special Accounts					
BECM (France)		DAT	EUR	16 500	16 500
BFCM (France)		OBLIG	EUR	231	231
BNP Paribas (France)		EMTN	EUR	-	6 000
CA-CIB (France)		EMTN	EUR	3 110	6 800
LCL (France)		EMTN	EUR	7 000	7 000
Société Générale (France)		EMTN	EUR	2 300	2 300
Total deferred revenue - Trust Fund and Special Accounts	18		EUR	29 141	38 831
Total investments with internally restricted use			EUR	70 041	73 731

Note 10: Statutory contributions receivable

<i>000s euros</i>	31 December	
	2022	2021
Current		
<i>Member country dues under Article 52</i>	4 686	4 777
<i>Less: allowance for doubtful debts</i>	(4 686)	(4 777)
Net member country dues under Article 52	0	0
Member country dues under debt-rescheduling agreements	313	186
Other member country dues	1 143	741
Total current	1 456	927
Non-current		
Member country dues under debt-rescheduling agreements	353	461
Total non-current	353	461
Total statutory contributions receivable	1 809	1 388

Gross statutory contributions receivable, excluding the allowance for doubtful accounts relating to countries under Article 52, is EUR 6.495 million (2021: EUR 6.165 million).

Note 11: Accounts receivable

000s euros	31 December	
	2022	2021
Staff loans	140	152
Receivable on trust fund and special accounts	6 535	9 018
Financial interest receivable	987	504
Other receivables	503	1 838
Provision for doubtful debts	(358)	(358)
Net other receivables	145	1 480
Net value added tax recoverable	2 562	1 208
Total accounts receivable	10 369	12 362

Note 12: Prepaid Expenses

000s euros	31 December	
	2022	2021
Advances and instalments on plant, property and equipment	35	91
Supplier - advances	210	161
Prepared expenses (rent & maintenance)	4 194	1 834
Total prepaid expenses	4 439	2 086

Note 13: Inventories

000s euros	31 December	
	2022	2021
Items held for sale/given as gifts	512	433
Items held for maintenance	36	31
Office consumables	27	21
Total inventories	575	485

Inventory recognised as an expense in the year

000s euros	31 December	
	2022	2021
Items held for sale/given as gifts	296	78
Items held for maintenance	13	14
Office consumables	21	13
Total inventories recognised as expense	330	105

The following was the turnover for inventory items

000s euros	31 December	
	2022	2021
Items held for sale/given as gifts	0.6	0.2
Items (maintenance and office consumables)	0.6	0.8

Note 14: Intangible assets

These consist of software licenses and the external development costs associated with their exploitation. There was no impairment of intangible assets in the year.

<i>000s euros</i>	Balance at 31 December 2020	Additions / amortization	Disposals	Balance at 31 December 2021	Additions / amortization	Disposals	Balance at 31 December 2022
Cost							
Software	16 485	993	0	17 478	1 818	(58)	19 238
Work in process	249	19	0	268	85	0	353
Total cost	16 734	1 012	0	17 746	1 903	(58)	19 591
Accumulated amortization							
Software	(14 250)	(1 299)	0	(15 549)	(1 297)	50	(16 796)
Work in process	0	0	0	0	0	0	0
Total accumulated amortization	(14 250)	(1 299)	0	(15 549)	(1 297)	50	(16 796)
Net book value							
Software	2 235	(306)	0	1 929	521	(8)	2 442
Work in process	249	19	0	268	85	0	353
Total net book value	2 484	(287)	0	2 197	606	(8)	2 795

Fully amortized assets	31 December					
000s euros	2022			2021		
Asset class	Cost	Accumulated amortization	Net book value	Cost	Accumulated amortization	Net book value
Software	12 881	(12 881)	0	12 168	(12 168)	0
Total	12 881	(12 881)	0	12 168	(12 168)	0

Note 15: Plant, property and equipment (PP&E)

<i>000s euros</i>	Balance at 31 December 2020	Additions / depreciation	Disposals	Balance at 31 December 2021	Additions / depreciation	Disposals	Balance at 31 December 2022
Cost							
Buildings	18 582	0	0	18 582	3	0	18 585
Fixtures and fittings	33 698	976	(3 324)	31 350	1 611	(1 573)	15 345
Equipment and other assets	16 762	839	(2 294)	15 307	2 072	(2 018)	31 404
Work in process	73	(10)	0	63	223	0	286
Total cost	69 115	1 805	(5 618)	65 302	3 909	(3 591)	65 620
Accumulated depreciation							
Buildings	(13 682)	(460)	0	(14 142)	(460)	0	(14 602)
Fixtures and fittings	(28 283)	(1 614)	3 323	(26 574)	(1 010)	1 394	(13 217)
Equipment and other assets	(14 673)	(1 221)	2 293	(13 601)	(1 371)	1 824	(26 121)
Work in process	0	0	0	0	0	0	0
Total accumulated depreciation	(56 638)	(3 295)	5 616	(54 317)	(2 841)	3 218	(53 940)
Net book value							
Buildings	4 900	(460)	0	4 440	(457)	0	3 983
Fixtures and fittings	5 415	(638)	(1)	4 776	601	(179)	2 128
Equipment and other assets	2 089	(382)	(1)	1 706	701	(194)	5 283
Work in process	73	(10)	0	63	223	0	286
Total net book value	12 477	(1 490)	(2)	10 985	1 068	(373)	11 680

Fully depreciated assets	31 December					
<i>000s euros</i>	2022			2021		
Asset class	Cost	Accumulated depreciation	Net book value	Cost	Accumulated depreciation	Net book value
Buildings	200	(200)	0	200	(200)	0
Equipment and other assets	9 782	(9 782)	0	9 885	(9 885)	0
Fixtures and Fittings	19 826	(19 826)	0	18 086	(18 086)	0
Total	29 808	(29 808)	0	28 171	(28 171)	0

Buildings: The headquarters building in Lyon, France is owned by the Organization. The land on which the building is constructed is owned by the City of Lyon and is leased rent-free to the Organization for a period of 99 years from 1985. At the end of the lease, both the title to the building and the land will pass to the City of Lyon. The rent-free use of the land is not recognized, as no comparable value could be fairly determined as it forms part of the building.

Fixtures and fittings: Includes office equipment and sports equipment.

Equipment and other assets: Consist of computer hardware and telecommunications equipment including computers, printers, routers/switches and communications systems and vehicles.

There was no impairment of plants, property and equipment in the year.

Note 16: Accounts payable and accrued charges

000s euros	31 December	
	2022	2021
Creditors for goods and services	7 329	5 945
Social security and insurance payable	2 743	2 550
Other creditors	523	135
Total accounts payable and accrued charges	10 595	8 630

Note 17: Contributions received in advance

000s euros	31 December	
	2022	2021
Statutory contributions received in advance	6 933	443
Japanese special account*	938	968
Total contributions received in advance	7 871	1 411

*The Japanese special account is held on behalf of NCB Tokyo for their seconded staff pay costs. INTERPOL does not control the management of the funds and it does not fall within special accounts for projects.

Note 18: Deferred revenue

Deferred revenue corresponds to future revenue²⁰ from Trust Fund and Special Account activity that has been received for projects and that will be implemented in the coming year(s).

000s euros	Trust fund	Special accounts	Total
Balance at 31 December 2020	13 188	66 758	79 946
Funds received or receivable during the year	4 015	37 717	41 732
Revenue recognized during the year	(7 642)	(36 375)	(44 017)
Balance at 31 December 2021	9 561	68 100	77 661
Funds received or receivable during the year	4 298	38 242	42 540
Revenue recognized during the year	(6 570)	(55 350)	(61 920)
Balance at 31 December 2022	7 289	50 992	58 281

000s euros	Current liability	
	31 December 2022	31 December 2021
Trust fund	7 289	9 561
Special accounts	50 992	68 100
Total deferred revenue	58 281	77 661

²⁰ Revenue recognized in this reconciliation excludes in-kind contributions. This is recognized as revenue in the financial period that it is used and is not shown as deferred revenue on the Statement of Financial Position.

Note 19: Employee future benefits

000s euros	31 December	
	2022	2021
Current		
Internal scheme for involuntary loss of employment (ISCILE)	3 190	3 554
Employee future benefits - indemnity on retirement	1 427	1 415
Employee future benefits - supplementary retirement	6 424	6 093
Employee leave not taken	5 048	4 810
Defined contribution pension scheme	36 787	32 878
Total – current	52 876	48 750
Non-current		
Internal scheme for involuntary loss of employment (ISCILE)	2 312	1 072
Employee future benefits - indemnity on retirement	947	749
Total – non-current	3 259	1 821
Total employee future benefits	56 135	50 571

000s euros	ISCILE	Indemnity on retirement	Supplementary retirement	Employee leave not taken	Defined contribution pension scheme	TOTAL
Balance at 31 December 2020	4 253	1 830	5 711	4 662	30 344	46 800
<i>Recognized in the statement of financial performance</i>						
- Salaries			1 478			1 478
- Allowances				385		385
- Pension and future benefits	889	487			3 768	5 144
<i>Items not in the statement of financial performance</i>						
- Staff contribution	0	0	0	0	2 512	2 512
- Financial interest revenue	0	0	92	0	186	278
- Settlement of liabilities	(516)	(153)	(1 188)	(237)	(3 932)	(6 026)
Balance at 31 December 2021	4 626	2 164	6 093	4 810	32 878	50 571
<i>Recognized in the statement of financial performance</i>						
- Salaries			1 607			1 607
- Allowances				419		419
- Pension and future benefits	1 302	590			4 161	6 053
<i>Items not in the statement of financial performance</i>						
- Staff contribution					2 774	2 774
- Financial interest revenue			86		282	368
- Settlement of liabilities	(426)	(380)	(1 362)	(181)	(3 308)	(5 657)
Balance at 31 December 2022	5 502	2 374	6 424	5 048	36 787	56 135

Supplementary retirement and the defined contributions pension scheme have a corresponding asset which has been designated as *Cash and cash equivalents* (2022: EUR 2.311 million, 2021: EUR 4.071 million) and *Investments* (2022: EUR 40.9 million, 2021: EUR 34.9 million) with internally restricted use (refer to Notes 8 and 9).

The defined contribution pension scheme, offered to contracted officials of the Organization, had 487 members enrolled of 808 contracted officials as at 31 December 2022 (2021: 435 of 756). The remaining contracted officials are part of national pension schemes.

Note 20: Financial instruments

The Organization classifies its investments as held-to-maturity and measures them at amortized cost as both of the following criteria are met:

- The financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows;
- The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the outstanding principal amount.

The Organization classifies its cash and cash equivalents, accounts receivable and statutory contributions receivable as loans and receivable. These financial assets are recognized initially at fair value. Subsequent to initial recognition, these financial assets are measured at amortized cost using the effective interest method.

The Organization classifies its accounts payable and accrued charges as other financial liabilities and measures them at amortized cost.

The fair value of investments approximates their carrying value as the principal amounts of these instruments are guaranteed and their low interest rates. The fair values of cash and cash equivalents, accounts receivable, statutory contributions receivable and accounts payable and accrued charges approximates their carrying value due to their short-term maturities.

At each reporting date, ICPO-INTERPOL assesses the expected impairment losses on any financial assets measured at amortized cost. If there is evidence of an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

The Organization's financial instruments are subject to changes that can have an impact on the Organization's operating results. The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. An assessment of the risks associated with the financial instruments by major type of risk is shown below.

Interest rate risk

The Organization invests its available financial resources and earns financial interest revenue. Investments are subject to security, liquidity and profitability criteria as specified in the Financial Regulations. Cash and cash equivalents and investments are in short-term maturity instruments with banks or in asset management schemes and are subject to fluctuating returns, on account of market-driven interest rates. This may have a bearing on the level of the expenditure that is supported by the Organization. There are no other financial instruments that are impacted by a change in interest rates.

The weighted average interest rates of the investments and cash and cash equivalents in banks according to their expected maturity profile are as follows:

000s euros	Weighted average interest rate	1 year or less	1 - 5 Years	> 5 years	Total
Investments	0.01%	31 813	44 806	20 800	97 419
Cash and cash equivalents	0.00%	60 788	0	0	60 788
Total	0.01%	92 601	44 806	20 800	158 207

An interest rate risk sensitivity analysis was performed on the above amounts at the Statement of Financial Position date. The potential impact of a change in the interest rate is not considered material:

	Increase (+), decrease (-) in basis points	Potential effect on financial performance (000s euros)
Investments	+/- 50	+/- 224
Cash and cash equivalents	+/-50	+/- 304

Currency risk

The Organization's functional currency is the euro that applies across all of its operations and duty stations. The Organization conducts its activities in many different currencies, holding different currencies for operational purposes and is therefore subject to foreign exchange risk in the implementation of its budgets as well as in the translation of the foreign currency balances that it holds. The overall foreign exchange risk is mitigated by limiting the amount of different currencies held, matching its receipts of currencies with future likely payments in those currencies and maintaining investment assets in the same currency as the liability.

At 31 December 2022, the Organization held bank deposits in euros (EUR), United States dollars (USD), Singapore dollars (SGD), Kenyan shillings (KES), Thai baht (THB), Argentine pesos (ARS), West African CFA francs (XOF), Central African CFA francs (XAF) and Ethiopian Birr (ETB). A foreign exchange rate risk sensitivity analysis was performed at the Statement of Financial Position date and the impact is not considered material. As at 31 December 2022, the Organization had trade payables and receivables in the following currencies: AED, ARS, GBP, CAD, ETB, EUR, KES, SGD, THB, USD and XOF as well as 31 other currencies in amounts that are not deemed significant in the context of the Statement of Financial Position. The principal amounts held are shown below.

000s euros	31 December 2022			31 December 2021		
	Receivables	Payables	Net	Receivables	Payables	Net
AED	63	0	63	63	0	63
CAD	622	0	622	471	0	471
GBP	627	(62)	565	0	0	0
SGD	81	(2 057)	(1 976)	50	(1 939)	(1 889)
USD	184	(358)	(174)	1 046	(241)	805
Total	1 577	(2 477)	(900)	1 630	(2 180)	(550)

Credit risk

Credit risk is the risk of financial loss if counterparties to financial instruments fail to meet their contractual obligations. It arises principally from the Organization's investments, receivables, notably its statutory contributions, and cash and cash equivalents. The number and range of accounts receivables, including statutory contributions receivable, is diverse consisting mainly of government entities, non-profit organizations and some private companies. Credit ratings from external rating agencies are not readily available for all receivables.

The carrying amount of financial assets represents the maximum credit exposure. Credit risk on accounts receivable is mitigated by reducing overall accounts receivables, given that the delivery of projects funded by external parties by the Organization is subject to receipt on an initial payment.

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The Organization provides for amounts that it deems not collectable and the carrying amounts are already reflected in the net amount of statutory contributions receivable and accounts receivable.

<i>000s euros</i>	31 December 2022	31 December 2021
Statutory contributions receivable*	1 809	1 388
Cash and cash equivalents excluding cash on hand*	60 788	87 592
Investments*	97 419	75 637
Accounts receivable including interest receivable	10 369	12 362
Maximum exposure to credit risk	170 385	176 979

* Further details are shown below

Credit risk on statutory contributions receivable: The table below provides the credit rating attached to the statutory contributions receivable. Statutory contributions receivable are stated net of provision for doubtful debt. The credit rating corresponds to the sovereign credit rating, made by a credit rating agency that evaluates the creditworthiness of the issuer of the country, which may not necessarily correspond to the exact counterparty's ability to pay.

<i>Statutory contributions receivable at 31 December 2022 (000s euros)</i>				
Rating	1 year or less	1 - 5 years	> 5 years	TOTAL
B+	22	0	0	22
B	96	0	0	96
B-	366	0	0	366
CCC	249	0	0	249
Not rated	723	0	0	723
Total current	1 456	0	0	1 456
B-		19	0	19
Not rated		304	30	334
Total non-current	0	323	30	353
Total	1 456	323	30	1 809

Credit risk on cash and cash equivalents and investments: The Organization determines credit quality of the investments and banks using information obtained from external rating agencies for each counterparty. The Organization considers the credit risk not to be significant for cash in non-rated banks.

<i>000s euros</i>	31 December 2022 Carrying value	31 December 2021 Carrying value
AA	73	68
AA-	15 618	30 571
A+	10 417	24 147
A	34 555	32 651
Not rated ²¹	125	156
Cash and cash equivalents <i>excluding cash on hand</i>	60 788	87 593
AA-	6 000	6 031
A+	86 106	69 606
A	5 313	0
Investments at amortised cost	97 419	75 637
Total	158 207	163 230

Liquidity risk

Liquidity risk is the risk that the Organization is not able to meet its financial obligations as they fall due. The Organization manages its liquidity risk by ensuring that sufficient funds are available to meet its current liabilities without incurring unacceptable losses or risking its reputation. It continually monitors its receivables position, its available funds and its expenditure commitments.

Liquidity risk is mitigated by holding cash and cash equivalents for operational expenditures. The Financial Regulations also specify that member countries pay their contribution dues to the Organization each year before the end of April. Resource allocations for activities are made against available or committed and due funds only, generally before the start of the activity. The tables below presents current financial liabilities by maturity date:

As at 31 December 2022 <i>000s euros</i>	< 3 Months	3 – 12 months	1 - 5 years	> 5 years	Total
Accounts payable and accrued charges	10 530	0	0	0	10 530

As at 31 December 2021 <i>000s euros</i>	< 3 Months	3 – 12 months	1 - 5 years	> 5 years	Total
Accounts payable and accrued charges	8 630	0	0	0	8 630

Note 21: Capital Financing Reserve

The Capital Financing Reserve forms part of the Organization's equity and is an exact balance of the fixed assets owned by the Organization. Purchases of fixed assets add to the reserve while disposals and sales of fixed assets and depreciation reduce it.

²¹ Not-rated concerns cash held with banks in Argentina, Cameroon, El Salvador, Ethiopia, Côte d'Ivoire, Kenya, Thailand and Zimbabwe, where ratings are not readily available. For operational reasons, a local bank partner is used in these duty stations. To limit exposure, amounts held are minimized to immediate operational purposes.

Note 22: Accumulated Reserve Funds

Accumulated Reserve Funds constitute the reserves of the Organization. The Organization's funds are created by General Assembly resolutions which determine the use and limits of each of the funds. They are added to by surpluses and reduced by deficits of the Organization each year according to the use of the budgets that are linked to them.

Note 23: General Reserve Fund (GRF)

The General Reserve Fund is a statutory fund required under the Financial Regulations and created by General Assembly Resolution AG-52-RES-7 and is the primary operating reserve of the Organization. Transfers to and from the General Reserve Fund are by General Assembly resolutions. General Budget surpluses add to the level of the fund and deficits reduce it. The Financial Regulations stipulate a statutory level on the General Reserve Fund.

In 2022, the operating result from the Regular Budget was a surplus of EUR 2.6 million (2021: surplus of EUR 7.5 million) of which a surplus of EUR 2.4 million (2020: surplus of EUR 7.0 million) is attributable to the General Reserve Fund and a surplus of EUR 0.2 million (2020: surplus of EUR 0.5 million) is attributable to the RB Reserve Fund.

Statutory amount of the General Reserve Fund

There are two stipulations in the Financial Regulations for the level of the General Reserve Fund. The reserve cumulated with the Permanent Fund for Crisis Relief is sufficient to cover at least: 1) one sixth of the operating expenses on the Organization's Regular Budget for the previous financial period excluding expenditure to cover for depreciation and expenditure valued on an in-kind basis; 2) 117% of the net outstanding statutory contributions receivable from member countries subject to Article 52 of the General Regulations.

1. Operating expenses: Regular Budget operating expenses net of depreciation and in-kind expenditure were EUR 84.2 million in 2022 (2021: EUR 47.6 million) requiring EUR 14 million (2021: EUR 7.9 million) to be set aside as a reserve requirement;
2. Dues under Article 52: The *net* amount outstanding from member country statutory contributions subject to Article 52 was EUR Nil (2021: EUR Nil). The reserve requirement for dues under Article 52 is EUR Nil (2021: EUR Nil).

The total reserve requirement for 2022 is EUR 14 million (2021: EUR 7.9 million). The level of the General Reserve Fund cumulated with the permanent fund for crisis relief is EUR 28.3 million (2021: EUR 25.9 million). The balance of the funds is compliant with the Financial Regulations with a margin of EUR 14.3 million or 101% of the level of the two funds (2021: EUR 18 million or 134%).

Note 24: Permanent Fund for Crisis Relief (PFCR)

The Permanent Fund for Crisis Relief is a statutory fund. It was created in 2005 (General Assembly Resolution AG-2005-RES-08) and exists to enable the Organization to respond immediately to crises or emergencies. It is funded directly from voluntary member country contributions in response to a specific call by the Organization or by amounts transferred to it from other reserve funds following General Assembly approval. The mandated level of the fund is EUR 0.855 million.

In 2022 and 2021, there were no expenditures against the PFCR maintaining its mandated level.

Note 25: Capital Investment Fund (CIF)

The Capital Investment Fund is a statutory fund of the Organization (General Assembly Resolution AG-52-RES-7). It is used to finance acquisitions of the Organization's fixed assets including for the Regional Bureaus and Liaison Offices. The Capital Investment Fund is reduced when purchases of fixed assets are made and added to by the amount of annual depreciation on the fixed assets of the Organization's Regular Budget. It can also be replenished via direct sequestration of statutory contributions or through transfers from other reserves following a General Assembly resolution. Although there is no

mandatory level of this fund there needs to be adequate funds available for the Capital Expenditure Budget of the Organization for the following year.

The Capital Investment Fund decreased by EUR 1.3 million (2021: increase of EUR 1.8 million) from EUR 13.0 million as at 31 December 2021 to EUR 11.7 million as at 31 December 2022.

Note 26: Regional Bureau Reserve Fund

The Regional Bureau Reserve Fund is a statutory fund created by General Assembly Resolution AG-63-RES-5. It is funded by statutory contributions from countries that are attached to each Regional Bureau. It is reduced by the cash operating expenses of each Regional Bureau (excluding pay costs that are funded by the General Budget). Each Regional Bureau is treated separately within the fund although the overall level of the fund is the sum for all of the Regional Bureaus. There is no stipulated mandatory level for this fund.

In 2022, the operating surplus for Regional Bureaus was EUR 0.2 million (2021: EUR 0.5 million surplus) increasing the Regional Bureau Reserve Fund to EUR 2.6 million (2021: increased to EUR 2.4 million).

Note 27: Combined budget

The final revised Combined Budget is the approved budget for the Organization that contains re-allocations approved according to the Financial Regulations by the Executive Committee at its March session for the Regular Budget. Reporting in these financial statements is made against the final revised Combined Budget. There were no revisions made to the General Assembly-approved budget for 2022.

000s euros	GA Approved Combined Budget 2022				Revisions				Final revised Combined Budget 2022			
	Total	Regular Budget	Trust Fund and Special Accounts	Combination adjustment	Total	Regular Budget	Trust Fund and Special Accounts	Combination adjustment	Total	Regular Budget	Trust Fund and Special Accounts	Combination adjustment
Operating revenue												
Statutory contributions	66 909	66 909	0	0	0	0	0	0	66 909	66 909	0	0
Regional bureau financing	1 441	1 441	0	0	0	0	0	0	1 441	1 441	0	0
In-kind contributions	32 651	31 304	1 347	0	0	0	0	0	32 651	31 304	1 347	0
Voluntary contributions	493	493	0	0	0	0	0	0	493	493	0	0
Reimbursements and recoveries	53 241	6 781	52 500	(6 040)	0	0	0	0	53 241	6 781	52 500	(6 040)
Financial revenue	250	250	0	0	0	0	0	0	250	250	0	0
Other revenue	251	251	0	0	0	0	0	0	251	251	0	0
Exchange rate gains net	0	0	0	0	0	0	0	0	0	0	0	0
Total operating revenue	155 236	107 429	53 847	(6 040)	0	0	0	0	155 236	107 429	53 847	(6 040)
Operating expenses												
Pay costs	73 901	50 110	23 791	0	0	0	0	0	73 901	50 110	23 791	0
In-kind pay costs	21 325	19 978	1 347	0	0	0	0	0	21 325	19 978	1 347	0
Other staff costs	2 066	2 015	51	0	0	0	0	0	2 066	2 015	51	0
Premises running costs	5 149	4 090	1 059	0	0	0	0	0	5 149	4 090	1 059	0
In-kind premises running costs	11 326	11 326	0	0	0	0	0	0	11 326	11 326	0	0
Maintenance	8 066	5 325	2 741	0	0	0	0	0	8 066	5 325	2 741	0
Missions and meetings	15 625	4 207	11 418	0	0	0	0	0	15 625	4 207	11 418	0
Office expenses	2 325	1 664	661	0	0	0	0	0	2 325	1 664	661	0
Telecommunication costs	2 041	1 069	972	0	0	0	0	0	2 041	1 069	972	0
Third party and other costs	10 165	4 436	11 769	(6 040)	0	0	0	0	10 165	4 436	11 769	(6 040)
Depreciation and amortization	5 247	5 209	38	0	0	0	0	0	5 247	5 209	38	0
Total operating expenses	(157 236)	(109 429)	(53 847)	6 040	0	0	0	0	(157 236)	(109 429)	(53 847)	6 040
(Deficit) for the year	(2 000)	(2 000)	0	0	0	0	0	0	(2 000)	(2 000)	0	0

Note 28: Financial performance on regular and specific budgets

The Organization conducts its activities through its various budgets, which it considers as its operating segments. Whilst the Regular Budget has significant assets and liabilities and is linked to a number of funds, the Specific Budgets are accounted for as liabilities. For this reason and the fact that the Regular Budget covers risks and liabilities of the Specific Budgets, no separate Statement of Financial Position or Statement of Cash Flows is provided for the Specific Budgets.

000s euros	Total	Regular Budget	Specific Budgets and adjustment	
			Trust Fund and Special Accounts	Combination adjustment
Operating revenue				
Statutory contributions	66 931	66 931	0	0
Regional Bureau financing	1 443	1 443	0	0
In-kind contributions	35 970	34 191	1 779	0
Voluntary contributions	601	601	0	0
Reimbursements and recoveries	53 439	7 026	60 141	(13 728)
Financial revenue	545	545	0	0
Other revenue	651	651	0	0
Total operating revenue	159 580	111 388	61 920	(13 728)
Operating expenses				
Pay costs	70 706	48 098	27 486	(4 878)
In-kind pay costs	23 627	21 848	1 779	0
Other staff costs	2 783	1 645	1 513	(375)
Premises running costs	3 159	3 213	1 433	(1 487)
In-kind premises running costs	12 343	12 343	0	0
Maintenance	5 472	4 658	1 560	(746)
Missions and meetings	20 767	5 964	14 947	(144)
Office expenses	3 838	2 176	1 699	(37)
Telecommunication costs	1 310	1 024	356	(70)
Third party and other costs	8 117	3 219	10 865	(5 967)
Depreciation and amortization	4 138	4 138	24	(24)
Exchange rate losses net	757	499	258	0
Total operating expenses	157 017	108 825	61 920	(13 728)
Surplus for the year	2 563	2 563	0	0

Note 29: Financial performance – operating revenue detail

<i>000s euros</i>	Final revised combined budget 2022*	2022	2021
Statutory contributions	66 909	66 931	60 340
Regional bureau financing	1 441	1 443	1 406
In-kind pay costs		23 627	22 178
In-kind premises running costs		12 343	11 459
In-kind contributions	32 651	35 970	33 637
Voluntary contributions	493	601	1 152
Trust fund and special accounts revenue		46 413	34 316
Other reimbursements		7026	5 241
Reimbursements and recoveries	53 241	53 439	39 557
Financial revenue	250	545	404
I-Checkit revenue		58	1
Other revenue		593	320
Other revenue	251	651	321
Total operating revenue	155 236	159 580	136 817

* The final revised combined budget is approved at a summary level

Material variances versus the budget or the prior year are:

- *Statutory contributions* – actual revenue from statutory contributions is aligned to the budgeted revenue. However, the revenue for 2022 increased by 11% compared to 2021. The increase is mainly due to the first instalment of the EUR 22 million increase post inflation - EUR 5 million-phased over three years starting in 2022;
- *Voluntary cash contributions* – actual revenue from voluntary cash contributions was higher than the budgeted revenue by 22% but reduced by 48% compared to 2021. The voluntary revenue is mainly from member countries that maintain their previous contribution where their 2022 contribution has reduced. The Organization made a specific call to countries in 2021;
- *In-kind contributions* – actual revenue from in-kind contributions increased by 10% compared to the budgeted revenue and 7% compared to 2021. The increase is mainly due to the high number of seconded officials and the increase in the office rental index for in-kind premises in the various locations in 2022;
- *Reimbursements and recoveries* – actual revenue from reimbursements and recoveries in 2022 was 15% above budget and increased significantly compared to 2021 by 34%, primarily due to the acceleration in the completion of project activities funded by Trust Fund and Special Accounts following the lifting of international cross border restrictions at the end of March 2022;
- *Finance revenue* – finance revenue was 118% above budget in 2022 and increased by 35% compared to 2021, primarily due to positive movement in interest rates in 2022;
- *Other revenue* – other revenue was 159% above budget in 2022 and increased by 103% compared to 2021, due to increased activities in shop sales and miscellaneous receipts in 2022 which was restricted in 2021 due to the impact of COVID19 pandemic restrictions.

Note 30: Financial performance – operating expenses detail

<i>000s euros</i>	Final revised combined budget 2022*	2022	2021
Salaries		43 541	41 007
Employer's social charge costs		11 609	10 648
Allowances		7 552	8 331
Pension and future benefits		8 004	5 622
Pay costs	73 901	70 706	65 608
In-kind pay costs	21 325	23 627	22 178
Training		952	466
Employee welfare and recruitment costs		1 831	1 474
Other staff costs	2 066	2 783	1 940
Building rental		1 017	1 467
Utilities and other		2 142	1 562
Premises running costs	5 149	3 159	3 029
In-kind premises running costs	11 326	12 343	11 459
IT equipment		4 421	3 314
Building maintenance		1 051	869
Maintenance	8 066	5 472	4 183
Travel		16 352	3 284
Conferences and events		4 415	1 257
Missions and meetings	15 625	20 767	4 541
Consumables and supplies		2 394	3 997
Equipment hire and other		1 444	127
Office expenses	2 325	3 838	4 124
Network costs		861	811
Communication costs		449	378
Telecommunication costs	2 041	1 310	1 189
Consultancy expenses		4 110	3 433
Provisions for member country contributions		(72)	941
Equipment donated		2 753	1 774
Other administration expenses		1 326	797
Third party and other costs	10 165	8 117	6 945
Depreciation and amortization	5 247	4 138	4 594
Exchange rate losses /(gains) - net	0	757	(513)
Total operating expenses	157 236	157 017	129 277

* The final revised combined budget is approved at a summary level

Material variances versus the budget or the prior year are:

- *Other staff costs* – were 35% above budget in 2022 and 43% above 2021 as most posts planned for 2022 were filled by year end. The level of recruitment in 2022 was a significant improvement compared with 2021 with 69 additional posts filled;
- *In-kind pay costs* – were 11% higher than the budget and 7% higher than 2021 mainly due to the higher number of seconded officials in 2022;
- *Premises running costs* – were 39% below budget in 2022, but 4% above 2021 despite the higher energy costs and the payment of security systems' maintenance in Singapore dating back to 2018 following confirmation of the outstanding amount and finalization of the arrangement with Singapore;

- *Maintenance costs* – were 32% below budget in 2022 due maintenance activities on premises that did not get completed within the year, but were 31% above 2021;
- *Missions and meetings costs* – were 33% higher than budget in 2022 as were actively managed based on the level of underspend expected on other budget lines in order to catch-up on activities that could not be completed during 2020 and 2021 due to COVID-19 restrictions;
- *Office expenses* – were 65% higher than budget in 2022, but 7% lower than 2021 due to increased operational activities in the year;
- *Telecommunication costs* – were 36% lower than budget in 2022, but higher than 2021 by 10%, as some expenses were not incurred in the year;
- *Third party and other costs* – were 21% lower in 2022 than budget, but 16% higher than 2021. The lower spend than budget was mainly driven by the decrease in number of countries under Article 52 which resulted in a net write-back in the year; and
- *Depreciation and amortization* – were 21% lower than budget and 10% lower than 2021 due to lower capital investment spend than planned in 2021, impacting the level of depreciation in 2022. However, improvements were made in capital investment spend during 2022.

Note 31: Property lease commitments

Amounts payable after the balance sheet date for non-cancellable operating leases for leased office premises at *Cité internationale* in Lyon, for an apartment in Lyon, for leased offices in Brussels and Abidjan are as follows:

000s euros	2022	2021
Not more than 1 year	2 106	2 038
Later than one year and not later than 5 years	7 702	7 645
Later than 5 years	1 899	3 709
Total property lease commitments	11 707	13 392

The *Cité internationale* in Lyon and the apartment in Lyon leases include escalation clauses. The leases are indexed according to the *indice des loyers, des activités tertiaires* published quarterly by the *Institut national de la statistique et des études économiques*. These property lease commitments are the future minimum lease payments under non-cancellable operating leases and exclude the rent-free use properties (in-kind premises running costs).

Note 32: Contingent assets, contingent liabilities, commitments and contractual rights

Contingent assets and contingent liabilities including legal disputes

In the ordinary course of its operations, the Organization is subject to legal claims or challenges both as claimant or defendant. These claims may be related to internal or external claims on the Organization. The Organization estimates the likelihood of the outcome of the action in estimating any contingent assets or liabilities.

As at 31 December 2022, the Organization has no contingent assets (2021: EUR Nil).

As at 31 December 2022, the Organization has contingent liabilities of EUR 1.680 million (2021: EUR 0.595 million) for claims or legal actions internal to the Organization. No specific allowance for loss has been provided for this in the financial statements as the outcome, amount and/or timing of any potential outflow is uncertain. The Organization does not expect the ultimate resolution of any of the proceedings in respect of external legal claims to which it is party to have a significant adverse effect on its financial position, performance or cash flows. There are no contingent liabilities for external claims for the year.

Commitments

Note 31 above shows future minimum lease rental payments for non-cancellable leases for property. Excluding property commitments, outstanding commitments for signed contracts with suppliers for the acquisition of services and capital goods, but not yet delivered, are as follows:

<i>000s euros</i>	2022	2021
Not more than 1 year	8 340	5 379
Later than one year and not later than 5 years	2 178	1 116
Later than 5 years	6	3
Total commitments excluding property	10 524	6 498

Contractual rights

Based on signed agreements and excluding all amounts already received and/or recognized in the financial statements under accounts receivable at the reporting date, the Organization's contractual rights are as follows:

Contractual rights at 31 December 2022	<i>000s euros</i>
Statutory contributions and Regional Bureau financing for 2023	78 633
Revenue for the implementation of Trust Fund and Special Accounts	83 742
Other revenue	118
Total contractual rights	162 493

Of the above, EUR 118.1 million is expected to be received in 2023 and EUR 44.4 million is expected to be received after 2023. Revenue from statutory contributions has been approved at the General Assembly. Revenue for the implementation of trust fund and special accounts is for signed agreements with third parties for the implementation of project activities.

Note 33: Key management personnel

The Secretary General directs the Secretariat in the implementation of its activities. A Senior Management Board that reports directly to the Secretary General assists him. Together, the Secretary General and the Senior Management Board comprise the key management personnel of the Organization. The remuneration of the Secretary General is determined by the Executive Committee. The Senior Management Board is subject to the same regulations as other members of staff and they are eligible to the same benefits under the Staff Manual. There is no difference in the contracts of the Senior Management Board from other staff members; their remuneration is determined according to the Organization's salary scales for work provided under a standard contractual work arrangement. There are no specific performance-related criteria that impacts their overall remuneration. The Senior Management Board includes officials that are seconded from their national administrations.

Key management personnel aggregate remuneration, including gross salary and benefits and one-off separation costs where applicable, paid or accrued directly by the Organization, was as follows:

Key management personnel			
31 December 2022		31 December 2021	
Number	Aggregate remuneration <i>000s euros</i>	Number	Aggregate remuneration <i>000s euros</i>
8	1 533	7	1 107

There were several changes in the composition of the Senior Management Board during the year, notably in the officials that are seconded to the Organization.

Related parties: In 2022 and 2021, no staff working for the Organization under a standard contract was a related party to any key management personnel.

The Secretary General is provided with a serviced apartment in Lyon, France paid for by the Organization (2022: EUR 0.1 million, 2021: EUR 0.1 million), included in the table above.

Key management personnel include two (2) officers that are seconded from their national administrations (2021: three (3)) and whose expenses are wholly or partly paid by the national administration. These seconded officials or their national administrations, received EUR 16 000 from the Organization during the year (2021: EUR 22 000) and is included in the table above. The total value of the in-kind benefit for these seconded officials that the Organization received, accounted for as an in-kind pay cost in the financial statements but not included in the above table, is estimated as EUR 0.3 million (2021: EUR 0.5 million).

There were no loans to key management personnel or their close family members which were not available to other categories of staff. There were no material accounting transactions declared by senior management between the Organization and related parties during the years 2022 and 2021.

Note 34: Related-party transactions

The Organization is under the direct control of the member countries. It has no ownership interest in other associations or joint ventures. The Organization's supreme governing body is the General Assembly, composed of representatives from all of the member countries. The General Assembly elects an Executive Committee composed of thirteen delegates, including the President of the Organization.

Neither the delegates to the General Assembly nor the Executive Committee members receive any remuneration from the Organization for their roles, nor is the contribution of their time valued as an in-kind contribution. However, members of the Executive Committee are entitled to reimbursement of travel expenses incurred in the execution of their duties, and are paid per-diems for accommodation, in accordance with the Organization's travel policy.

The INTERPOL Foundation for a Safer World was created and registered under Swiss law in October 2013 with the aim of supporting global law enforcement activities. The INTERPOL Foundation has its own board of management, is autonomous and independent of the Organization and is therefore not considered a related party. Transactions with the Foundation are made according to a specific agreement and managed as for Trust Fund and Special Accounts.

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SUPPLEMENTARY INFORMATION (UNAUDITED)

This section provides users with further information to allow for a better understanding of the Organization, its operational context and the financial operating environment, the interpretation of the Organization's financial statements with information reported in the Financial Statement Discussion and Analysis, and more detailed comparisons with approved budgets.

It is not a requirement under International Public Sector Accounting Standards (IPSAS) to supply this information, much of which is specific to the Organization and its budgets. This supplementary information – as well as the financial discussion and analysis section - is not subject to the detailed external audit requirements applied to the actual financial statements, although it is checked by the external auditors for consistency with the main financial statements. Where relevant, the links between the supplementary information and the financial statements and notes are highlighted.

CONTENTS OF SUPPLEMENTARY INFORMATION

A. ORGANIZATION SET-UP, FINANCING AND RISK MANAGEMENT

This section provides more detail on the Organization's structure, governance and oversight, its sources of finance and its risk management activities.

A1. ORGANIZATION STRUCTURE AND GOVERNANCE

A2. FINANCING

A3. FINANCIAL RISK MANAGEMENT

B. MEMBER COUNTRY CONTRIBUTIONS

This section provides more detail on the status and specific contributions by each member country, which includes statutory contributions, according to the Organization's Financial Regulations and additional voluntary contributions, which may be in cash or in-kind.

B1. STATUS OF STATUTORY MEMBER COUNTRY PAYMENTS

B2. ADDITIONAL MEMBER COUNTRY VOLUNTARY SUPPORT

B3. TOTAL MEMBER COUNTRY CONTRIBUTIONS TO THE REGULAR BUDGET

C. FINANCIAL PERFORMANCE BY BUDGET TYPE

This section provides more detail on the implementation of the different budgets, through which the Organization implements its activities. The comparison with the Regular Budget is made against the approved re-allocated Regular Budget (C1). The Organization also contracts with third parties, usually public or international public organizations, for the support of specific activities. Section C2 provides more detail on the external funding agreements by sponsor for Trust Fund and Special Accounts. The combination adjustment (C3) allows for transfers between these budgets. The Capital Budget is managed separately (C4). Section C5 provides details on financial performance by Capabilities and Strategic Objectives.

C1. REGULAR BUDGET

C2. TRUST FUND AND SPECIAL ACCOUNTS

C3. COMBINATION ADJUSTMENT: TRANSFERS BETWEEN BUDGETS

C4. CAPITAL BUDGET

C5. FINANCIAL PERFORMANCE BY CAPABILITIES AND STRATEGIC OBJECTIVES

D. OTHER FINANCIAL INFORMATION AND ANALYSIS

This section provides additional financial information.

D1. INVENTORIES

A. ORGANIZATION SET-UP, FINANCING AND RISK MANAGEMENT

A1. ORGANIZATION STRUCTURE AND GOVERNANCE

Organization structure

The Organization coordinates its activities through the General Secretariat, led by the Secretary General. The Secretary General manages the Organization's activities and coordinates them through five Executive Directorates via its General Secretariat headquarters, the Global Complex for Innovation, Special Representatives, Regional Bureaus and Liaison Offices. Each member country also maintains a National Central Bureau staffed by its own law enforcement officials, which does not form part of these financial statements.

Operational implementation of the Organization's mission is defined in the annual work plan, the Programme of Activities, which includes: the secure exchange of law enforcement information; the maintenance of specific criminal databases; the conduct of operations; capacity building and training; the provision of intelligence analysis. The Organization provides support across a wide range of different crime areas.²² It implements its Programme of Activities through different budgets, its Regular Budget – for continuing operations – and Trust Fund and Special Accounts' budget, which are voluntary contributions, generally from member countries for specific project activities.

Governance and oversight

The Organization functions under international law and is recognized as an international organization by the United Nations. The Organization is established and controlled by its legal texts, including its Constitution and Financial Regulations. The governance structure ensures control and oversight and is independent of operational management. The Organization's supreme governing body is its General Assembly, composed of delegates from each member country. The General Assembly elects the Organization's Executive Committee to oversee its decisions and the delivery of the Programme of Activities. The Executive Committee is headed by the President and has representatives from each region. External advisors provide independent oversight and report directly to the General Assembly.

Relations with other entities

Transnational crime cannot be countered by national law enforcement agencies in isolation. The Organization has a number of key stakeholders. It works closely with its members through coordination offices in each member country (the National Central Bureau) that assist in collecting data, organizing and conducting operations and providing criminal analysis reports and capacity building sessions. Law enforcement agencies and selected national organizations may second personnel who provide expertise and resources for the delivery of the Organization's programmes. Member states provide the delegates of the Organization's Executive Committee as well as funding which also includes the rent-free use of buildings and equipment and support for specific activities.

Partnerships to share expertise, technology and resources play an important role in coordinating operations and providing capacity building. The Organization cooperates closely with a number of partners, such as the AFRIPOL, AMERIPOL, ASEANAPOL, CARICOM, CEMAC, European Union, EUROPOL, IPCC, UNODC, the World Customs Organization, and government agencies. It works with selected partners from the private sector, primarily non-governmental organizations and foundations, notably the INTERPOL Foundation for a Safer World.

²² Additional details are available at <https://www.interpol.int/Crime-areas>.

A2. FINANCING

The Organization's principal source of funding is the annual statutory contribution provided by its members. Each member country contributes based on an approved scale for a stated period. Member countries and other organizations may also make additional voluntary contributions, which may be monetary or in-kind, such as the free-use of equipment and services. Voluntary contributions for pre-determined activities are managed separately in the trust fund and special accounts. The Organization is also able to generate some of its own funding through financial investments or shop sales.

Overview on sources of financing by sector in 2022

<i>Source</i>	Total 000s euros	Regular budget 000s euros	Trust fund and special accounts 000s euros
Foundations	5 063	0	5 063
Government agencies*	157 931	103 166	54 765
International organizations	927	0	927
Non-governmental organizations	33	0	33
Private sector	1 132	0	1 132
Own funding (investments, recoveries, shop)	8 221	8 221	0
TOTAL	173 307	111 387	61 920

*This includes in-kind contributions. The above table excludes combination adjustments.

A3. FINANCIAL RISK MANAGEMENT

The Organization regularly reviews its financial instruments and exposures and dynamically manages the perceived risks, according to the perceived market conditions and operating activities.

A3.1 Foreign Exchange sensitivity analysis

Based on the amounts held in bank accounts at the financial statement dates, if the currency rates appreciate or depreciate by 10% above or below the rates at those dates, the impact on the Statement of Financial Performance in the main currencies would have been:

000s euros	31 December			
	2022		2021	
	10%	(10%)	10%	(10%)
EUR/USD	222	(222)	288	(288)
EUR/SGD	240	(240)	202	(202)

Based on the balances of receivables and payables in foreign currencies, the foreign exchange sensitivity is as follows:

000s euros	31 December			
	2022		2021	
	10%	(10%)	10%	(10%)
EUR/AED	2	(2)	1	(1)
EUR/CAD	43	(43)	4	(4)
EUR/GBP	50	(50)	6	(6)
EUR/SGD	(138)	138	(226)	226
EUR/USD	(16)	16	53	(53)

A3.2 Interest rate sensitivity analysis

If the average interest rate had been 50 basis points higher or lower in 2022 the financial interest revenue would have been impacted as follows (assuming the Organization is paying financial interest where rates would be below zero):

	Increase (+) / decrease (-) in basis points	Effect on surplus / deficit 000s euros
Investments	+/- 50	+/- 224
Cash and cash equivalents	+/- 50	+/- 304

B. MEMBER COUNTRY CONTRIBUTIONS

The Organization's principal source of financing is from its Membership. Contributions may be both statutory – according to the Organization's regulatory texts – and voluntary. These latter contributions may be both in cash or in-kind.

B1. STATUS OF STATUTORY MEMBER COUNTRY CONTRIBUTIONS

The tables below show the status of statutory contributions at 31 December 2022 including the amount outstanding for the current budget year (see note 10 of the financial statements). The amounts include the contributions for the General Budget and the Regional Bureaus budgets.

The total amount outstanding for statutory member country contributions is EUR 6.495 million. Of this amount:

<i>000s euros</i>	31 December 2022
B1.1 Member country dues: subject to Article 52	4 686
B1.2 Member country dues: debt rescheduling	666
B1.3 Member country dues: other	1 143
TOTAL	6 495

The amount of the outstanding contributions relate to the following budgets:

Budget Type <i>000s euros</i>	Article 52	Debt Rescheduling	Other	TOTAL
General budget	3 516	432	323	4 271
Regional bureau budgets	1 170	234	820	2 224
- RB Abidjan	620	35	322	977
- RB Buenos Aries	124	0	76	200
- RB Harare	0	0	100	100
- RB Nairobi	88	199	30	317
- RB San Salvador	93	0	134	227
- RB Yaoundé	245	0	158	403
TOTAL	4 686	666	1 143	6 495

The total amount of statutory contributions paid in advance of budget year 2023 (note 15 of the financial statements):

B1.4 Member country statutory contributions paid in advance: EUR 6 933 000

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(Unaudited)

B1.1 Member country dues: Members subject to Article 52 of the General Regulations

The following countries are subject to non-payment sanctions under Article 52 of the General Regulations as at 31 December 2021 and owe the Organization the amounts shown in the table for each budget period.

<i>000s euros</i>	Prior to 2017 dues	2017 dues	2018 dues	2019 dues	2020 dues	2021 dues	2022 dues	31 December 2022
Belize*	0	0	0	39	41	43	46	169
Dominica	173	16	17	17	18	19	22	283
Gambia	175	33	34	35	36	38	41	390
Guinea-Bissau*	347	33	34	35	36	38	41	563
Haiti	0	0	5	17	19	20	24	85
Liberia*	290	33	34	35	36	38	41	506
Marshall Islands	0	0	0	0	0	19	22	41
Nauru	235	16	17	17	18	19	22	345
Sao Tomé and Príncipe*	355	33	33	34	36	37	41	570
South Sudan*	0	30	31	32	34	35	39	201
Venezuela*	0	0	241	253	293	336	409	1 533
Total amount due	1 575	194	446	514	567	642	748	4 686
<i>Less allowance for doubtful debts</i>	(1 575)	(194)	(446)	(514)	(567)	(642)	(748)	(4 686)
Net amount Article 52	0	0	0	0	0	0	0	0

* The country is also attached to a Regional Bureau (RB).

Dues for Regional Bureau specific budgets included in the above: EUR 1.170 million. Of this amount, EUR 0.620 million relates to RB Abidjan, EUR 0.124 million relates to RB Buenos Aries, EUR 0.088 million relates to RB Nairobi, EUR 0.093 million relates to RB San Salvador and EUR 0.245 million relates to RB Yaoundé.

EUR 1.768 million (38%) of the outstanding dues from countries under Article 52 have been outstanding for more than five years.

A specific doubtful debt provision is made in the financial statements as required by International Public Sector Accounting Standards. The Organization actively seeks recovery of these amounts.

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(Unaudited)

B1.2 Member country dues: Members under debt-rescheduling agreements

The Organization's Financial Regulations allow countries to pay contributions over a specific time period, notably where the country may have temporary problems in making payments. The following countries have signed specific agreements with the Organization to pay their outstanding member country dues over a specified period.

<i>000s euros</i>	Prior to 2017 dues	2017 dues	2018 dues	2019 dues	2020 dues	2021 dues	2022 dues	31 December 2022
Burundi*	17	30	0	0	0	0	0	47
Cabo Verde*	0	32	0	0	0	0	41	73
Comoros*	176	30	31	32	33	35	37	374
Grenada	15	0	0	0	0	0	0	15
Somalia*	119	0	0	0	0	0	38	157
Total rescheduled debt	327	92	31	32	33	35	116	666

* The country is also attached to a Regional Bureau.

Dues for Regional Bureau specific budgets included in the above: EUR 0.241 million (2021: EUR 0.189 million). Of the amounts EUR 0.313 million is payable in 2023 and EUR 0.353 million is payable after 2023.

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(Unaudited)

B1.3 Member country dues: Other

The following countries have outstanding balances on their member country dues at the end of each financial period. They are not subject to Article 52 sanctions nor have they signed debt-rescheduling arrangements.

<i>000s euros</i>	31 December 2022	31 December 2021
Afghanistan	25	0
Antigua and Barbuda	22	0
Benin	42	0
Bolivia	55	0
Burkina Faso*	0	39
Central African Republic*	41	0
Costa Rica	2	0
Cote D'Ivoire*	96	89
Cuba	63	0
El Salvador*	54	0
Equatorial Guinea*	46	41
Eswatini	46	0
Ghana	7	0
Guinea*	42	0
Iran	0	244
Kyrgyzstan	0	14
Laos	24	0
Lebanon	51	0
Lesotho*	45	42
Libya	100	0
Malawi*	0	43
Marshall Islands	0	19
Micronesia	1	0
Pakistan	80	0
Papua New Guinea	24	0
Paraguay*	22	13
Samoa	22	0
Senegal*	44	0
Sierra Leone*	20	37
Sint Maarten	0	20
St Lucia	22	20
Suriname	52	0
Tajikistan	7	5
Tonga	22	0
Tunisia	39	0
Uganda*	0	21
Uruguay*	0	77
Vanuatu	0	17
Yemen	27	0
Total other outstanding contributions	1 143	741

* The country is also attached to a Regional Bureau.

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B1.4 Member country dues – Statutory contributions received in advance

The following countries have made payments in advance of the budget year 2023 when they are due:

<i>000s euros</i>	31 December 2022	31 December 2021
Burkina Faso	3	0
Burundi	5	45
Canada	1 925	0
Czech Republic	271	240
Ecuador	0	1
France	3 147	0
Gabon	60	46
Ireland	342	0
Latvia	36	39
Lithuania	80	67
Mauritania	7	4
Netherlands	1 020	0
Panama	1	0
Peru	1	0
Tanzania	0	1
Uganda	33	0
Zimbabwe	2	0
Total statutory contributions received in advance	6 933	443

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B2. ADDITIONAL MEMBER COUNTRY SUPPORT

B2.1 Seconded officials

The following countries have officials seconded to the Organization (total as at 31 December):

Member	2022	2021	Member	2022	2021
Albania	1	1	Korea (Rep.)	8	7
Angola	1	1	Kuwait	5	4
Argentina	13	9	Maldives	1	0
Australia	2	2	Mauritania	1	1
Austria	1	1	Montenegro	1	1
Bahrain	3	1	Mozambique	1	1
Belgium	1	1	Namibia	3	3
Belarus	0	1	Netherlands	3	5
Benin	1	2	Nicaragua	1	1
Botswana	1	0	Niger	3	3
Brazil	8	9	Nigeria	4	3
Burkina Faso	1	3	North Macedonia	1	1
Burundi	1	1	Norway	1	1
Cameroon	10	9	Pakistan	1	1
Canada	1	1	Poland	3	3
Central African Republic	2	2	Portugal	4	3
Chad	1	1	Qatar	3	2
Chile	4	4	Romania	1	0
China	10	10	Rwanda	4	4
Colombia	1	1	Saudi Arabia	1	1
Congo	1	1	Senegal	2	1
Congo (Dem. Rep.)	1	1	Serbia	1	1
Costa Rica	1	1	Sierra Leone	1	0
Côte d'Ivoire	4	4	Singapore	10	11
Croatia	1	1	Slovakia	1	1
Cyprus	1	0	Slovenia	1	1
Czech Republic	1	3	Somalia	1	0
El Salvador	3	4	South Africa	4	4
Eswatini	2	2	Spain	5	6
Ethiopia	4	4	Sudan	1	1
Fiji	0	1	Sweden	1	0
Finland	1	1	Switzerland	1	2
France	19	17	Syria	1	0
Gabon	2	1	Tanzania	1	1
Germany	12	10	Tunisia	1	1
Greece	2	2	Türkiye	4	2
Guinea	2	2	Uganda	1	1
India	1	1	Ukraine	3	4
Ireland	2	3	United Arab Emirates	7	6
Israel	1	1	United Kingdom	6	6
Italy	11	11	United States of America	14	12
Japan	5	7	Vietnam	2	2
Jordan	1	1	Zambia	0	1
Kazakhstan	1	1	Zimbabwe	6	3
Kenya	9	8	Total	276	260

The financial benefit of the seconded officials is assessed according to the Staff Manual and valued as an in-kind contribution. The value is shown in the total member country table below. The valuation is

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based on INTERPOL grades and duty stations of the positions in which they are working. The amount recognized in the financial statements in 2022 was EUR 23.6 million (2021: EUR 22.2 million).

B2.2 Rent-free use of buildings

In-kind premises running costs are for the rent-free use of buildings owned by member countries or other organizations that are made available to the Organization. An estimate has been made for valuing the rent free-use of these assets, based on the market rental rates in these locations. No valuation is made of country National Central Bureau premises that are not under the direct control of the Organization.

Type	Country/Organization	2022 <i>000s euros</i>	2021 <i>000s euros</i>
INTERPOL Global Innovation Centre	Singapore	10 880	10 168
Liaison office	United Nations*	283	241
Regional bureau	Côte d'Ivoire	121	91
Regional bureau	Argentina	136	149
Regional bureau	Zimbabwe	157	180
Regional bureau	Kenya	148	118
Regional bureau	El Salvador	310	299
Regional bureau	Cameroon	308	213
Total rent-free use of buildings		12 343	11 459

* Also attributed to a host member country

B2.3 Voluntary donations by member country and organization

The following countries and organizations have made additional voluntary contributions to the Organization's Regular Budget in the periods. The budget for voluntary contributions was EUR 0.5 million (see Note 29 to the financial statements).

Member	2022 <i>000s euros</i>	2021 <i>000s euros</i>
Albania	0	45
Algeria	0	2
Angola	0	1
Bahamas	82	77
Bangladesh	48	45
Barbados	49	0
Belgium	30	70
Bolivia	0	1
Bosnia and Herzegovina	0	1
Botswana	0	1
Brunei	0	1
Bulgaria	0	1
Cambodia	0	1
Chad	1	0
Chile	0	5
Congo (Dem. Rep.)	0	1
Costa Rica	0	1
Denmark	2	10
Ecuador	0	1
Egypt	0	2

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Member	2022 <i>000s euros</i>	2021 <i>000s euros</i>
Equatorial Guinea	1	0
Estonia	0	1
Ethiopia	0	1
France	0	239
Gabon	0	1
Georgia	0	1
Ghana	0	1
Greece	6	8
Guatemala	0	1
Honduras	0	1
Hungary	3	3
Iceland	0	1
India	0	2
Indonesia	0	6
Iraq	0	2
Ireland	0	6
Israel	0	6
Jamaica	0	1
Japan	0	149
Jordan	0	1
Kenya	0	1
Kuwait	0	4
Latvia	0	1
Lebanon	0	1
Libya	2	0
Liechtenstein	9	13
Luxembourg	1	2
Macedonia	0	1
Malaysia	36	0
Mauritius	0	1
Mexico	0	22
Moldova	0	1
Monaco	80	80
Montenegro	0	1
Morocco	0	1
Mozambique	0	1
Namibia	0	1
Nepal	0	1
Netherlands	139	100
Nicaragua	0	1
Nigeria	0	3
Norway	0	12
Oman	0	2
Pakistan	0	16
Panama	0	1
Poland	0	12
Portugal	0	6
Qatar	0	4
Romania	0	3
Saudi Arabia	0	15

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Member	2022 <i>000s euros</i>	2021 <i>000s euros</i>
Senegal	0	1
Serbia	0	1
Singapore	0	6
Slovakia	0	3
Slovenia	0	2
South Africa	0	5
Spain	0	51
St Kitts and Nevis	52	48
Sudan	0	1
Suriname	0	1
Sweden	32	16
Switzerland	1	0
Tanzania	0	1
Trinidad and Tobago	0	1
Tunisia	0	1
Turkmenistan	0	1
United Arab Emirates	0	8
United Kingdom	27	0
Zimbabwe	0	1
Total	601	1 152

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B3. TOTAL MEMBER COUNTRY CONTRIBUTIONS TO THE REGULAR BUDGET

The following table summarizes the total contribution by type and by country to the Organization's *regular budget only* by type. The amount owing (advance) represents the amount outstanding to be paid (or made in advance of budget year 2023) *as at 31 December 2022*. This is summarized in the country payment status: 2022 only; 2023 in advance; Article 52; DRA (debt rescheduling agreement) ("0" represents All paid to 2022). N/A means that the member does not host a bureau.

Member	Statutory contribution 2022		Regional bureau 2022	Amount owing (advance)	Country payment status	Voluntary contribution 2022 to the regular budget (Euros)		
	%	Euros	Euros	Euros		Cash	In-kind premises	In-kind official
Afghanistan	0.038	25 409	0	25 409	2022 only	0	N/A	0
Albania	0.040	26 746	0	0	All paid	0	N/A	99 276
Algeria	0.185	123 700	0	0	All paid	0	N/A	0
Andorra	0.038	25 409	0	0	All paid	0	N/A	0
Angola	0.041	27 415	23 430	0	All paid	0	N/A	80 652
Antigua and Barbuda	0.034	22 734	0	22 249	2022 only	0	N/A	0
Argentina	0.877	586 405	26 190	0	All paid	0	136 008	772 978
Armenia	0.038	25 409	0	0	All paid	0	N/A	0
Aruba	0.033	22 065	0	0	All paid	0	N/A	0
Australia	2.246	1 501 785	0	0	All paid	0	N/A	283 563
Austria	0.714	477 415	0	0	All paid	0	N/A	94 620
Azerbaijan	0.089	59 510	0	0	All paid	0	N/A	0
Bahamas	0.045	30 089	0	0	All paid	82 318	N/A	0
Bahrain	0.074	49 480	0	0	All paid	0	N/A	210 773
Bangladesh	0.041	27 415	0	0	All paid	47 523	N/A	0
Barbados	0.039	26 077	0	0	All paid	48 861	N/A	0
Belarus	0.085	56 835	0	0	All paid	0	N/A	0
Belgium	0.870	581 724	0	0	All paid	30 336	N/A	47 047
Belize	0.033	22 065	24 030	169 307	Article 52	0	N/A	0
Benin	0.035	23 403	18 780	42 183	2022 only	0	N/A	114 146
Bhutan	0.033	22 065	0	0	All paid	0	N/A	0
Bolivia	0.043	28 752	26 190	54 942	2022 Only	0	N/A	0
Bosnia and Herzegovina	0.044	29 421	0	0	All paid	0	N/A	0
Botswana	0.045	30 089	23 430	0	All paid	0	N/A	34 144
Brazil	3.653	2 442 574	26 190	0	All paid	0	N/A	959 848
Brunei	0.059	39 450	0	0	All paid	0	N/A	0
Bulgaria	0.075	50 149	0	0	All paid	0	N/A	0
Burkina Faso	0.036	24 071	18 780	(2 354)	2023 in advance	0	N/A	177 816
Burundi	0.033	22 065	15 700	41 504	DRA	0	N/A	56 700
Cabo Verde	0.033	22 065	18 780	73 168	DRA	0	N/A	0
Cambodia	0.036	24 071	0	0	All paid	0	N/A	0
Cameroon	0.041	27 415	18 780	(3)	2023 in advance	0	308 100	585 079
Canada	2.799	1 871 548	0	(1 924 797)	2023 in advance	0	N/A	195 300
Central African Republic	0.033	22 065	18 780	40 845	2022 only	0	N/A	121 992
Chad	0.037	24 740	18 780	0	All paid	514	N/A	65 112

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Member	Statutory contribution 2022		Regional bureau 2022	Amount owing (advance)	Country payment status	Voluntary contribution 2022 to the regular budget (Euros)		
	%	Euros	Euros	Euros		Cash	In-kind premises	In-kind official
Chile	0.410	274 146	26 190	0	All paid	0	N/A	173 966
China	7.536	5 038 937	0	0	All paid	0	N/A	1 076 831
Colombia	0.337	225 335	26 190	0	All paid	0	N/A	73 931
Comoros	0.033	22 065	15 700	374 829	DRA	0	N/A	0
Congo	0.038	25 409	18 780	0	All paid	0	N/A	65 112
Congo (Dem. Rep.)	0.040	26 746	18 780	0	All paid	0	N/A	115 920
Costa Rica	0.077	51 486	24 030	1 517	2022 only	0	N/A	47 208
Côte d'Ivoire	0.041	27 415	18 780	96 056	2022 only	0	120 529	184 368
Croatia	0.126	84 250	0	0	All paid	0	N/A	80 652
Cuba	0.094	62 853	0	62 853	DRA	0	N/A	0
Curacao	0.033	22 065	0	0	All paid	0	N/A	0
Cyprus	0.073	48 811	0	0	All paid	0	N/A	60 489
Czech Republic	0.358	239 376	0	(270 509)	2023 in advance	0	N/A	242 078
Denmark	0.585	391 159	0	0	All paid	2 006	N/A	0
Djibouti	0.033	22 065	15 700	0	All paid	0	N/A	0
Dominica	0.033	22 065	0	282 520	Article 52	0	N/A	0
Dominican Republic	0.076	50 817	0	0	All paid	0	N/A	0
Ecuador	0.095	63 522	26 190	(47)	2023 in advance	0	N/A	0
Egypt	0.176	117 682	0	0	All paid	0	N/A	0
El Salvador	0.045	30 089	24 030	54 119	2022 only	0	310 161	159 328
Equatorial Guinea	0.041	27 415	18 780	46 195	2022 only	544	N/A	0
Eritrea	0.033	22 065	15 700	0	All paid	0	N/A	0
Estonia	0.068	45 468	0	0	All paid	0	N/A	0
Eswatini	0.034	22 734	23 430	46 164	2022 Only	0	N/A	114 732
Ethiopia	0.041	27 415	15 700	0	All paid	0	N/A	150 972
Fiji	0.035	23 403	0	0	All paid	0	N/A	0
Finland	0.464	310 253	0	0	All paid	0	N/A	80 652
France	4.635	3 099 187	0	(3 146 714)	2023 in advance	0	N/A	1 588 785
Gabon	0.048	32 095	18 780	(60 239)	2023 in advance	0	N/A	131 482
Gambia	0.033	22 065	18 780	390 369	Article 52	0	N/A	0
Georgia	0.040	26 746	0	0	All paid	0	N/A	0
Germany	6.084	4 068 059	0	0	All paid	0	N/A	1 111 581
Ghana	0.047	31 426	18 780	6 436	2022 only	0	N/A	0
Greece	0.478	319 614	0	0	All paid	6 014	N/A	161 304
Grenada	0.033	22 065	0	15 227	DRA	0	N/A	0
Guatemala	0.059	39 450	24 030	0	All paid	0	N/A	0
Guinea	0.034	22 734	18 780	41 514	2022 only	0	N/A	148 092
Guinea-Bissau	0.033	22 065	18 780	563 199	Article 52	0	N/A	0

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Member	Statutory contribution 2022		Regional bureau 2022	Amount owing (advance)	Country payment status	Voluntary contribution 2022 to the regular budget (Euros)		
	%	Euros	Euros	Euros		Cash	In-kind premises	In-kind official
Guyana	0.034	22 734	26 190	0	All paid	0	N/A	0
Haiti	0.035	23 403	0	84 673	Article 52	0	N/A	0
Honduras	0.040	26 746	24 030	(8)	2023 in advance	0	N/A	0
Hungary	0.185	123 700	0	0	All paid	2 933	N/A	0
Iceland	0.054	36 107	0	0	All paid	0	N/A	0
India	0.730	488 114	0	0	All paid	0	N/A	56 226
Indonesia	0.509	340 342	0	0	All paid	0	N/A	0
Iran	0.478	319 614	0	(2)	2023 in advance	0	N/A	0
Iraq	0.154	102 972	0	0	All paid	0	N/A	0
Ireland	0.349	233 358	0	(342 088)	2023 in advance	0	N/A	273 834
Israel	0.439	293 537	0	0	All paid	0	N/A	99 276
Italy	3.582	2 395 100	0	0	All paid	0	N/A	938 067
Jamaica	0.041	27 415	0	0	All paid	0	N/A	0
Japan	9.202	6 152 905	0	0	All paid	0	N/A	545 053
Jordan	0.051	34 101	0	0	All paid	0	N/A	96 172
Kazakhstan	0.213	142 422	0	0	All paid	0	N/A	80 652
Kenya	0.049	32 764	15 700	0	All paid	0	148 350	579 253
Kiribati	0.033	22 065	0	0	All paid	0	N/A	0
Korea (Rep.)	1.963	1 312 557	0	0	All paid	0	N/A	617 130
Kuwait	0.302	201 932	0	0	All paid	0	N/A	434 988
Kyrgyzstan	0.034	22 734	0	0	All paid	0	N/A	0
Laos	0.035	23 403	0	23 403	2022 only	0	N/A	0
Latvia	0.079	52 823	0	(35 911)	2023 in advance	0	N/A	0
Lebanon	0.076	50 817	0	50 817	2022 only	0	N/A	0
Lesotho	0.033	22 065	23 430	45 495	2022 only	0	N/A	0
Liberia	0.033	22 065	18 780	505 647	Article 52	0	N/A	0
Libya	0.150	100 297	0	100 297	2022 only	2 042	N/A	0
Liechtenstein	0.039	26 077	0	0	All paid	8 923	N/A	0
Lithuania	0.100	66 865	0	(80 352)	2023 in advance	0	N/A	0
Luxembourg	0.093	62 184	0	0	All paid	1 133	N/A	0
Madagascar	0.035	23 403	23 430	0	All paid	0	N/A	0
Malawi	0.034	22 734	23 430	0	All paid	0	N/A	0
Malaysia	0.337	225 335	0	0	All paid	36 280	N/A	0
Maldives	0.034	22 734	0	0	All paid	0	N/A	6 721
Mali	0.035	23 403	18 780	0	All paid	0	N/A	0
Malta	0.047	31 426	0	0	All paid	0	N/A	0
Marshall Islands	0.033	22 065	0	41 278	Article 52	0	N/A	0
Mauritania	0.034	22 734	18 780	(7 037)	2023 in advance	0	N/A	66 516
Mauritius	0.043	28 752	23 430	0	All paid	0	N/A	0

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Member	Statutory contribution 2022		Regional bureau 2022	Amount owing (advance)	Country payment status	Voluntary contribution 2022 to the regular budget (Euros)		
	%	Euros	Euros	Euros		Cash	In-kind premises	In-kind official
Mexico	1.391	930 090	24 030	0	All paid	0	N/A	0
Micronesia	0.033	22 065	0	886	2022 only	0	N/A	0
Moldova	0.036	24 071	0	0	All paid	0	N/A	0
Monaco	0.041	27 415	0	0	All paid	80 000	N/A	0
Mongolia	0.037	24 740	0	0	All paid	0	N/A	0
Montenegro	0.036	24 071	0	0	All paid	0	N/A	13 442
Morocco	0.083	55 498	0	0	All paid	0	N/A	0
Mozambique	0.036	24 071	23 430	0	All paid	0	N/A	21 172
Myanmar	0.041	27 415	0	0	All paid	0	N/A	0
Namibia	0.041	27 415	23 430	0	All paid	0	N/A	195 384
Nauru	0.033	22 065	0	344 920	Article 52	0	N/A	0
Nepal	0.038	25 409	0	0	All paid	0	N/A	0
Netherlands	1.436	960 180	0	(1 020 289)	2023 in advance	139 000	N/A	577 989
New Zealand	0.286	191 234	0	0	All paid	0	N/A	0
Nicaragua	0.036	24 071	24 030	0	All paid	0	N/A	56 460
Niger	0.034	22 734	18 780	0	All paid	0	N/A	214 608
Nigeria	0.230	153 789	18 780	0	All paid	0	N/A	263 847
North Macedonia	0.039	26 077	0	0	All paid	0	N/A	99 276
Norway	0.836	558 990	0	0	All paid	0	N/A	170 496
Oman	0.139	92 942	0	0	All paid	0	N/A	0
Pakistan	0.120	80 238	0	80 238	2022 only	0	N/A	143 544
Palestine	0.033	22 065	0	0	All paid	0	N/A	0
Panama	0.064	42 794	24 030	(1 290)	2023 in advance	0	N/A	0
Papua New Guinea	0.036	24 071	0	24 071	2022 only	0	N/A	0
Paraguay	0.045	30 089	26 190	22 165	2022 only	0	N/A	0
Peru	0.161	107 652	26 190	(809)	2023 in advance	0	N/A	0
Philippines	0.188	125 706	0	0	All paid	0	N/A	0
Poland	0.829	554 310	0	0	All paid	0	N/A	279 204
Portugal	0.403	269 465	0	0	All paid	0	N/A	347 997
Qatar	0.287	191 902	0	0	All paid	0	N/A	218 020
Romania	0.206	137 742	0	0	All paid	0	N/A	26 884
Russia	2.957	1 977 194	0	0	All paid	0	N/A	0
Rwanda	0.034	22 734	15 700	0	All paid	0	N/A	265 934
Samoa	0.033	22 065	0	22 065	2022 only	0	N/A	0
San Marino	0.035	23 403	0	0	All paid	0	N/A	0
Sao Tome and Principe	0.033	22 065	18 780	570 413	Article 52	0	N/A	0
Saudi Arabia	1.117	746 881	0	0	All paid	0	N/A	80 652
Senegal	0.037	24 740	18 780	43 520	2022 only	0	N/A	108 752
Serbia	0.062	41 456	0	0	All paid	0	N/A	99 276
Seychelles	0.033	22 065	15 700	0	All paid	0	N/A	0

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Member	Statutory contribution 2022		Regional bureau 2022	Amount owing (advance)	Country payment status	Voluntary contribution 2022 to the regular budget (Euros)		
	%	Euros	Euros	Euros		Cash	In-kind premises	In-kind official
Sierra Leone	0.033	22 065	18 780	20 423	2022 only	0	N/A	67 210
Singapore	0.455	304 235	0	0	All paid	0	10 880 224	1 319 986
Sint Maarten	0.033	22 065	0	0	All paid	0	N/A	0
Slovakia	0.183	122 363	0	0	All paid	0	N/A	80 652
Slovenia	0.112	74 889	0	0	All paid	0	N/A	80 652
Solomon Islands	0.033	22 065	0	0	All paid	0	N/A	0
Somalia	0.033	22 065	15 700	156 514	DRA	0	N/A	13 442
South Africa	0.377	252 081	23 430	0	All paid	0	N/A	368 334
South Sudan	0.035	23 403	15 700	200 795	Article 52	0	N/A	0
Spain	2.346	1 568 650	0	0	All paid	0	N/A	537 879
Sri Lanka	0.061	40 788	0	0	All paid	0	N/A	0
St Kitts and Nevis	0.033	22 065	0	0	All paid	52 873	N/A	0
St Lucia	0.033	22 065	0	22 065	2022 only	470	N/A	0
St Vincent and the Grenadines	0.033	22 065	0	0	All paid	0	N/A	0
Sudan	0.041	27 415	15 700	0	All paid	0	N/A	56 700
Suriname	0.038	25 409	26 190	51 599	2022 Only	0	N/A	0
Sweden	0.937	626 524	0	0	All paid	31 968	N/A	102 893
Switzerland	1.112	743 537	0	0	All paid	583	N/A	168 247
Syria	0.055	36 776	0	0	All paid	0	N/A	50 812
Tajikistan	0.036	24 071	0	6 577	2022 only	0	N/A	0
Tanzania	0.041	27 415	15 700	0	All paid	0	N/A	51 216
Thailand	0.308	205 944	0	0	All paid	0	N/A	0
The Vatican City State	0.033	22 065	0	0	All paid	0	N/A	0
Timor-Leste	0.035	23 403	0	(11)	2023 in advance	0	N/A	0
Togo	0.033	22 065	18 780	0	All paid	0	N/A	0
Tonga	0.033	22 065	0	22 065	2022 only	0	N/A	0
Trinidad and Tobago	0.064	42 794	0	0	All paid	0	N/A	0
Tunisia	0.059	39 450	0	39 450	2022 only	0	N/A	80 652
Türkiye	0.996	665 974	0	0	All paid	0	N/A	168 025
Turkmenistan	0.057	38 113	0	0	All paid	0	N/A	0
Uganda	0.041	27 415	15 700	(33 368)	2023 in advance	0	N/A	93 834
Ukraine	0.130	86 924	0	0	All paid	0	N/A	304 867
United Arab Emirates	0.604	403 864	0	0	All paid	0	N/A	737 009
United Kingdom	4.260	2 848 443	0	0	All paid	26 730	N/A	787 194
United States of America*	20.000	13 372 974	0	0	All paid	0	282 640	1 473 213
Uruguay	0.107	71 545	26 190	0	All paid	0	N/A	0
Uzbekistan	0.054	36 107	0	0	All paid	0	N/A	0
Vanuatu	0.033	22 065	0	0	All paid	0	N/A	0
Venezuela	0.573	383 136	26 190	1 532 734	Article 52	0	N/A	0
Vietnam	0.087	58 172	0	0	All paid	0	N/A	177 168

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Member	Statutory contribution 2022		Regional bureau 2022	Amount owing (advance)	Country payment status	Voluntary contribution 2022 to the regular budget (Euros)		
	%	Euros	Euros	Euros		Cash	In-kind premises	In-kind official
Yemen	0.041	27 415	0	27 415	2022 only	0	N/A	0
Zambia	0.039	26 077	23 430	0	All paid	0	N/A	0
Zimbabwe	0.036	24 071	23 430	(1 872)	2023 in advance	0	157 364	262 987
Total	100.10	66 931 057	1 442 500	(437 568)		601 051	12 343 376	23 626 326

*Indirectly attributed as the hosting member country for alignment purposes in the above table.

C. FINANCIAL PERFORMANCE BY BUDGET TYPE

Performance on the Organization's operating budgets is presented in note 28 for the current financial year.

Further analysis is provided below by budget type: Regular Budget (C1); Trust Fund and Special Accounts (C2), the combination adjustment (C3), the Capital Budget (C4) and financial performance by Capabilities and Strategic Objectives (C5).

C1: The Regular Budget

The Regular Budget (C1.1) is an operating budget that comprises the General Budget and the Regional Bureau (RB) Budgets. The separation into these two budgets is presented in table C1.1A. The financial year 2022 was characterized by the approved use of reserves, which are separated and presented in C1.1B. The financial performance of the Regional Bureaus is presented separately in table C1.1C. Further details on Regular Budget revenue, including for Regional Bureaus, are presented in C1.2. Further details on Regular Budget expenses, including for Regional Bureaus, are presented in C1.3.

C2: Trust Fund and Special Accounts

The Trust Fund and Special Accounts' Budget is an operating budget that comprises the INTERPOL Trust Fund for Police Cooperation and individual projects in separate Special Accounts. The financial performance against budget and previous year is presented in C2.1. The amount that was implemented is presented by sponsor and for the program in C2.2.

C3: The combination adjustment: Transfer between budgets

Resources are shared between the Regular Budget and Trust Fund and Special Accounts. The combination adjustment removes the effect of double counting these resources.

C4: Capital Budget (C4)

The Capital Budget is followed separately and expenses are withdrawn from the Capital Investment Fund.

C5: Financial performance by Capabilities and Strategic Objectives (C5)

The financial performance by Capabilities and Strategic Objectives against budget are presented in C5.1 and C5.2 respectively.

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C1. REGULAR BUDGET

C1.1 Detailed financial performance on the Regular Budget versus Budget and prior year

000s euros	Details	Revised Regular Budget 2022		2022		2021		2022 variance to revised budget		2022 variance to 2021	
								000s	%	000s	%
Operating revenue											
Statutory contributions	C1.2.1	66 909		66 931		60 340		22	0%	6 591	11%
Regional bureau financing	C1.2.2	1 441		1 443		1 406		2	0%	36	3%
In-kind contributions	C1.2.3	31 304		34 191		32 336		2 887	9%	1 855	6%
Voluntary contributions	C1.2.4	493		601		1 152		108	22%	(551)	(48%)
Reimbursements and recoveries	C1.2.5	6 781		7026		5 241		244	(4%)	1 784	34%
Financial revenue	C1.2.6	250		545		404		295	118%	141	35%
Other revenue	C1.2.7	251		651		321		400	159%	330	103%
Total operating revenue			107 429		111 388		101 201	3 958	4%	10 186	10%
Operating expenses											
Pay costs	C1.3.1	50 110		48 098		42 581		(2 012)	(4%)	5 517	13%
In-kind pay costs	C1.3.2	19 978		21 848		20 877		1 870	9%	971	5%
Other staff costs	C1.3.3	2 015		1 645		1 022		(371)	(18%)	622	61%
Premises running costs	C1.3.4	4 090		3 213		3 053		(877)	(21%)	160	5%
In-kind premises running costs	C1.3.5	11 326		12 343		11 459		1 017	9%	884	8%
Maintenance	C1.3.6	5 325		4 658		3 200		(667)	(13%)	1 458	46%
Missions and meetings	C1.3.7	4 207		5 964		1 521		1 757	42%	4 443	292%
Office expenses	C1.3.8	1 664		2 176		1 122		512	31%	1 054	94%
Telecommunication costs	C1.3.9	1 069		1 024		956		(45)	(4%)	67	7%
Third party and other costs	C1.3.10	4 436		3 219		3 750		(1 217)	(27%)	(531)	(14%)
Depreciation and amortization	C1.3.11	5 209		4 138		4 594		(1 072)	(21%)	(456)	(10%)
Exchange rate losses /(gains) net		0		499		(475)		499	100%	974	(205%)
Total operating expenses			(109 429)		(108 825)		(94 135)	(605)	1%	15 163	(16%)
Surplus/(deficit) for the year			(2 000)		2 563		7 540	4 563		(4 977)	

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C1.1A Detailed Regular Budget financial performance by budget type

000s euros	Total Regular Budget		General Budget*		Regional Bureau Budgets	
	2022	2021	2022	2021	2022	2021
Operating revenue						
Statutory contributions	66 931	60 340	66 931	60 340	0	0
Regional bureau financing	1 443	1 406	0	0	1 443	1 406
In-kind contributions	34 191	32 336	33 079	31 361	1 112	975
Voluntary contributions	601	1 152	601	1 152	0	0
Reimbursements and recoveries	7 026	5 241	6 970	5 186	56	55
Financial revenue	545	404	545	404	0	0
Other revenue	651	321	650	318	1	3
Total operating revenue	111 388	101 201	108 776	98 762	2 612	2 439
Operating expenses						
Pay costs	48 098	42 581	48 098	42 581	0	0
In-kind pay costs	21 848	20 877	21 848	20 877	0	0
Other staff costs	1 645	1 022	1 523	937	122	85
Premises running costs	3 213	3 053	3 152	2 993	61	60
In-kind premises running costs	12 343	11 459	11 231	10 484	1 113	975
Maintenance	4 658	3 200	4 574	3 105	84	95
Missions and meetings	5 964	1 521	5 230	1 406	734	115
Office expenses	2 176	1 122	2 061	1 054	115	68
Telecommunication costs	1 024	956	832	775	192	181
Third party and other costs	3 219	3 750	3 208	3 413	11	337
Depreciation and amortization	4 138	4 594	4 138	4 594	0	0
Exchange rate losses /(gains) net	499	(475)	499	(475)	0	0
Total operating expenses	(108 825)	(93 661)	(106 390)	(91 745)	(2 432)	(1 916)
Surplus/(deficit) for the year	2 628	7 540	2 383	7 017	180	523

General Reserve Fund

RB Reserve Fund

* The General Budget includes the budgeted use of the General Reserve Fund (Reserves). The financial performance on the use of the reserves and the Base General Budget is separated below.

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C1.1B General Budget financial performance: Use of General Reserve Fund and reserve-funded projects

000s euros	Total Regular Budget			Base General Budget*			Reserves		
	Budget 2022	2022	2021	Budget 2022	2022	2021	Budget 2022	2022	2021
Operating revenue									
Statutory contributions	66 909	66 931	60 340	66 909	66 931	60 340	0	0	0
Regional bureau financing	1 441	1 443	1 406	1 441	1 443	1 406	0	0	0
In-kind contributions	31 304	34 191	32 336	31 304	34 191	32 336	0	0	0
Voluntary contributions	493	601	1 152	493	601	1 152	0	0	0
Reimbursements and recoveries	6 781	7 026	5 241	6 781	7 026	5 241	0	0	0
Financial revenue	250	545	404	250	545	404	0	0	0
Other revenue	251	651	321	251	651	321	0	0	0
Total operating revenue	107 429	111 388	101 675	107 429	111 388	101 675	0	0	0
Operating expenses									
Pay costs	50 110	48 098	42 581	50 110	47 332	42 071	0	765	510
In-kind pay costs	19 978	21 848	20 877	19 978	21 848	20 877	0	0	0
Other staff costs	2 015	1 645	1 022	2 015	1 644	1 000	0	1	22
Premises running costs	4 090	3 213	3 053	4 090	3 213	3 053	0	0	0
In-kind premises running costs	11 326	12 343	11 459	11 326	12 343	11 459	0	0	0
Maintenance	5 325	4 658	3 200	5 325	4 612	3 200	0	46	0
Missions and meetings	4 207	5 964	1 521	4 207	5 964	1 519	0	0	2
Office expenses	1 664	2 176	1 122	1 664	2 176	1 124	0	0	(2)
Telecommunication costs	1 069	1 024	956	1 069	1 023	955	0	1	1
Third party and other costs	4 436	3 219	3 750	2 436	2 734	3 718	2 000	485	32
Depreciation and amortization	5 209	4 138	4 594	5 209	4 138	4 594	0	0	0
Exchange rate losses /(gains) net	0	499	(475)	0	500	(475)	0	(1)	0
Total operating expenses	(109 429)	(108 825)	(94 135)	(107 429)	(107 527)	(93 570)	(2 000)	(1 297)	(565)
Surplus/(deficit) for the year	(2 000)	2 563	7 540	0	3 861	8 105	(2 000)	(1 297)	(565)

* The Organization had approval to use the General Reserve Fund for specific projects. It also used Regional Bureau Reserves as shown in C1.1.1, but not included in reserves in the table above for **EUR 86 000**. This together with the movement in doubtful debt provision in third party and other costs are the main variance on the Base General Budget.

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C1.1C Financial performance on Regional Bureau Budgets

C1.1C.1 Financial performance of the Regional Bureau on Regional Bureau Reserve only

RB Reserve Fund Only <i>000s euros</i>	RB Abidjan			RB Buenos Aires			RB Harare			RB Nairobi			RB San Salvador			RB Yaoundé			TOTAL		
	Revised budget 2022	2022	2021	Revised budget 2022	2022	2021	Revised budget 2022	2022	2021	Revised budget 2022	2022	2021	Revised budget 2022	2022	2021	Revised budget 2022	2022	2021	Revised budget 2022	2022	2021
Operating revenue																					
Regional Bureau financing	389	421	293	388	382	306	458	439	274	321	352	199	486	502	187	360	458	147	2 402	2 555	1 406
Reimbursements and recoveries	0	56	55	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	56	55
Other Revenue	0	0	0	0	1	3	0	0	0	0	0	0	0	0	0	0	0	0	0	1	3
Total operating revenue	389	477	348	388	383	309	458	439	274	204	352	199	486	502	187	360	458	147	2 402	2 612	1 464
Other staff costs	27	37	39	35	16	6	12	13	4	13	4	6	10	7	2	52	45	28	150	122	85
Premises Running costs	105	136	15	88	78	9	184	161	5	129	163	13	304	319	8	221	317	10	1 032	1 174	60
Maintenance	37	44	42	11	9	7	21	4	13	10	5	3	9	9	6	17	13	24	105	84	95
Missions and meetings	162	96	10	212	223	9	131	104	15	100	83	40	123	178	12	18	50	29	746	734	115
Office expenses	23	16	11	10	10	5	34	44	23	17	10	12	15	21	8	13	14	10	111	115	69
Telecommunication costs	27	25	27	24	16	8	68	57	58	43	32	33	21	9	8	34	53	46	217	192	180
Third party and other costs	7	62	208	8	(4)	33	8	(10)	49	8	(49)	(45)	4	27	25	6	(15)	67	42	11	337
Depreciation and amortization	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0
Total operating expenses	(389)	(416)	(352)	(389)	(348)	(77)	(458)	(373)	(167)	(321)	(248)	(62)	(486)	(570)	(69)	(360)	(477)	(214)	(2 402)	(2 431)	(941)
Surplus/(deficit) for the year	0	61	(4)	0	35	232	0	65	107	0	105	137	0	(67)	118	0	(19)	(67)	0	180	523

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C1.1C.2 Total financial performance of the Regional Bureau

Total expenses of the regional bureau 000s euros	Abidjan			Buenos Aires			Harare			Nairobi			San Salvador			Yaoundé			TOTAL		
	Revised budget 2022	2022	2021	Revised budget 2022	2022	2021	Revised budget 2022	2022	2021	Revised budget 2022	2022	2021	Revised budget 2022	2022	2021	Revised budget 2022	2022	2021	Revised budget 2022	2022	2021
Operating expenses - RB budget	(429)	(627)	(506)	(314)	(495)	(311)	(281)	(413)	(321)	(205)	(271)	(201)	(192)	(481)	(253)	(151)	(378)	(377)	(1 686)	(2 665)	(1 969)
Pay costs - General budget	(266)	(178)	(688)	(204)	(96)	(439)	(251)	(252)	(230)	(160)	(186)	(172)	(165)	(175)	(160)	(224)	(205)	(188)	(1 331)	(1 092)	(1 877)
Total operating expenses of RB	(695)	(805)	(1 194)	(518)	(591)	(750)	(532)	(665)	(551)	(365)	(457)	(373)	(357)	(656)	(413)	(374)	(583)	(565)	(3 018)	(3 757)	(3 846)
In-kind pay costs - General Budget	(621)	(714)	(688)	(393)	(342)	(439)	(576)	(565)	(539)	(405)	(528)	(427)	(285)	(310)	(259)	(595)	(625)	(502)	(3 103)	(3 084)	(2 854)
In-kind premises costs - General Budget	(89)	(120)	(91)	(74)	(68)	(149)	(177)	(158)	(180)	(117)	(148)	(118)	(294)	(310)	(299)	(210)	(308)	(213)	(977)	(1 112)	(1 050)
Total in-kind operating expenses of RB	(710)	(834)	(779)	(710)	(410)	(588)	(754)	(723)	(719)	(521)	(676)	(545)	(580)	(620)	(558)	(805)	(933)	(715)	(4 080)	(4 196)	(3 904)
Total capital expenditures of RB	(58)	(59)	(106)	(44)	(44)	(36)	(18)	(47)	(7)	(52)	(47)	(75)	(4)	(23)	(95)	(4)	(73)	(13)	(195)	(293)	(332)
Total expense of RB	1 463	1 698	2 079	1 463	1 045	1 374	1 304	1 435	1 277	938	1 180	993	941	1 299	1 066	1 183	1 589	1 293	7 292	8246	8 082

C1.1C.3 RB reserve fund by RB

Regional Bureau Reserve Fund 000s Euros	Abidjan	Buenos Aires	Harare	Nairobi	San Salvador	Yaoundé	Total RB reserve fund
Balance at 31 December 2021	541	396	653	271	662	(96)	2 427
Surplus / (deficit) for the year	61	35	65	105	(67)	(19)	180
Balance at 31 December 2022	602	431	718	376	595	(115)	2 607

C1.2 REGULAR BUDGET REVENUE

The Regular Budget comprises the General Budget and the Regional Bureaus Budgets. The tables presented below include both budgets. The Regional Bureaus Budgets are detailed separately in financial performance on Regional Bureau budgets as presented for each Regional Bureau above (C1.1B).

C1.2.1 Statutory contributions

The revenue by member country for the General Budget and the payment status of the country as at 31 December 2022 are presented in table B3 above.

C1.2.2 Regional Bureau financing

The revenue by member country of the Regional Bureau financing budget and the payment status of the country as at 31 December 2022 (including Regional Bureaus) are presented in table B3 above.

C1.2.3 In-kind contributions

<i>000s euros</i>	Revised budget 2022	2022	2021
In-kind pay costs	19 978	21 848	20 877
In-kind premises running costs	11 326	12 343	11 459
Total in-kind contributions	31 304	34 191	32 336

C1.2.4 Voluntary contributions

Member countries and organizations that have made voluntary contributions are presented in tables B2.3 and B3 above.

C1.2.5 Reimbursements and recoveries

<i>000s euros</i>	Revised budget 2022	2022	2021
Trust fund and special accounts recharges	6 504	6 482	4 120
Other reimbursements	277	544	1 121
Total reimbursements and recoveries	6 781	7 026	5 241

In 2022, the revenue from conferences was EUR 78 500 for the sale of exhibitor booths at the General Assembly (2021: EUR Nil).

C1.2.6 Financial revenue

<i>000s euros</i>	Revised budget 2022	2022	2021
On bank balances	0	193	42
On investments	250	352	362
Total financial revenue²	250	545	404

The effective rate of financial interest on the average bank and investments held by the Organization was 0.01% (2021: 0.27%).

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C1.2.7 Other revenue

<i>000s euros</i>	Revised Budget 2022	2022	2021
Shop sales	178	278	98
I-Checkit revenue	73	58	(1)
Miscellaneous receipts	0	315	224
Total other revenue	251	651	321

Other revenue includes receipts from Shop Sales of emblems, logos, wines and duty-free stocks. The Organization receives I-Checkit revenue from verification of data held in its databases that is included under this category; the contract that was suspended for 15 months from 2020 was reactivated in 2022.

C1.2.8 Foreign exchange gains / losses

Foreign exchange gains/losses are reported on a net basis under revenue for both realized and unrealized amounts. There was a total net loss of EUR 0.757 million in 2022 (2021: gain of EUR 0.475 million). Of the total loss, the realized loss was EUR 1.189 million (2021: gain of EUR 0.049 million) and unrealized gain was EUR 0.432 million (2021: gain of EUR 0.426 million).

C1.3 REGULAR BUDGET EXPENSES

The Regular Budget comprises the general budget and the Regional Bureaus budgets. The tables presented below include both budgets. The Regional Bureaus budgets are detailed separately in financial performance on Regional Bureau budgets as presented for each Regional Bureau above (C1.1B). The amounts include the use of the reserves.

C1.3.1 Pay costs

<i>000s euros</i>	Revised budget 2022	2022	2021
Salaries	32 998	29 347	26 486
Employer's social charge costs	12 094	8 679	11 484
Allowances	4 707	4 704	4 083
Provision for employee leave not taken	0	240	186
Provision for retirement benefits	311	4 768	485
Indemnity for contract termination	0	277	(178)
Reimbursement of national taxes paid	0	83	35
Total pay costs	50 110	48 098	42 581

C1.3.2 In-kind pay costs

<i>000s euros</i>	Revised budget 2022	2022	2021
In-kind pay costs	19 978	21 848	20 877
Total in-kind pay costs	19 978	21 848	20 877

C1.3.3 Other staff costs

<i>000s euros</i>	Revised budget 2022	2022	2021
Employee welfare costs	1 035	1 243	949
Recruitment expenses	315	190	(105)
Training expenses	665	211	178
Total other staff costs	2 015	1 644	1 022

C1.3.4 Premises running costs

<i>000s euros</i>	Revised budget 2022	2022	2021
Rental costs	2 351	1 072	1 493
Running costs	1 739	2 141	1 560
Total premises running costs	4 090	3 213	3 053

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C1.3.5 In-kind premises running costs

The use of premises provided by member countries

<i>000s euros</i>	Revised budget 2022	2022	2021
In-kind equipment	11 326	12 343	11 459
Total in-kind pay costs	11 326	12 343	11 459

C1.3.6 Maintenance

<i>000s euros</i>	Revised budget 2022	2022	2021
IT and telecom maintenance	4 035	3 742	2 430
Premises and equipment maintenance	1 290	916	770
Total maintenance	5 325	4 658	3 200

C1.3.7 Missions and meetings

Missions and meetings include expenditure for costs for staff and outside officials to attend statutory meetings, training and conferences of the Organization. It includes travel costs of EUR 0.416 million (2021: EUR 0.377 million), amounts for per diem and accommodation of EUR 0.607 million (2021: EUR 0.488 million) and of conferences costs EUR 0.81 million (2021: EUR 0.124 million).

<i>000s euros</i>	Revised budget 2022	2022	2021
Shop merchandise consumed	3	212	77
Corporate hospitality including gifts	344	380	86
Interpretation and minute taking fees	644	389	245
Travel and agency costs	1 344	2 573	416
Hotel and accommodation including per diem	1 311	1 971	607
Conferences and meetings organization	561	439	80
Grants and subsidies for meetings	0	0	10
Total missions and meetings	4 207	5 964	1 521

Statutory meetings costs include some travel and tickets of delegates, and interpretation and minute taking fees. Costs shown for the General Assembly and Regional Conferences are on a gross basis and exclude revenue received on the sale of exhibitor booths during the General Assembly of EUR 0.08 million (2021: EUR 0 million).

<i>000s euros</i>	Revised budget 2022	2022	2021
General Assembly	564	378	298
Executive Committee	214	297	96
Regional conferences	660	298	46
Heads of NCB conference	276	125	18
Committee for Control of INTERPOL files	143	82	50
Total statutory meetings	1 857	1 180	508

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C1.3.8 Office expenses

<i>000s euros</i>	Revised budget 2022	2022	2021
Equipment rentals and hire charges	130	111	128
Fuel for vehicles	59	58	26
Mailing and courier costs	97	138	52
Printing and publications	50	114	27
External security services	821	794	562
Supplies' costs	285	726	260
External translation	222	235	67
Total office expenses	1 664	2 176	1 122

C1.3.9 Telecommunication costs

<i>000s euros</i>	Revised budget 2022	2022	2021
Network hire charges	619	646	647
Telephone charges	450	378	309
Total telecommunication costs	1 069	1 024	956

Although some network hire charges involve rentals, these do not involve leasing of equipment nor the leasing of network capacity.

C1.3.10 Third party and other costs

Changes in provisions for member country statutory contributions includes amounts (paid)/due on both General and Regional Bureau budgets as EUR (0.031) million (2021: EUR 0.622 million) and EUR (0.061) million (2021: EUR 0.296 million) respectively.

<i>000s Euros</i>	Revised Budget 2022	2022	2021
Interns	197	151	0
Consultancy charges	3 238	1 818	2,030
Bank charges	43	42	45
Insurance	958	873	702
Equipment Donated	0	26	0
Miscellaneous losses	0	381	55
Provision for statutory contributions and other losses	0	(72)	918
Total third party and other costs	4 436	3 219	3 750

C1.3.11 Depreciation

The total amount of depreciation by asset class on the Regular Budget is presented in notes 14 (Intangible assets) and 15 (Plant, property and equipment).

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C2. TRUST FUND AND SPECIAL ACCOUNTS

Trust Fund and Special Accounts consists of funds received from external sponsors with a defined purpose such as the implementation of special activities in various crime areas. Projects are separated and tracked individually. Implementation is usually according to the crime area that is managing the project.

C2.1 FINANCIAL PERFORMANCE ON TRUST FUND AND SPECIAL ACCOUNTS

<i>000s euros</i>	Revised budget 2022	2022	2021
Operating revenue			
In-kind contributions	1 347	1 779	1 301
Reimbursements and recoveries	52 500	60 141	43 978
Total operating revenue	53 847	61 920	45 279
Operating expenses			
Pay costs	23 791	27 486	26 827
In-kind pay costs	1 347	1 779	1 301
Other staff costs	51	1 433	1 321
Premises running costs	1 059	1 513	964
Maintenance	2 741	1 560	1 429
Missions and meetings	11 418	14 947	3 069
Office expenses	661	1 699	3 031
Telecommunication costs	972	356	299
Third party and other costs	11 769	10 865	7 046
Depreciation and amortization	38	24	30
Exchange rate losses /(gain)-net	0	258	(38)
Total operating expenses	(53 847)	(61 920)	(45 279)
Surplus/(deficit) for the year	0	0	0

Operating expenses relating to the INTERPOL Fund for International Police Cooperation (Trust Fund) in the above are EUR 6.570 million (2021: EUR 6.416 million) of which operating expenses relating to the INTERPOL Foundation are EUR 3.669 million (2021: EUR 5.407 million).

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C2.2. TRUST FUND AND SPECIAL ACCOUNTS BY SPONSOR 2022

The following table presents the Trust Fund and Special Accounts projects that were executed in the year 2022 by sponsor and for each programme (including in-kind).

Sponsor	Programme	Amount recognised in 2022 <i>000s euros</i>
European Commission	Africa Regional Programme; Capacity Building Programme; Chemical, Biological, Radiological and Nuclear, Explosives (CBRNE) Programme; Counter Terrorism Programme; Criminal Analysis Programme; Drugs and Organised Crime Programme; Environmental and Wildlife Crime Programme; Human Trafficking and People Smuggling Programme; I-24/7 Programme; Firearms (iARMS) Programme; Legislation Programme; Information Technology Infrastructure; Maritime Piracy Programme; Migration & Border Management Programme; NCB Support and Upgrade Programme; Operational Support; Research and Innovation	12 805
UK Home Office	INSIGHT Programme ; Internet Domain Names (WHOIS) Programme	4 863
Global Affairs Canada	Capacity Building Programme; Chemical, Biological, Radiological and Nuclear, Explosives (CBRNE) Programme; Counter Terrorism Programme; Cybercrime Programme; Migration & Border Management Programme	4 456
UK Foreign and Commonwealth Office	Cybercrime Programme	4 232
US Department Of State	Anti-Corruption Programme; Chemical, Biological, Radiological and Nuclear, Explosives (CBRNE) Programme; Criminal Analysis Programme; Environmental and Wildlife Crime Programme; Human Trafficking and People Smuggling Programme; I-24/7 Programme; Maritime Piracy Programme; Trafficking in Illicit Goods and Counterfeiting Programme	3 883
Federal Ministry for Foreign Affairs (Germany)	G5 Sahel Programme; Human Trafficking and People Smuggling Programme; Capacity Building Programme; Terrorism Network Programme	3 713
INTERPOL Foundation	Counter Terrorism Programme; Criminal Analysis Programme; Cybercrime Programme; Drugs and Organised Crime Programme; Vulnerable Communities Programme; Stolen Motor Vehicles Programme; Stolen Works of Art Programme; Trafficking in Illicit Goods and Counterfeiting Programme; INTERPOL Organization Support	3 669
Norway - Ministry of Foreign Affairs	Environmental and Wildlife Crime Programme; Human Trafficking and People Smuggling Programme; Innovation Programme	2 161

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Sponsor	Programme	Amount recognised in 2022 <i>000s euros</i>
Republic of Korea National Police Agency	Crimes Against Children Programme; Financial Crime Programme; Trafficking in Illicit Goods and Counterfeiting Programme	2 144
NORAD - Norwegian Agency for Development Cooperation	Environmental and Wildlife Crime Programme	2 088
US AID	Environmental and Wildlife Crime Programme	1 891
US Defence Threat Reduction Agency	Chemical, Biological, Radiological and Nuclear, Explosives (CBRNE) Programme	1 597
Human Dignity Foundation	Crimes Against Children Programme	1 364
Qatar 2022 Supreme Committee	Sports Security Programme	1 195
Italian Interior Ministry	INTERPOL Cooperation Against 'Ndrangheta (I-CAN) Programme	1 124
CEMAC	I24/7 extension Programme	1 070
UK Department for Business, Energy & Industrial Strategy	Chemical, Biological, Radiological and Nuclear, Explosives (CBRNE) Programme	919
Federal Bureau of Investigation	Chemical, Biological, Radiological and Nuclear, Explosives (CBRNE) Programme	657
Ministry of Foreign Affairs (Japan)	Migration & Border Management Programme; Organized and Emerging Crime Programme	636
FRONTEX	Migration & Border Management Programme	531
Dutch Ministry of Foreign Affairs	Counter Terrorism Programme; Capacity Building Programme	506
US Dept. of Energy	Chemical, Biological, Radiological and Nuclear, Explosives (CBRNE) Programme	498
Ministry of Europe and of Foreign Affairs (France)	Chemical, Biological, Radiological and Nuclear, Explosives (CBRNE) Programme; I-24/7 Programme; Criminal Analysis Programme;	497
The Netherlands Police	Crimes Against Children Programme; Innovation Programme; Integrity in Sport Programme; INTERPOL Capabilities for Operational Relevance (I-CORE)	434
Council of Europe	Cybercrime Programme	424
China Ministry of Public security	Environmental and Wildlife Crime Programme	403
Underwriters' Laboratory Inc.	Trafficking in Illicit Goods and Counterfeiting Programme	363
NCB China	Counter Terrorism Programme; Financial Crime and Fraud Programme; Environmental and Wildlife Crime Programme	343
UNOCT	Chemical, Biological, Radiological and Nuclear, Explosives (CBRNE) Programme; Counter Terrorism Programme	334
UNICEF	Crime Against Children Programme	271
Embassy of Denmark in Ghana	Maritime Security Programme	271
Japan ASEAN Integration Fund	Cybercrime Programme	256
International Olympic Committee	Integrity in Sport Programme	252
Thorn	Crime Against Children Programme	244
Canada Department of Foreign Affairs, Trade And Development	Cybercrime Programme; Migration & Border Management Programme ; Chemical, Biological,	213

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Sponsor	Programme	Amount recognised in 2022 <i>000s euros</i>
	Radiological and Nuclear, Explosives (CBRNE) Programme	
US Forest Service	Environmental and Wildlife Crime Programme	210
Norway Ministry of Climate and Environment	Environmental and Wildlife Crime Programme	171
Alibaba Group	Trafficking in Illicit Goods and Counterfeiting Programme	165
US Civilian Research and Development	Cybercrime Programme	146
Germany NCB	Crime Against Children Programme	130
Environment Canada	Environmental and Wildlife Crime Programme	118
UK National Crime Agency	Anti-Corruption Programme; Migration & Border Management Programme	110
Dolder Group	Global Health and Safety Programme	110
Swedish Police Authority	INTERPOL Capabilities for Operational Relevance (I-CORE) Programme	85
OIE (World Organization for Animal Health)	Chemical, Biological, Radiological and Nuclear, Explosives (CBRNE) Programme	73
Gemalto	Counterfeit Document Programme	67
US Patent and Trademark Office	Trafficking in Illicit Goods and Counterfeiting Programme	56
Centro Zaragoza	Stolen Motor Vehicles Programme	41
Australia DFAT	Counter Terrorism Programme	31
CITES	Environmental and Wildlife Crime Programme	30
CCMLAR	Environmental and Wildlife Crime Programme	25
Guangdong Public Security Protection Technology Association	Innovation Programme	24
World Anti-Doping Agency	Integrity in Sport Programme	8
Forensic Technology Inc.	Firearms Programme	6
Government of Japan	Counter Terrorism Programme;	4
Ministry of Interior (France)	Chemical, Biological, Radiological and Nuclear, Explosives (CBRNE) Programme	3
Total trust fund and special accounts		61 920

C3. COMBINATION ADJUSTMENT: TRANSFERS BETWEEN BUDGETS:

Trust Fund and Special Account projects share budget resources and infrastructure, and also benefit by having access to internal experts. The consolidation adjustment removes the effect of double counting the revenue and expenses between budgets when they are combined.

Overhead recoveries, expert fees and charges for other services such as office rentals are charged to the Trust Fund and Special Accounts from the Regular Budget and counted as an expense on the Trust Fund or Special Account. All such costs on Trust Fund and Special Accounts are agreed in advance with the sponsor, either in a specific contract or in the general terms and conditions of operation of the Trust Fund. These are accounted under the category, third party and other costs.

The average overhead recovery rate was 10.7% of total Trust Fund and Special Accounts expenses (2021: 9.3%). Total recoveries from projects, including overhead and other recharges were EUR 13.728 million, or 22.2% (2021: EUR 9.662 million or 21.3%). Of this amount, expert fees recovered were EUR 4.895 million (2021: EUR 3.880 million).

<i>000s euros</i>	Revised budget 2022	2022	2021
Operating revenue			
Reimbursements and recoveries	(6 300)	(13 728)	(9 662)
Total operating revenue	(6 300)	(13 728)	(9 662)
Operating expenses			
Pay costs	0	(4 878)	(3 800)
Other staff costs	0	(375)	(403)
Premises running costs	0	(1 487)	(988)
Maintenance	0	(746)	(446)
Missions and meetings	0	(144)	(49)
Office expenses	0	(37)	(29)
Telecommunication costs	0	(70)	(66)
Third party and other costs	(6 300)	(5 967)	(3 851)
Depreciation and amortization	0	(24)	(30)
Total operating expenses	6 300	13 728	9 662
Surplus/(deficit) for the year	0	0	0

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(Unaudited)

C4. CAPITAL BUDGET

C4.1 2021 CAPITAL PROGRAMME AGAINST BUDGET

Location	Capital expenditure programme <i>000s Euros</i>	Revised budget 2022	2022	Difference
IPSG	Specific equipment, furniture and fixtures	493	449	(44)
	Building works	224	562	338
	Security	120	131	11
	Building and security	837	1 143	306
	EDPS database projects	130	-	(130)
	Other IS software projects	1 839	2 150	311
	IS infrastructure including global capacity	705	1 040	335
	End user computer hardware and peripherals	173	481	308
	IT systems and communications	2 847	3 670	823
IGCI	Specific equipment, furniture and fixtures	317	52	(265)
	Building Works	297	16	(281)
	Security	54	-	(54)
	Building and security	668	68	(545)
	Other IS software projects	33	(3)	(36)
	End user computer hardware and peripherals	108	624	516
	IT systems and communications	141	621	480
RB	Specific equipment , furniture and fixtures	240	242	2
	Building works	15	31	16
	Security	0	7	7
	Building and security	255	279	24
	End user computer hardware and peripherals	52	29	(23)
	IT systems and communications	52	29	(23)
	Total capital expenditure programme	4 800	5 811	1 065

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C5. FINANCIAL PERFORMANCE BY CAPABILITIES AND STRATEGIC OBJECTIVES

C5.1 2022 FINANCIAL PERFORMANCE BY CAPABILITIES

000s euros	Revised budget 2022			Actual 2022		
Capability	Total	Police	Corporate	Total	Police	Corporate
<i>Documents</i>	1 544	1 068	476	1 620	1 035	585
<i>Individuals</i>	7 466	5 167	2 299	4 118	2 588	1 530
<i>Property</i>	2 970	2 056	914	2 644	1 689	955
Identification services	11 980	8 291	3 689	8 382	5 312	3 070
<i>Analytical support & intelligence</i>	24 717	17 107	7 610	19 856	12 683	7 174
<i>Investigative support & coordination</i>	23 364	16 171	7 193	23 719	15 150	8 569
Operational support	48 081	33 278	14 803	43 575	27 832	15 743
<i>Groups & networks</i>	39 060	27 031	12 029	35 680	22 790	12 890
<i>Guidelines & frameworks</i>	4 173	2 888	1 285	3 750	2 395	1 355
<i>Strategic analysis</i>	3 420	2 367	1 053	4 798	3 065	1 733
Strategic support	46 653	32 286	14 367	44 229	28 250	15 979
Operational	106 714	73 856	32 858	96 186	61 394	34 726
<i>Capacity building</i>	6 443	4 459	1 984	8 562	5 469	3 093
<i>Curriculum management</i>	757	523	234	1 212	774	438
<i>Training delivery</i>	13 951	9 656	4 295	17 406	11 117	6 288
<i>Training needs & capability assessments</i>	1 328	919	409	2 559	1 634	924
Capacity building	22 479	15 557	6 922	29 739	18 995	10 744
<i>Content management</i>	1 231	852	379	1 129	721	408
<i>Knowledge exchange platforms</i>	1 215	841	374	1 562	998	564
<i>Knowledge networks</i>	2 237	1 549	688	2 677	1 710	967
Knowledge management	4 683	3 242	1 441	5 368	3 429	1 939
Knowledge and training	27 162	18 799	8 363	35 106	22 423	12 683
<i>Databases & applications</i>	8 854	6 128	2 726	9 719	6 208	3 511
<i>Ideation, architecture & IT project management</i>	3 200	2 214	986	3 410	2 178	1 232
<i>Infrastructure management</i>	3 608	2 497	1 111	3 418	2 183	1 235
<i>IT governance & security</i>	3 340	2 312	1 028	3 513	2 244	1 269
<i>IT support to member countries</i>	3 547	2 455	1 092	4 287	2 738	1 549
Information technology	22 549	15 606	6 943	24 347	15 551	8 796
<i>Applied innovation</i>	572	396	176	798	510	288
<i>Strategic innovation</i>	238	165	73	580	370	210
Innovation	810	561	249	1 378	880	498
Technology and innovation	23 359	16 167	7 192	25 725	16 431	9 294
Total operating expenses	157 236	108 822	48 414	157 017	100 248	56 703

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C5.2 2022 FINANCIAL PERFORMANCE BY STRATEGIC OBJECTIVES

Strategic goals		Strategic objectives		Revised budget 2022	Actual 2022
Goal 1	Trusted information for action <i>Serve as the trusted global law enforcement hub for the exchange of actionable information and analysis.</i>	1.1	Strengthen law enforcement access and use of information systems through better interoperability, network extensions and development of secure innovative exchange solutions.	9 669	8 008
		1.2	Increase the quality and quantity of threat-driven and criminal intelligence analysis to support the operational and investigative needs of member countries.	19 856	19 073
		1.3	Uphold INTERPOL’s privacy and data security regulations and technology to comply with the evolving international standards for data protection.	1 293	1 900
		1.4	Enhance information management in accordance with the Universal Declaration of Human Rights and other relevant and binding international instruments to ensure a high level of trust in INTERPOL’s information systems.	1 092	1 313
Trusted information for action				31 910	30 294
Goal 2	Enrich policing through partnerships <i>Maximize resources, knowledge and operations through cooperation and strategic partnerships.</i>	2.1	Be the global police leader in information sharing, incident response, and operational coordination to combat transnational crimes.	28 949	33 000
		2.2	Cultivate diverse partnerships that will improve and develop our capabilities, maximize their use and enrich our services for member countries.	6 026	5 562
		2.3	Provide capabilities to maximize capacity, knowledge, and skills of law enforcement globally.	31 092	27 812
		2.4	Engage with national governments and international forums to obtain support and promote our role in shaping global security.	9 867	10 268
Enrich policing through partnerships				75 934	76 642
Goal 3	Advance & innovate policing Advance the global law enforcement community through research and innovative solutions.	3.1	Leverage digital transformation to improve the efficiency of our processes and the quality and speed of our services to member countries.	7 442	4 785
		3.2	Facilitate global dialogue on emerging technologies and cutting-edge solutions with private and public partners to develop innovative policing services.	5 091	4 479
		3.3	Use emerging technologies to deliver innovative policing solutions to member countries.	5 545	5 503
		3.4	Adopt creative thinking and multi-disciplinary collaboration to build a culture of innovation and foresight planning.	1 897	3 180
Advance and innovate policing				19 975	17 947
Goal 4	Enhance organizational performance & delivery Be an organization of excellence that is accountable, transparent and agile.	4.1	Make the organization more competitive, efficient and flexible through strong leadership and a modern approach to human resources.	6 458	6 618
		4.2	Increase our agility to respond to a changing environment by decentralizing governance and transforming financial management with an emphasis on empowerment, transparency and accountability.	8 391	9 126
		4.3	Ensure organizational resilience by implementing robust mechanisms for risk management, performance management and business continuity.	2 175	2 427
		4.4	Foster a culture based on ethics, diversity and inclusion that embodies the values of the Organization.	3 203	2 323
		4.5	Strengthen the Organization’s legal framework and harmonize institutional policies and practices to improve capabilities and programs.	9 190	11 640
Enhance organizational performance and delivery				29 417	32 134
Total expenditure				157 236	157 017

D. OTHER FINANCIAL INFORMATION

D1. INVENTORIES

Inventories consist of items of stock held at the shop for resale or to be given as gifts and stocks of office consumables and items held for maintenance (Note 13).

D2. SHOP SALES

Presented below is the summary trading results for the Organization's shop. Merchandise consumed in the shop is reported under missions and meetings expenses.

<i>000s euros</i>	Revised budget 2022	2022	2021
Shop sales	178	278	98
Merchandise consumed	(3)	(212)	(77)
Gross trading profit	175	66	21
<i>Shop merchandise consumed</i>	<i>107</i>	<i>212</i>	<i>77</i>
<i>Items given as gifts (not included above)</i>	<i>0</i>	<i>84</i>	<i>30</i>

D3. FINANCIAL RATIOS

Liquidity ratio	What is measured
Curent ratio	Measures an organization's ability to pay off short-term liabilities with current assets
Quick ratio	Measures an organization's ability to pay off short-term liabilities with quick assets
Operating cash flow ratio	A measure of the number of times an organization can pay off current liabilities with the cash generated in a given period
Assets to liabilities ratio	Indicates how an organization can potentially settle its liabilities by selling its assets
