



PUBLISH WHAT YOU PAY
(a program of the Open Society Foundation)

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2014

STATEMENT OF MANAGEMENT RESPONSIBILITIES

The management of Open Society Foundation are responsible for preparing the financial statements of Publish What You Pay (PWYP).

Management must not approve the financial statements unless they are satisfied that they give a true and fair view of the income and expenditure of PWYP for that period. In preparing these financial statements, management are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that PWYP will continue in operation.

The management of Open Society Foundation are responsible for keeping adequate accounting records that are sufficient to show and explain PWYP's transactions and disclose with reasonable accuracy at any time the financial position of PWYP. They are also responsible for safeguarding the assets of PWYP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL

The financial statements on pages 5 to 8 were approved by the management of Open Society Foundation on 12 June 2015



Martin Saurma-Jeltsch
Administrative Director
12 June 2015

INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT OF THE PUBLISH WHAT YOU PAY PROGRAM OF THE OPEN SOCIETY FOUNDATION

We have audited the financial statements of Publish What You Pay (PWYP) for the year ended 31 December 2014 which comprise the Expense Allocation Report, Movement in Donor Funds and the related notes.

The financial reporting framework that has been applied in their preparation is set out on page 5.

This report is made to the management of PWYP during the year ended 31 December 2014. Our audit work has been undertaken so that we might state to the management of PWYP those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Open Society Foundation and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Management's Responsibilities, management are responsible for the preparation of the PWYP financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the PWYP's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by management and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited Open Society Foundation statutory accounts and to include any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing our audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of PWYP's income and expenditure for the year ended 31 December 2014.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

A handwritten signature in black ink, consisting of a large, stylized initial 'A' followed by a horizontal line extending to the right.

Critchleys LLP,
Statutory Auditor
Oxford

19 June 2015

PUBLISH WHAT YOU PAY DESCRIPTION AND ACCOUNTING POLICIES

PWYP is operationally a collaborative between a number of donors hosted by Open Society Foundation (OSF).

Legally PWYP is a department of OSF, a charitable company, and is not a separate legal entity in its own right.

PWYP income and expenditure is separately identifiable using the accounting policies listed below:

- All income is included in grants received when PWYP is legally entitled to the income and the amount can be quantified with reasonable accuracy.
- All expenditure is accounted for on an accruals basis and is inclusive of any irrecoverable VAT. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.
- transactions are recorded in OSF's accounting software, NetSuite
- all transactions are coded to a division named PWYP and to the donor who granted the funds being spent
- where no donor is specified this is by default paid by OSF's contribution/ grant
- fixed assets are coded to PWYP at cost and therefore depreciation is not charged to PWYP
- overheads are calculated and charged to PWYP on the same basis as all other OSF departments
- GBP is the functional currency, USD is the reporting currency to donors and stakeholders. Transactions are translated from GBP to USD at the spot rate

EXPENSE ALLOCATION REPORT FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2014

BudgetLine	GBP	USD
A. International Secretariat - Core Operational Costs		
A1.01 International Director	£81,048	\$133,132
A1.02 Africa Programme Manager	£31,690	\$52,390
A1.03 Advocacy Officer, mandatory disclosures	£27,984	\$45,506
A1.04 Programme Coordinator, EITI	£38,366	\$62,908
A1.05 Finance and Grants Coordinator	£27,904	\$45,661
A1.06 Communications Associate	£35,766	\$58,847
A1.07 Programme Assistant	£28,858	\$47,232
A1.08 Francophone Central Africa Coordinator	£37,366	\$60,650
A1.09 Francophone West Africa Coordinator	£33,610	\$54,868
A1.10 East and Southern Africa Coordinator	£12,792	\$19,900
A1.12 Eurasia Coordinator	£29,025	\$46,098
A1.13 MENA Coordinator	£13,163	\$20,200
A2.1 Travel budget - Team in London	£7,305	\$11,849
A2.2 Travel budget - Team based in regions	£2,524	\$3,973
A3.1 London Office support (incl. catering, mailing, events)	£8,535	\$14,124
A3.2 London Rent and utilities	£78,449	\$128,774
A3.3 London IT & Telecommunications	£12,072	\$19,782
A3.4 London Transaction fees	£4,585	\$7,511
A3.5 Training	£2,445	\$4,008
A3.6 Hardware	£308	\$516
A4.1 Website	£7,943	\$13,594
A4.3 Publishing and Printing	£2,971	\$4,867
A4.5 Newsletter	£276	\$446
A5.1 Arabic	£2,795	\$4,482
A5.2 French	£12,863	\$20,580
A5.3 Portuguese	£115	\$193
A5.4 Russian	£5,509	\$8,792
A5.5 Spanish	£1,322	\$2,127
A. International Secretariat - Core Operational Costs Total	£547,589	\$893,012
B. Global Action Plan		
B1. Global Workstream 1 - Strategy alignment, governance and staff retreats	£5,592	\$8,823
B2. Global Workstream 2 - Advocacy & outreach (EITI, G20)	£39,276	\$63,862
B3. Grant PWYP Australia-Workstream 2	£11,691	\$20,000
B4. Grant PWYP Canada- Workstream 2	£11,663	\$20,000
B5. Grant PWYP France- Workstream 2	£15,907	\$24,950
B6. Grant PWYP UK- Workstream 2	£14,548	\$24,500
B7. Global Workstream 3 - Gender and EI	£4,726	\$7,653
B8. Global Workstream 4 - Foundation for independence and transition meetings	£10,460	\$17,024
B. Global Action Plan Total	£113,863	\$186,813
C. Africa Action Plan		
C1. Africa Workstream 1 - Strategy development/alignment/coalition governance	£41,364	\$66,794
C2. Africa Workstream 2 - Advocacy (Africa Mining Vision, Tax Justice, BEPS)	£7,281	\$11,767
C3. Africa Workstream 3 - Engagement in the EITI (not MDTF)	£1,574	\$2,590
C4. Africa Workstream 4 - Strengthening the PWYP Africa network	£17,853	\$28,160
C. Africa Action Plan Total	£68,071	\$109,311

EXPENSE ALLOCATION REPORT FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2014

BudgetLine	GBP	USD
D. MDTF Programme (not included above)		
D01. MDTF - EITI MSG Governance study	£15,556	\$25,689
D02. MDTF - EITI CSO members board training (May 2014)	£17,698	\$29,729
D03. MDTF - Missions and board meeting participation	£17,510	\$28,825
D04. MDTF - Communication	£8,089	\$13,040
D05. MDTF - National workshops	£21,521	\$35,740
D06. Grant PWYP Cameroon	£15,526	\$24,994
D07. Grant PWYP Equatorial Guinea	£15,237	\$23,899
D08. Grant PWYP Chad	£15,445	\$24,778
D09. Grant PWYP Democratic Republic of Congo	£15,478	\$24,830
D10. Grant PWYP Congo	£15,971	\$25,000
D12. Central Africa event	£30,188	\$48,941
D. MDTF Programme (not included above) Total	£188,217	\$305,465
E. Latin America, Central Asia & Asia Pacific Action Plan		
E1. Latin America strategy implementation-Workstream 1	£3,744	\$6,038
E2. Strengthening the Latin America Network	£22,513	\$37,694
E3. Asia-Pacific strategy scoping study-Workstream 2	£6,142	\$10,000
E4. Asia-Pacific Strategy regional meeting 2014 Workstream 4	£30,710	\$50,000
E5. Learning and exchange visits in Eurasia and Asia Pacific plus video-WS4	£25,711	\$41,234
E6. Strategy Alignment in Eurasia and Asia Pacific	£27,826	\$44,118
E. Latin America, Central Asia & Asia Pacific Action Plan Total	£116,646	\$189,084
F. Governance		
F1. Global and Africa Steering Committee plus Board Meetings	£44,101	\$73,010
F2. Africa Steering Committee	£5,743	\$9,505
F3. Staff Retreats	£10,979	\$18,378
F4. Interpretation for meetings	£5,266	\$8,674
F. Governance Total	£66,089	\$109,567
X. Contingencies		
(blank)	£452	\$736
(blank) Total	£452	\$736
Total	£1,100,928	\$1,793,987
OSF New York and Budapest office overhead cost allocations	£6,548	\$10,670
TOTAL	£1,107,476	\$1,804,657

**MOVEMENT IN DONOR FUNDS
FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2014**

	GBP			
	2013 Closing Balance	2014 Grants Received	2014 Expenses	2014 Closing Balance
Extractive Industry Transparency	£1,240	£0	£0	£1,240
CAFOD	£11,821	£5,000	-£16,821	£0
Cordaid (Asia Pacific & Latin America Strategy)		£17,266	-£17,265	£1
Cordaid Africa and LAC(2014)		£173,450	-£64,971	£108,480
Cordaid Africa	£33,843	-£15,005	-£23,052	-£4,214
Cordaid EITI event	£0	£14,189	-£14,189	£0
Cordaid Myanmar	£0	£15,980	-£16,203	-£224
Global Witness	£9,771	£0	-£8,732	£1,040
Hewlett 2014	£57,001	£159,185	-£170,903	£45,284
Hewlett	£1,888	£0	£0	£1,888
NRGI MENA	£0	£31,824	-£21,617	£10,208
Tearfund	£6,000	£0	-£6,000	£0
World Bank MDTF	-£6,963	£212,803	-£231,735	-£25,894
EITI CSO	£33,367	£0	-£20,808	£12,559
Ministry of Foreign Affairs Denmark (DANIDA)	£0	£127,115	-£52,139	£74,977
Ministry of Foreign Affairs France	£0	£13,934	-£13,933	£2
OSF		£429,110	-£429,110	£0
	£147,969	£1,184,853	-£1,107,476	£225,346

	USD			
	2013 Closing Balance	2014 Grants Received	2014 Expenses	2014 Closing Balance
Extractive Industry Transparency	\$2,045			\$2,045
CAFOD	\$19,495	\$8,385	-\$28,140	-\$259
Cordaid (Asia Pacific & Latin America Strategy)	\$0	\$26,554	-\$27,638	-\$1,084
Cordaid Africa and LAC(2014)	\$0	\$291,813	-\$105,042	\$186,771
Cordaid Africa	\$55,811	-\$22,627	-\$38,301	-\$5,117
Cordaid EITI event	\$0	\$24,026	-\$23,688	\$338
Cordaid Myanmar	\$0	\$25,661	-\$25,000	\$661
Global Witness	\$16,114		-\$13,631	\$2,483
Hewlett 2014	\$94,002	\$250,000	-\$278,465	\$65,537
Hewlett	\$3,113			\$3,113
NRGI MENA	\$0	\$49,980	-\$33,106	\$16,874
Tearfund	\$9,895		-\$9,863	\$31
World Bank MDTF	-\$11,483	\$335,889	-\$376,671	-\$52,264
EITI CSO	\$55,027		-\$34,282	\$20,745
Ministry of Foreign Affairs Denmark (DANIDA)	\$0	\$209,204	-\$83,307	\$125,897
Ministry of Foreign Affairs France	\$0	\$23,118	-\$22,486	\$632
OSF	\$0	\$705,037	-\$705,037	\$0
	\$244,020	\$1,927,040	-\$1,804,657	\$366,404

OSF grants received are not calculated in GBP

World Bank MDTF includes a \$54,030 revenue accrual for expenses incurred in advance of receiving the grant payment.

The OSF funding for 2014 is \$740,000. There is a \$34,963 balance that is available for spending in 2015.

World Bank MDTF USD balance includes a notional foreign exchange loss of \$12,040 that will be recognised when the grant is closed out in 2015.