

Nordic International Support Foundation

Annual Report 2019





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The NIS Approach – Evolution to PROVE PRINCIPLES 2.0

In 2014, NIS first developed the PROVE principles to help guide our project design and field operations. The PROVE principles helped address what we saw as the greatest obstacles to effective policies and interventions in conflict-affected environments. PROVE stands for: Political, Relevant, Opportune, Verified and Expedited. Following on nearly eight years of implementation experience, the PROVE Principles have been updated to better reflect what we believe need to be the guiding themes for our work into the future. Over this period, we have learned much about the importance of generating momentum across a broad spectrum of stakeholders to help a country escape the pull of conflict. This experience has demonstrated the importance of working across multiple sectors simultaneously to create a broad-based momentum towards peace.

As a result, PROVE Principles 2.0 recognise a broader range of issues that can contribute to helping conflict-affected countries meet the challenges of transitioning towards longer-term development and greater social, economic and

political resilience. This includes supporting formal peace processes, programming focussing on social cohesion and reconciliation between communities, a more targeted approach to gender equality and social inclusivity across programming and seeking ways to improve the futures of unemployed youth, which are often exploited by groups to further support violent agendas. Only through such a multifaceted approach can a country hope to transition away from conflict and towards peace and development.

PROVE 2.0 stands for: Politically attuned, Restorative, On-demand, Value-adding and Expedited. A major challenge that often continues to plague the sector regardless of programme type, is the failure to appreciate the need for urgent action in unstable environments: populations not only suffer from an absence of essential needs, but often also from a lack of trust in their governments, fellow community members and international donors and implementers. A project conceived of under the

PROVE Principles 2.0 observes the following criteria:

- **Politically attuned** – projects must be designed and managed in a way that incorporates the complex politics often present in conflict-affected environments. Genuine political understanding not only relates to local politics, but also the politics of the region, global considerations, as well as inter-donor politics and how donor missions interact with their capitals. Only through acknowledging these multiple dimensions can programmes be implemented in a *Conflict Sensitive* manner and avoid causing potential harm.
- **Restorative** – projects must help to restore the functioning of key societal elements such as economic activity, social interaction, public service provision, a safe security environment and social trust.
- **On-demand** – projects must provide benefits that cater to the most immediate needs demanded by project beneficiaries, including better security, improved economic and community infrastructure, increased livelihoods, capacity-building and greater social inclusiveness.
- **Value-adding** – projects must be designed to add-value in an operational context. This

can mean complimenting and boosting the effectiveness of existing projects, furthering discussions of difficult issues or challenging the status quo, including project themes, locations, technologies or types of intervention.

- **Expedited** – projects must be implemented quickly and with minimal time lag between initial discussions and actual project implementation, as windows of opportunity are unpredictable and most conflict-affected communities have expectations that have long been waiting to be fulfilled. Responsive and timely implementation builds the trust, momentum and optimism necessary for projects to succeed, regardless of a project's main objectives.

Importantly for NIS, the PROVE Principles 2.0 continue to help ensure our work is contributing to fill the “Stabilisation Gap” that exists in many conflict-affected countries. There is often a heavy focus on humanitarian-style interventions in fragile environments, but these alone do not help to address the underlying causes of conflict or help build the institutions necessary to sustain a countries path towards long-term social and economic development and stability. Please visit our website www.nis-foundation.org to read more about the NIS approach.

Political crisis - conflict

Humanitarian Actions

Through INGOs

Food
Shelter
Medicine
Protection
Camps
Water
Women's Issues

Security Services Econ Opps Trust

Stabilisation Gap

Long-term development

Development Activities

Through Government

Policies
Security
Gov't Services
Regulation
Trade
Economic Growth
Environment

Letter from the Senior Partners

In 2019 the Nordic International Support Foundation (NIS) remained focused on implementing a large range of projects together with donors and key national stakeholders to assist countries and communities to successfully emerge from conflict. Escaping conflict requires a broad mix of activities targeting peacebuilding, state building, reconciliation processes and community recovery efforts. As a result, NIS believes there are multiple ways to support communities and institutions in transitioning away from conflict. Our projects include constructing, rehabilitating and installing economic and community infrastructure such as solar streetlights, stadiums and markets, roads, government buildings, solar electrification to hospitals, health clinics and government buildings. In addition, NIS works with creating vocational training facilities and curricula, managing secondees to government institutions and managing grant-making programmes supporting peace-building and social cohesion. For NIS, the exact nature of a project is secondary to its ability to help a country emerge from conflict.

The evolution of our PROVE Principles in 2019 was a way to reflect our experiences of the last eight years, that there are many ways to support conflict-affected countries in their quest to escape conflict and these are often needed simultaneously across a wide variety of stakeholders. The problems facing conflict-affected countries are multifaceted and so must be the solutions. NIS continued to maintain country programmes in in Somalia, Myanmar and Mali, while research trips were undertaken to Ethiopia and Syria to explore if NIS' approach to working in conflict-affected environments could add value for local stakeholders.

The signing of two new multi-year programmes in Somalia in 2019 will allow us to building on the momentum created by previous programmes, while the commencement of the 5-year

Canada-funded Women's Voice and Leadership programme in Myanmar will allow us to expand on the important gender-focused work we have been doing under earlier programmes in that country. Overall, 2019 was a year of building upon foundations laid in previous years, which we believe will allow us to achieve greater results going forward.

Developments in funding and position

2019 was characterised by continued growth and consolidation. Our administrative costs increased compared to 2018 as a result of the implementation of several internal consolidation and capacity-building measures. We continued to work with securing long-term financing in line with our strategy. In Somalia, NIS secured a new three-year grant from the Norwegian Ministry of Foreign Affairs, as well as a new multi-year grant with the Swedish International Development Cooperation Agency. Our focus on internal governance, compliance and systems continued with equal strength and dedication. On the whole, we believe NIS continues to progress in a positive direction: strengthening our systems, while maintaining the flexibility and belief that innovation and improvement must be never-ending organisational goals.

Don't forget the solar street lighting

NIS' first project in 2011 was the installation of 50 solar-powered streetlights along a 2km stretch of a primary business road in central Mogadishu. Since that time, NIS has installed over 4,000 solar-powered streetlights in 29 different towns and cities all across Somalia. NIS' activities have also expanded in a variety of other areas such as road construction, sports grounds and youth programming and many others, but the demand for streetlights and the positive effects they have on security, economic activity, social interaction and overall psychological wellbeing have not diminished. Cities and towns continue to request



Solar streetlights in Mogadishu, Somalia.



the installation of streetlights and it remains a preferred "first intervention" in areas that have been recently recovered and brought under government control. The immediate benefits of solar streetlights led NIS to also introduce the intervention in Gao, Northern Mali, in 2014. Since that time, NIS has installed over 1,000 solar streetlights in several towns in northern and central Mali.

Over these years, we have collected extensive documentation of the positive effects the streetlight projects have in their target areas. Surveys of beneficiary communities confirm that security, economic opportunity, trust in government and increased social contact all increase when streetlights have been introduced. The intervention is by no means a cure-all for the multiple challenges being face in post-conflict environments, but it has continued to demonstrate how useful it is in quickly

delivering tangible benefits to conflict-affected communities.

There is often pressure from donors to develop new and novel project ideas, which often results in older, but proven interventions, being discontinued. We agree that finding new and innovative ways to help conflict-affected communities is essential, but we also would caution against abandoning project types simply because they have been around for a while. The goal should always be to keep what works, discard what doesn't and develop new ways to succeed. However, "newness" should never be a goal in and of itself. So please, don't forget the solar-powered streetlights.

Sincerely,

Eric Sevrin & Christopher Eads
Senior Partners

Here are some of NIS' cooperation statistics 2012–2019:

 SOMALIA		ALL Regions and States Reached	125 Implementing Partners	8 Donors
 MYANMAR	Peace Support Fund/Paung Sie Facility	ALL Regions and States Reached	75 Partners Funded	3 Donors
	GPS Window (PSF)*	10 Regions and States Reached	18 Partners Funded	4 Donors
	Joint Peace Fund	ALL Regions and States Reached	83 Partners Funded	12 Donors
	Women's Voice and Leadership	11 Regions and States Reached	10 Partners Funded	1 Donor
 MALI		3 Regions and 4 Very Remote Areas Reached	7 Implementing Partners	3 Donors

* Gender, Peace and Security Window of the PSF (closed in 2018).

Snapshots from our Programmes in 2019

Somalia

In Somalia, NIS signed two new multi-year programmes. First, in July 2019, NIS was awarded a three-year grant from the Government of Norway for the implementation of the Initiative for Stabilisation, Transition and National Development (I-STAND). The I-STAND programme was developed to contribute to improved stability in Somalia through increased trust in the Somali government. It was developed building on the achievements and experience from the Bilateral Labour-Intensive Stabilisation (BLIS) programme that NIS implemented from 2016 to 2019. The I-STAND is closely aligned with key priorities and stabilisation frameworks of the Somali government. It seeks to support the implementation of government policies across a range of sectors, all working in different ways to achieve greater stability and better prospects for the country's longer-term development goals. These stabilisation initiatives aim at contributing toward a more inclusive post-conflict society which sees the value of diversity and gender equality. The main activities carried out in the second half of 2019 under the I-STAND programme related mainly to the rehabilitation of the highly symbolic Mogadishu National Stadium, cobblestone road construction in Baidoa town

and the procurement of over 500 solar-powered streetlights to be installed across several towns around the country. All of these activities will be continuing into 2020.

The second new multi-year programme is the Somali Experts Secondment for institutional capacity building (SES) and funded by the Swedish International Development Cooperation Agency (SIDA). This project aims to support the efforts of the Swedish government in seconding high-capacity Somali Diaspora and local experts to a range of national institutions in Somalia for the implementation of the Somali National Development Plan (NDP). By helping to provide high-capacity Diaspora and national experts to weakened government institutions, this programme seeks to boost their capacity to function and implement government policy. While the provision of experts under a single programme will not remedy all of the capacity constraints faced by government, this programme will help to build the core competencies necessary to achieve longer-term and more ambitious development goals in the years ahead.



Mogadishu Stadium, pre-project and end-2019. Mogadishu, Somalia

■ Myanmar

Work in support of Myanmar's formal peace process, as well as efforts to strengthen social cohesion and women's rights continued apace in 2019.

NIS' Paung Sie Facility (PSF) project concluded phase II of its work in 2018, with 2019 seeing the start of Phase III covering up to mid-2022. The PSF retains its three donors, UK, Sweden and Australia, for Phase III and will continue its efforts with a new theory of change focused on mitigating conflict, catalysing leadership and influencing structures to support social cohesion.

In support of the Myanmar peace process, the Joint Peace Fund (JPF) was established in December 2015 for a period of at least six years, as a multi-donor fund to support national efforts to achieve a final and lasting settlement of ethnic armed conflict in Myanmar. NIS manages the Technical Secretariat and provides overall support to the governance of the JPF, in collaboration with the United Nations Office for Project Services (UNOPS). In 2018, the JPF underwent a Mid-Term Review (MTR) process to review the Fund's progress and achievements over the first half of the project. Over the course of 2019, the JPF implemented



the recommendations from the 2018 MTR. JPF also continued to build on its work of 2018 in supporting initiatives to broaden participation in the peace process and to make it more inclusive.

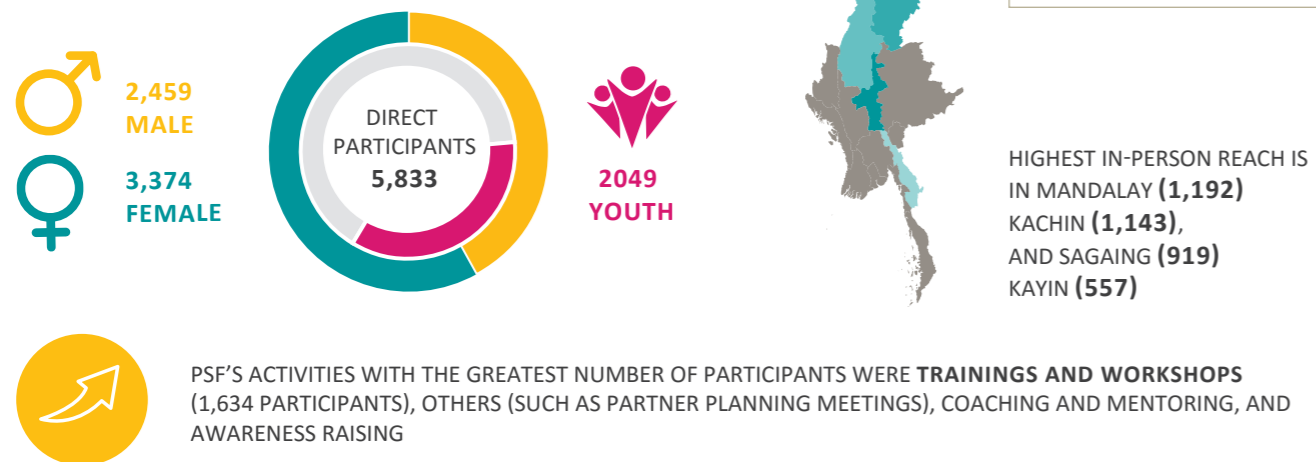
January 2019 saw the commencement of Global Affairs Canada Women's Voice and Leadership (WVL) project, launched as part of Canada's Feminist International Assistance Policy, to support the capacity and activities of women's

organisations and movements, advance the protection of women's and girls' rights and achieve gender equality. NIS is implementing the WVL programme in Myanmar, characterised by support to women's rights organisations in the form of multi-year funding; institutional capacity-building support; and network and alliance building, to foster an enabling environment in which broader collective action can coalesce to further women's rights issues in Myanmar.



The Local Insight Service (LIS) was set up in January 2019 with funding from the UK Government, under the auspices of the Department for International Development (DFID), and is administered by NIS. Its principal aim, initially, is to provide localized, timely, relevant, conflict-sensitive information that can help DFID and its partners improve programming at a local level.

PARTICIPANT TRACKING



Mali

In 2019, NIS Mali signed a new grant with the Energizing Development Fund (Endev) in close cooperation with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) for the eighteen-month, Renewable energy for Peace and Stability in Mali programme. The programme focusses on the delivery of solar-powered streetlights, solar PV production and solar-PV home systems in northern Mali. The programme includes the extension of nano grids and establishment of new nano grids in 3 villages, installation of 80 solar streetlights in markets in Gao, creation of energy kiosks, provision of home solar systems and extensive training of local technicians in the targeted communities.

All the necessary preparations for the expansion of the Solar Street Lights Programme in Gao and Timbuktu were undertaken in 2019. This infrastructure, financed by the Norwegian government via MINUSMA, will be installed in the two biggest cities of the North of the country during the first two quarters of 2020.



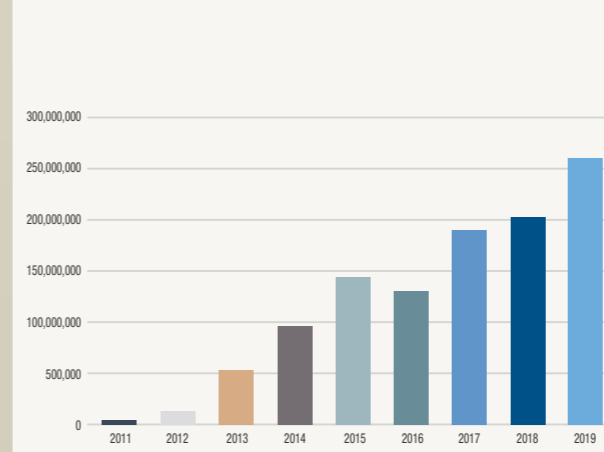
Solar streetlights heading for Timbuktu at Koriomé port



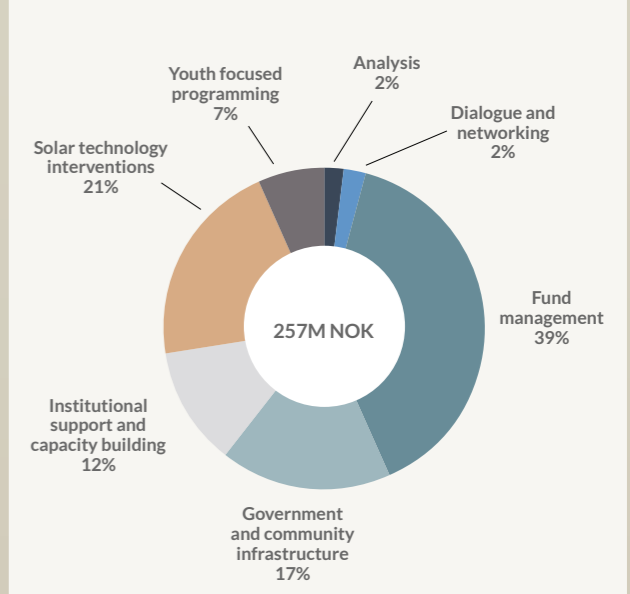
Solar streetlight installation, Gao.

Funding: Charts

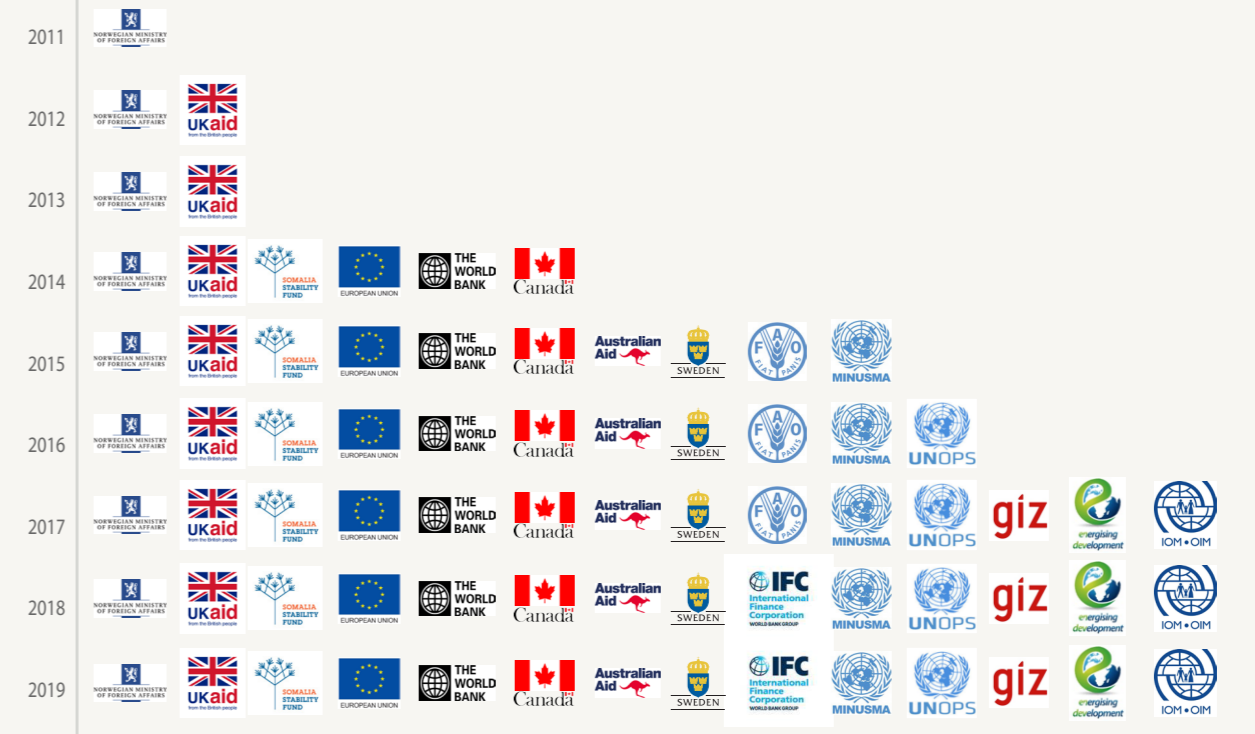
Funds Acquired by Year (NOK)



Funds Acquired by Project Type in 2019



NIS Donors and Funding Partners by Year



Activity Account

	Notes	Results 2019	Results 2018
INCOME			
Grants	3	243,555,362	190,699,388
Administration grants	3	13,674,735	11,892,089
Total grants		257,230,097	202,591,477
Financial income	2	1,733,169	1,096,940
Total income		258,963,267	203,688,417
EXPENDITURES			
Activities			
Project costs	4, 6	245,288,532	196,342,763
Total costs related to activities		245,288,532	196,342,763
Administration costs	4	6,065,922	3,507,200
Total expenditure	2, 5	251,354,454	199,849,963
Net results from the activities of the year		7,608,812	3,838,454
Changes in organisational capital			
Transferred to / from (-) other organisational capital		7,608,812	3,838,454
Increase / decrease (-) of organisational capital	8	7,608,812	3,838,454

Balance Sheet

	Notes	31 December 2019	31 December 2018
ASSETS			
Fixed assets			
Operating equipment, furniture, tools, other	6	4,524,669	2,844,801
Total fixed assets		4,524,669	2,844,801
Current assets			
Receivables			
Grants	3	20,773,108	25,107,549
Other current receivables	7	4,249,847	2,227,602
Total receivables		25,022,955	27,335,151
Bank deposit, cash and cash equivalents	7	134,025,769	100,307,893
Total current assets		159,048,723	127,643,045
Total assets		163,573,392	130,487,845
Organizational capital and liabilities			
Fund balances			
Registered capital		100,000	100,000
Other organisational capital		9,818,124	2,209,311
Total organizational capital	8	9,818,124	2,309,311
Liabilities			
Non-current liabilities			
Subordinated] loan		0	2,317,500
Total non-current liabilities		0	2,317,500
Current liabilities			
Accounts payable		1,163,334	4,586,736
Government taxes and social security		400,564	453,357
Received, unused grants	3	151,204,106	120,240,049
Other current liabilities		887,265	580,890
Total current liabilities		153,655,269	125,861,034
Total organizational capital and liabilities		163,573,392	130,487,845

Cash Flow Statement

	2019	2018
Items in the annual activity accounts that have no direct cash effect		
Net results from the activities of the year	7,609,812	3,838,454
Depreciation	1,720,802	1,045,850
Sum of items in the annual activity accounts that have no direct cash effect	9,330,614	4,884,304
Investments, disposals and financing activities		
Acquisition of other tangible assets	-3,400,670	-1,011,192
Sum of investments, disposals and financing activities	-3,400,670	-1,011,192
Other changes:		
Net movements in grants	-4,334,441	8,686,507
Increase / decrease (-) in account payables	-3,423,402	2,610,574
Change in other provisions	35,545,774	21,790,749
Sum of other changes	27,787,931	33,087,830
Net change in cash and cash equivalents	33,717,876	36,960,943
Cash and cash equivalents at the beginning of the period	100,307,893	63,346,950
Cash and cash equivalents at the end of the period	134,025,769	100,307,893

Notes to the Accounts at 31 December 2019

NOTE 1 ACCOUNTING PRINCIPLES

The annual accounts are prepared in line with the Norwegian Accounting Act and the temporary Accounting Standard for Non-profit organizations, and consists of the following:

- Statement of financial activities
- Balance sheet
- Cash Flow statement
- Notes

Revenue recognition/grants

Grants are recognized as income concurrently with expenditure on the relevant activity for that particular grant.

Received funds relating to grants are classified as debt on the balance sheet until the funds are spent on relevant activities.

Not received / not reported funds are classified as receivables on the balance sheet.

Financial income

Interest income is recognised as it accrues.

Resources expended

Resources expended are classified as cost of organisational activities and administration costs. The expenditure is related directly to the activity or project it belongs to.

Tax

In accordance to Norwegian Tax Law, cf. § 2-32, the organization is not considered taxable.

Classification and valuation of balance sheet items

Non-current assets are assets intended for long-term ownership or use. All other assets are current assets. Receivables that fall due for payment within one year

shall not be classified as non-current assets. Similar criteria apply to liabilities.

Current assets are valued at the lower of acquisition cost and fair value.

Non-current assets are written down to fair value upon any impairment that is expected not to be temporary. Long-term debt is recognised at nominal value at transaction date.

Fixed assets

Tangible fixed assets are recognised in the balance sheet at cost and are depreciated over the asset's expected useful life on a straight-line basis. Assets that consists of significant parts with different useful lives are depreciated separately. Repair and maintenance are expensed as incurred. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset are reduced to its recoverable amount. The reduction is recognised as an impairment loss.

Receivables

Accounts receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of an individual assessment.

Foreign currencies

Transactions in foreign currencies are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the closing rate at the balance sheet date. Exchange differences are recognised as other financial income, administration costs and project costs.

Cash flow statement

The statement of cash flow is presented in line with the temporary Accounting Standard for Non-Profit organizations. Cash and cash equivalents include cash, bank deposits, and other short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

NOTE 2 EXPENDITURE SPECIFIED BY TYPE

Expenditure specified by type

	2019	2018
Operating expenses		
Goods and services from subcontractor	170,235,593	126,869,539
Employee benefits expense	54,602,604	47,094,393
Depreciation of fixed assets	1,720,802	1,045,850
Other operating expenses	22,483,606	19,109,727
Sum of operating expenses	249,042,604	194,119,509

Notes to the Accounts at 31 December 2019 (continued)

Financial income

Other interest income	872,274	398,134
Gain on exchange	860,896	698,806
Sum financial income	1,733,169	1,096,940

Finance costs

Other interest expense	55,371	67,500
Loss on exchange	2,256,479	5,662,954
Sum finance costs	2,311,850	5,730,454

Net financial income	-578,681	-4,633,514
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Income and expenses are distributed to the activity they belong to in the Activity Account, as far as possible. This also includes financial income and finance costs. Total costs related to activities in the annual accounts includes sum of operating expenses and finance costs. Financial income is recorded on the Financial Income line in the annual accounts.

NOTE 3 GRANTS

Grants by source

The Norwegian Ministry of Foreign Affairs	52,706,726
Great Britain (DFID)	28,895,459
World Bank	23,800,233
UNOPS	49,246,389
Sweden (SIDA)	15,248,648
Australia (DFAT)	9,482,699
EU, Somalia Stability Fund, Canada, MINUMSMA, IOM, Germany (GIZ) and Energizing Develop. (EndEv)	79,849,942
Accrued grant	-2,000,000
Sum	257,230,097

Unused funds at project end are completely refunded.

Unused funds per 31.12.19 was NOK 151 204 106, classified as debt on the balance sheet.

Not received/unreported funds per 31.12.19 was NOK 18 364 387, classified as receivables on the balance sheet.

Notes to the Accounts at 31 December 2019 (continued)

NOTE 4 PAYROLL EXPENSES, NUMBER OF EMPLOYEES, REMUNERATIONS, ETC

Payroll expenses	2019	2018
Salaries	44,143,315	37,241,904
Payroll tax	762,710	634,114
Pension costs		173,589
Other benefits	9,476,759	9,044,786
Total payroll expenses	54,602,604	47,094,393

Number of full-time equivalents in Norway in the accounting year	9	9
Number of full-time equivalents outside of Norway in the accounting year	149	105

Remuneration to management	General manager	Board member
Salaries	720,162	—
Other remunerations	1,635	—
Total	721,797	—

The company is required to provide an occupational pension scheme pursuant to the Act relating to Mandatory Occupational Pensions. The company's pension scheme complies with the requirements under that law.

Remuneration to auditors (amounts including VAT)

	2019	2018
Statutory audit	131,250	138,750
Other remunerations	21,531	49,750

NOTE 5 SPLIT OF COSTS ON ACTIVITIES AND ADMINISTRATION

The percentage rate of used funds relating to project activities and administration are calculated based on the total expended resources.

	2019	2018	2017	2016	2015
Project activities rate	97.6 %	98.2 %	96.5 %	92.4 %	93.8 %
Administrative rate	2.4 %	1.8 %	3.5 %	7.6 %	6.2 %

Collection rate

The collection rate is calculated according to guidelines from the Norwegian Control Committee for Fundraising (Innsamlingskontrollen) to show the rate of funds raised compared to the amount of funds used for the Foundation's activities. Grants are the only source of income for the Foundation, and according to the guidelines from the Norwegian Control Committee for Fundraising, grants shall not be included in the basis for calculation of the collection rate.

Thus, the collection rate is not calculated for Nordic International Support Foundation.

Notes to the Accounts at 31 December 2019 (continued)

NOTE 6 FIXED ASSETS AND INTANGIBLE ASSETS

Tangible fixed assets	Intangible fixed assets	Cars	Machines and inventory	Total
Acquisition cost at 01.01	535,679	1,401,837	3,943,527	5,881,041
Additions	—	1,014,145	2,386,525	3,400,670
Disposal	—	—	—	—
Acquisition cost 31.12	535,679	2,415,982	6,330,052	9,281,712
Accumulated depreciation 31.12	-209,708	-864,094	-3,683,241	-4,757,043
Net carrying value 31.12	325,971	193,858	1,348,385	1,720,802
Depreciation for the year	178,559	193,858	1,348,385	1,720,802
Expected economic life	3 years	10 years	3-5 years	

NOTE 7 RESTRICTED BANK DEPOSITS

Restricted bank deposits	2019	2018
Deposits in the tax withholding account	303,080	342,752
Subsidies account	133,722,689	99,769,541
Deposits for property rentals/leases	195,600	195,600

NOTE 8 ORGANISATIONAL CAPITAL

	Registered capital	Other organizational capital	Sum
Organisational capital at 31.12.2018	100,000	2,209,311	2,309,311
Net results from the activities of the year		7,608,812	7,608,812
Organisational capital at 31.12.2019	100,000	9,818,123	9,918,124

NOTE 8 ORGANISATIONAL CAPITAL

In accordance with the rules in NRS 3 regarding events after the balance sheet date, as well as the rules in the Accounting Act regarding going concern, the Foundation's board of directors and management refer to the ongoing Covid-19 outbreak.

The Foundation is, like almost all businesses, affected by the outbreak. How the outbreak will affect the assumptions of going concern will depend on how long the situation will last, what measures the authorities will take, and how the aforementioned risks will actually affect the foundation. However, based on the situation and the information that is available at the present time, the board of directors considers it reasonable to use the assumption of going concern in the preparation of the annual accounts.

Auditor's Report



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To the Board of Directors of Nordic International Support Foundation

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Nordic International Support Foundation showing a profit from activities of NOK 7 608 812. The financial statements comprise the balance sheet as at 31 December 2019, statement for activities and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Foundation as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). 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 Foundation as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as 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 Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Norge AS is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Norge AS er medlem av/ is a member of Den norske Revisorforening.



statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

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

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforening.no/revisionsberetninger>

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and the proposed allocation of the result is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Foundation's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Opinion on Governance

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, it is our opinion that the Foundation is governed in accordance with the law, the Foundation's purpose and the articles of association.

Oslo, 30 June 2020
RSM Norge AS

A handwritten signature in blue ink, appearing to read 'Trine Angell-Hansen'.

Trine Angell-Hansen
State Authorised Public Accountant

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Working in conflict and post-conflict environments, we lay the utmost importance in conducting our work to the highest ethical standards. If you wish to raise a concern, please see our whistleblowing form on our website at www.nis-foundation.org.

