



**The Global Alliance for Improved Nutrition,  
Geneva**

Report of the Statutory Auditor  
to the Board of the Foundation

Consolidated Financial Statements 2020



**KPMG SA**  
Esplanade de Pont-Rouge 6  
PO Box 1571  
CH-1211 Geneva 26  
  
+41 58 249 25 15  
kpmg.ch

## **Report of the Statutory Auditor to the Board of Foundation of The Global Alliance for Improved Nutrition, Geneva**

### **Report of the Statutory Auditor on the Consolidated Financial Statements**

As statutory auditor, we have audited the accompanying consolidated financial statements of The Global Alliance for Improved Nutrition, which comprise the consolidated balance sheet, consolidated statement of operations, consolidated statement of changes in capital, consolidated cash flow statement and notes for the year ended 30 June 2020.

#### **Board of the Foundation Responsibility**

The Board of the Foundation is responsible for the preparation of the consolidated financial statements in accordance with the requirements of Swiss law and Swiss GAAP RPC. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of the Foundation is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the consolidated financial statements 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 entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the consolidated financial statements for the year ended 30 June 2020 comply with Swiss law and give a true and fair view of the financial positions, the results of operations and the cash flows in accordance with Swiss GAAP RPC.

## **Report on Other Legal Requirements**

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Trustees.

KPMG SA

Alexandra Depoire  
Licensed Audit Expert  
Auditor in Charge

Cédric Rigoli  
Licensed Audit Expert

Geneva, 9 December 2020

Enclosure:

- Consolidated financial statements (consolidated balance sheet, consolidated statement of operations, consolidated statement of changes in capital, consolidated cash flow statement and notes)

# **GAIN ANNUAL FINANCIAL REPORT 2020**

## ABOUT GAIN

The Global Alliance for Improved Nutrition ("GAIN" or "the Foundation") is an independent non-profit Swiss Foundation, created under Article 80 of the Swiss Civil Code, and is registered with the Geneva Registry of Commerce under statutes dated 26 March 2003. GAIN is monitored by the Swiss Federal Supervisory Board for Foundations, and was granted special international status by the Swiss government.

GAIN was launched at the United Nations in 2002 to tackle the human suffering caused by malnutrition. Working with governments, businesses and civil society, we aim to transform food systems so that they deliver more nutritious foods for all people, especially the most vulnerable.

Headquartered in Geneva, Switzerland, GAIN has offices in countries with high levels of malnutrition: Bangladesh, Ethiopia, India, Indonesia, Kenya, Mozambique, Nigeria, Pakistan, Rwanda and Tanzania. To support work in those countries, we have representative offices in Denmark, the Netherlands, the United Kingdom, and the United States.

At GAIN, we believe that everyone in the world should have access to nutritious, safe, and affordable food. Today, one in three people - drawn from nearly every country on the planet - are unable to consume enough nutritious food. We work to develop and deliver solutions to this daily challenge.

By understanding that there is no "one-size-fits-all" way of dealing with this problem, we develop alliances and build tailored programmes using a variety of models and approaches. We work through national, regional, and global alliances that provide technical, financial and policy support to a wide range of public and private organisations, focusing attention on where people get their food from – markets. As a result, we give priority to finding ways to change and improve how businesses and governments shape food systems for improved nutrition.

What matters most for us is impact. Our purpose is to improve the consumption of nutritious and safe foods for all. We focus on children, adolescents, and women because we know that working with these groups is crucial to transforming attitudes about food and hence life chances and livelihoods. We work closely with international organisations and United Nations agencies.

GAIN receives funding from over 30 public and private sector donors including the Bill and Melinda Gates Foundation ("BMGF"), United States Agency for International Development ("USAID"), the Government of the Netherlands Ministry of Foreign Affairs ("Dutch MFA"), the Department for International Development ("UK DFID"), the Children's Investment Fund Foundation ("CIFF"), Global Affairs Canada and Irish Aid.

GAIN's worldwide presence includes offices in Abuja, Addis Ababa, Dhaka, Dar es Salaam, Hellerup, Islamabad, Jakarta, Kabul, Kigali, London, Lahore, Maputo, Nairobi, New Delhi, Utrecht and Washington D.C.

GAIN is governed by a Board comprised of individuals drawn from international agencies, development organisations, academe, business and civil society. Its work is carried out by a staff of professionals who manage the day-to-day operations of the foundation.

**FINANCIAL STATEMENTS**

<b>Consolidated Balance Sheet</b>			
<b>30 June 2020 in US\$</b>		<b>Notes</b>	<b>2020</b>
<i>(with comparative figures)</i>			<b>2019</b>
			<b>Restated</b>
<b>ASSETS</b>			
<u>Current Assets</u>			
Cash and cash equivalents	3	30,044,787	28,543,499
Deposits and Bonds	3	339,200	2,253,303
Accrued Income - Unrestricted		56,682	-
Accrued Income - Restricted		2,069,116	815,567
Other receivables	4	2,410,483	4,200,818
Premix Consignment stock	5	480,927	798,270
Prepaid expenses		487,593	467,599
<b>Total Current Assets</b>		<b>35,888,788</b>	<b>37,079,057</b>
<u>Non-Current Assets</u>			
Fixed Assets	6	651,443	511,435
<b>Total Non-Current Assets</b>		<b>651,443</b>	<b>511,435</b>
<b>TOTAL ASSETS</b>		<b>36,540,231</b>	<b>37,590,491</b>
<b>LIABILITIES, FUNDS &amp; CAPITAL</b>			
<u>Current Liabilities</u>			
Accounts payable		3,728,196	5,687,016
Accrued expenses		1,954,869	1,486,778
Provision for Risks		266,991	55,995
<b>Total Current Liabilities</b>		<b>5,950,056</b>	<b>7,229,789</b>
<u>Restricted Funds</u>			
Restricted Income Funds	7	22,968,465	22,136,736
Premix Facility		2,753,572	2,753,572
<b>Total Restricted Funds</b>		<b>25,722,037</b>	<b>24,890,308</b>
<u>Capital of the Foundation</u>			
Paid-in Capital	13	36,187	36,187
Unrestricted Funds		4,831,951	5,434,207
<b>Total Capital of the Foundation</b>		<b>4,868,138</b>	<b>5,470,394</b>
<b>TOTAL LIABILITIES, FUNDS &amp; CAPITAL</b>		<b>36,540,231</b>	<b>37,590,491</b>

## FINANCIAL STATEMENTS

<b>Consolidated Statement of Operations for the year ended 30 June 2020 in US\$ (with comparative figures)</b>	<b>Notes</b>	<b>2020</b>	<b>2019</b>
<b>Income</b>			
Donors*	7	41,719,579	38,376,204
Premix sales		2,841,951	4,772,114
Gifts in Kind income	10	614,321	1,566,990
<b>Total income</b>		<b>45,175,851</b>	<b>44,715,308</b>
<b>Direct and administrative expenses</b>			
Personnel costs	8	15,458,408	15,126,059
Consultants costs and Contracted services		10,153,555	9,079,737
Sub-Awards	9	8,846,637	7,411,795
Travel costs		1,816,610	2,813,974
Operational costs		4,933,346	5,467,597
Depreciation	6	281,195	202,406
Premix purchases		2,957,064	4,693,275
Gift in Kind expenses	10	614,321	1,566,990
<b>Total direct and administrative expenses</b>		<b>45,061,135</b>	<b>46,361,832</b>
<b>Operating result</b>		<b>114,716</b>	<b>(1,646,524)</b>
Financial income		394,303	478,058
Financial cost		(63,041)	(33,444)
Foreign exchange differences		(216,505)	(102,785)
<b>Net financial result</b>		<b>114,757</b>	<b>341,828</b>
<b>Net result before change in fund capital</b>		<b>229,473</b>	<b>(1,304,696)</b>
Change in Restricted funds		(831,729)	1,312,791
<b>Annual result before allocation to capital</b>		<b>(602,256)</b>	<b>8,095</b>
Allocation/Use of Unrestricted funds - Designated		434,228	(64,684)
Allocation/Use of Unrestricted funds - Free Capital		168,028	56,589
<b>Allocation/Use of Unrestricted funds</b>		<b>602,256</b>	<b>(8,095)</b>
		-	-
<b>*of which restricted income</b>	<b>7</b>	<b>41,652,737</b>	<b>38,283,921</b>

## FINANCIAL STATEMENTS

Consolidated Statement of Changes in Capital	Opening balance Restated	Prior year adjustments	Opening balance Restated	Movement in the year			Closing balance
				Allocation of funds	Use of funds	Net change	
<b>30 June 2020 in US\$</b>							
<u>Restricted funds</u>							
Restricted Income funds	22,136,736	-	22,136,736	41,652,736	(40,821,007)	831,729	22,968,465
Premix facility	2,753,572	-	2,753,572	-	-	-	2,753,572
<b>Total restricted funds</b>	<b>24,890,308</b>	<b>-</b>	<b>24,890,308</b>	<b>41,652,736</b>	<b>(40,821,007)</b>	<b>831,729</b>	<b>25,722,037</b>
<u>Capital of the Foundation</u>							
Paid-in capital	36,187	-	36,187	-	-	-	36,187
<u>Unrestricted funds</u>							
Unrestricted funds	4,567,414	-	4,567,414	-	(168,028)	(168,028)	4,399,386
Designated funds	866,793	-	866,793	107,745	(541,973)	(434,228)	432,565
<b>Total Unrestricted funds</b>	<b>5,434,207</b>	<b>-</b>	<b>5,434,207</b>	<b>107,745</b>	<b>(710,001)</b>	<b>(602,256)</b>	<b>4,831,951</b>
<b>Total Capital of the Foundation</b>	<b>5,470,394</b>	<b>-</b>	<b>5,470,394</b>	<b>107,745</b>	<b>(710,001)</b>	<b>(602,256)</b>	<b>4,868,138</b>

  

Consolidated Statement of Changes in Capital	Opening balance as previously stated	Prior year adjustments	Opening balance Restated	Movement in the year			Closing balance Restated
				Allocation of funds	Use of funds	Net change	
<b>30 June 2019 in US\$</b>							
<u>Restricted funds</u>							
Restricted Income funds	23,449,527	-	23,449,527	38,283,921	(39,596,712)	(1,312,791)	22,136,736
Premix facility	2,753,572	-	2,753,572	-	-	-	2,753,572
<b>Total restricted funds</b>	<b>26,203,099</b>	<b>-</b>	<b>26,203,099</b>	<b>38,283,921</b>	<b>(39,596,712)</b>	<b>(1,312,791)</b>	<b>24,890,308</b>
<u>Capital of the Foundation</u>							
Paid-in capital	36,187	-	36,187	-	-	-	36,187
<u>Unrestricted funds</u>							
Unrestricted funds	4,624,003	-	4,624,003	-	(56,589)	(56,589)	4,567,414
Designated funds	267,697	534,412	802,109	83,259	(18,575)	64,684	866,793
<b>Total Unrestricted funds</b>	<b>4,891,700</b>	<b>-</b>	<b>5,426,112</b>	<b>83,259</b>	<b>(75,164)</b>	<b>8,095</b>	<b>5,434,207</b>
<b>Total Capital of the Foundation</b>	<b>4,927,887</b>	<b>534,412</b>	<b>5,462,299</b>	<b>83,259</b>	<b>(75,164)</b>	<b>8,095</b>	<b>5,470,394</b>



## FINANCIAL STATEMENTS

<b>Consolidated Cash Flow Statement</b>		<b>2020</b>	<b>2019</b>
<b>30 June 2020 in US\$</b>			<b>Restated</b>
<i>(with 2019 comparative figures)</i>			
<u>Cash flow from operating activities</u>			
Annual result before allocation to capital of the Foundation		(602,256)	8,095
Depreciation of fixed assets	6	281,195	202,406
Non cash charge on foreign exchange differences		22,723	116,892
Increase (decrease) in provisions		210,997	(48,771)
(Increase) decrease in restricted accrued income		(1,253,549)	(78,487)
(Increase) decrease in Unrestricted accrued income		(56,682)	-
(Increase) decrease in receivables		1,790,337	(3,139,977)
(Increase) decrease in Premix Consignment stock		317,343	(161,340)
(Increase) decrease in prepaid expenses		(19,997)	189,365
(Increase) decrease in rent guarantee		(85,897)	140,424
Increase (decrease) in creditors		(1,490,730)	3,945,054
Increase (decrease) in restricted income funds		831,729	(1,312,791)
<b>Cash flow from operating activities</b>		<b>(54,786)</b>	<b>(139,130)</b>
<u>Cash flow from investing activities</u>			
Purchase of fixed assets	6	(431,297)	(210,138)
Disposal of fixed assets	6	10,094	10,353
Funds flow from investing activities		2,000,000	2,000,000
<b>Cash flow from investing activities</b>		<b>1,578,797</b>	<b>1,800,215</b>
Increase (Decrease) in Cash and Cash equivalents		1,524,011	1,661,085
Effect of exchange rate differences on cash		(22,723)	(116,892)
Cash and Cash equivalents - beginning of year	3	28,543,500	26,999,307
<b>Cash and Cash equivalents - end of year</b>	<b>3</b>	<b>30,044,787</b>	<b>28,543,500</b>
<b>Changes in Cash and Cash equivalents</b>		<b>1,501,287</b>	<b>1,544,193</b>

## NOTES TO THE ACCOUNTS

### 1. Significant Accounting Policies

#### BASIS OF PREPARATION

The consolidated Financial Statements have been prepared in accordance with GAIN's Articles of Association and the applicable provisions of the Swiss GAAP FER Framework and Recommendations, including Swiss GAAP FER 21 (Accounting for charitable, social and non-profit organisations). Swiss GAAP FER are accounting standards geared to entities that operate primarily in Switzerland. The recommendations have been established for entities seeking to present their financial statements to reflect a true and fair view of their financial results and position.

The Financial statements for 2019-20 were approved by the Board of Directors on the 9 December 2020.

The Financial Statements are presented in US dollars. They have been prepared in accordance with the historic cost convention and according to the principles of accruals, matching, going concern, consistency and prudence.

Figures are rounded to the nearest dollar and therefore may vary slightly from the amounts presented in other documents. Rounding differences may exist within summations.

These consolidated financial statements present all activities by the Foundation, including GAIN offices and those entities over which GAIN has the power to govern the financial and operating policies so as to obtain benefits from their activities. The consolidated entities comprise the Foundation, GAIN NoSCA LLC, GAIN Canada, GAIN UK, GAIN Netherlands, GAIN Nigeria and GAIN Tanzania.

The principle accounting policies are set out below.

#### FUND ACCOUNTING

GAIN distinguishes between restricted and unrestricted funds. Income that the organisation receives for its charitable purposes generally and which it has discretion over which activities to allocate to, is treated as unrestricted funds. Income granted to the organisation that is limited to use for a specific purpose or project is treated as Restricted Funds.

Restricted funds that have not been used at the end of the year are shown as carried forward in a separate section of the balance sheet.

#### INCOME

GAIN's income comprises donor income, gifts in kind and revenues from other activities. Donor income is provided through donations or grants received from private organisations (companies, trusts and foundations), or received from or pledged directly by public institutional bodies, such as governments or multilateral agencies. Income is also generated from the sale of premix commodities and from interest on cash deposits. Income is recognised as follows:

- Donations are recognised as income upon receipt.

## NOTES TO THE ACCOUNTS

- Grants based on annual or multi-year agreements are recorded as income in the reporting period upon receipt and are considered to be receivable when payments are due under the terms of the grant agreement, or when expenditure has been incurred in advance and is recoverable under the grant agreement.
- Grants received and not expended are carried forward as deferred income on the balance sheet if there are contractual conditions that stipulate that repayment can occur, and the donor has the means to obtain the return of the funds.
- Premix income is recognised at the point of sale.
- Income from interest is recognised upon receipt.

## IN-KIND DONATIONS

GAIN also receives donations in kind, primarily in the form of the free use of goods and services. In-kind donations are disclosed in the Financial Statements equally as both income and expenditure. Under Swiss GAAP FER, in-kind donations of goods and services are valued at their fair market value on the date of receipt. Only donations estimated at a value of US\$ 5,000 and above are taken into account.

In-kind donations are recognised if the goods or services transferred or rendered to GAIN are free, excluding any type of payment from GAIN. In addition, they must be:

- Clearly identifiable and part of GAIN projects and activities as defined by GAIN's action plans and budgets;
- Recognisable as a visible contribution to GAIN's projects and activities and in line with GAIN's mission and objectives.

## SUB-AWARDS

GAIN incurs costs to provide sub-awards to partner organisations and subcontractors. Sub-grants to partners are governed by a written agreement and disbursements are generally phased over the lifetime of the project. Each disbursement is recognised as an expense upon payment. Sub-contracts to vendors for expenditures incurred on behalf of a project or for any activity of GAIN are recorded on an accruals basis.

## DIRECT AND SUPPORT COSTS

Expenditure is recorded in the consolidated financial statements in the period in which it is incurred and is inclusive of any VAT which cannot be reclaimed. Direct costs are those expenses that directly relate to GAIN's mission of reducing malnutrition through sustainable strategies aimed at improving the health and nutrition of populations at risk.

Support costs include expenditure in relation to facilities, technology and systems, governance, depreciation and administration. Support costs that are fully attributable to activities are recorded as direct costs. Support costs deemed indirect are apportioned to activities based on donor agreements or staff time.

## NOTES TO THE ACCOUNTS

### FOREIGN CURRENCIES

Accounting records are maintained in US Dollars. Monetary assets and liabilities denominated in other currencies are recorded at the rates ruling at the date of the transaction. Foreign currency assets and liabilities are translated into US dollars at rates of exchange prevailing at the balance sheet date. Exchange gains and losses are included in the Statement of Operations.

### FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation. GAIN applies the straight-line method for the depreciation of these assets using a rate of 20% per annum for furniture and fixtures, 20% for technology assets and 50% per annum for office equipment.

### CREDIT RISK AND CASH-FLOW MANAGEMENT

GAIN's liquid assets are maintained in cash, low-risk short-term deposits, or capital guaranteed investments. At the balance sheet dates, there were no significant concentrations of credit risk. The maximum exposure is primarily represented by the carrying amounts of the financial assets in the balance sheet, including accounts receivable and cash.

### BANK GUARANTEE DEPOSITS

Guarantees are included within current assets. At the balance sheet date, GAIN held guarantee deposits related to premises in Geneva and country offices. These are recoverable, subject to prevailing contract terms, upon vacating the premises.

### PROVISIONS

A provision is recognised in the balance sheet when the organisation has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at management's best estimate of the expenditure required to settle that obligation at the balance sheet date.

### RESTRICTED AND UNRESTRICTED RESERVES

Restricted and unrestricted reserves represent the excess of income over expenditure since GAIN's inception. Restricted reserves are available to GAIN for future operations and project funding costs as its evolving project pipeline dictates. However, should these funds not be expensed in line with donor requirements any underspend would be returned to the donor or allocated to other activities as the donor directed, and would not be available to support general organisational activity.

### CLASSIFICATION OF INCOME AND EXPENSES

Income and expenses which are subject to donor-imposed stipulations are reported as restricted. All other income and expenses not subject to restrictions are reported as unrestricted.

## NOTES TO THE ACCOUNTS

### CONSOLIDATED ENTITIES

The following entities' results have been included in the consolidated financial statements:

- GAIN NoSCA LLC, USA, 100% owned.
- The Global Alliance for Improved Nutrition, UK, 100% owned
- The Global Alliance for Improved Nutrition Ltd, Nigeria, 100% owned
- The Global Alliance for Improved Nutrition, Canada, 100% dissolved in August 2019)
- The Global Alliance for Improved Nutrition Ltd, Tanzania, 100% owned
- Stichting The Global Alliance for Improved Nutrition (GAIN Netherlands), Netherlands, 100% owned

The foundation's Financial Statements are consolidated according to the full consolidation method. All inter-company investments, balances and transactions have been eliminated.

### BONDS

Bonds are recorded at nominal value at the date of acquisition and are held until their maturity date. At year end, bonds in foreign currency are revaluated in accordance with our policy for foreign currencies as set out above. Transaction costs are recognised in the Financial Statements as incurred.

### GAIN PREMIX FACILITIES

The GAIN Premix Facility is represented by a revolving fund held within Restricted funds to make premix procurement more effective for organisations fortifying food. It provides guarantee payments to premix suppliers and offers extended credit terms to customers purchasing premix for incorporation into foodstuffs. Differences in the timing of income and expenditure result in receivables, payables, and consignment stock in relation to the Facility. These are specifically disclosed where appropriate.

## 2. Restatement of prior year's accounts

Last year, GAIN changed its accounting policies for the recognition of Premix income and expenditure. From 2018/19 Premix income is recognized at the point of sale and expenditure is recognised on an accruals basis, whereas previously the transactions were held within the balance sheet.

Further analysis revealed that there was an unrealised credit balance of US\$ 0.5 million linked to consignment stocks that was not correctly adjusted in January 2016, when responsibility for managing the Premix procurement activities was insourced. To correct this error and adjust the balance sheet to the correct values, it was necessary to release the credit balance to Unrestricted funds. This has been treated as a restatement of the prior year's accounts because it related to the accounting year 2016/17.

## NOTES TO THE ACCOUNTS

The impacts on the prior year's accounts are as follows:

### BALANCE SHEET:

- Reduction in current liabilities from US\$ 7.8M to US\$ 7.3M due to the reduction of accrued expenses
- Increase in the Capital of the Foundation from US\$ 4.9M to US\$ 5.4M due to the increase of Unrestricted funds.

### 3. Cash, Deposits and Bonds

Amounts held by GAIN but not required for immediate use are invested in instruments approved by the Board of the Foundation.

Cash and Deposits in US\$	2020	2019
Cash and cash equivalents	28,850,571	27,311,048
Cash held by local offices	1,194,216	1,232,451
<b>Total Cash and cash equivalents</b>	<b>30,044,787</b>	<b>28,543,499</b>
Bonds*	-	2,000,000
Rent Guarantee	339,200	253,303
<b>Total Bonds and Deposits</b>	<b>339,200</b>	<b>2,253,303</b>
<b>Total Cash and Deposits</b>	<b>30,383,987</b>	<b>30,796,803</b>

\*These bonds had a short term duration to maturity and were considered as current assets

### 4. Other Receivables

Other Receivables in US\$	2020	2019
Other Receivables	59,905	164,577
Grant Receivables	1,927,543	2,906,087
Premix Facility Receivables	423,035	1,130,154
<b>Total Receivables</b>	<b>2,410,483</b>	<b>4,200,818</b>

### 5. Premix consignment stock

During the fiscal year, GAIN entered into consignments stock contracts with some customers. At the end of June 2020, remaining consignments stock worth an estimated value of US\$ 480,927 (June 2019: US\$ 798,270) were stored at the customer premises.

## NOTES TO THE ACCOUNTS

### 6. Fixed Assets

Fixed Assets in US\$	Furniture & Fixtures	Office Equipment	Total
<u>Gross values of cost</u>			
At 1 July 2019	1,116,349	1,361,537	2,477,886
Additions	141,556	289,741	431,297
Disposals/Transfers	(10,597)	-	(10,597)
<b>Cost 30 June 2020</b>	<b>1,247,308</b>	<b>1,651,279</b>	<b>2,898,587</b>
<u>Accumulated Depreciation</u>			
At 1 July 2019	738,299	1,228,152	1,966,451
Depreciation	205,790	75,405	281,195
Disposals/Transfers	(7,442)	6,939	(503)
<b>At 30 June 2020</b>	<b>936,648</b>	<b>1,310,496</b>	<b>2,247,144</b>
<b>Net book value at 30 June 2020</b>	<b>310,661</b>	<b>340,783</b>	<b>651,443</b>

Fixed Assets in US\$	Furniture & Fixtures	Office Equipment	Total
<u>Gross values of cost</u>			
At 1 July 2018	1,009,369	1,260,744	2,270,113
Additions	109,345	100,793	210,138
Disposals/Transfers	(2,365)	-	(2,365)
<b>Cost 30 June 2019</b>	<b>1,116,349</b>	<b>1,361,537</b>	<b>2,477,886</b>
<u>Accumulated Depreciation</u>			
At 1 July 2018	601,327	1,154,731	1,756,058
Depreciation	138,791	63,614	202,405
Disposals/Transfers	(1,819)	9,807	7,988
<b>At 30 June 2019</b>	<b>738,299</b>	<b>1,228,152</b>	<b>1,966,451</b>
<b>Net book value at 30 June 2019</b>	<b>378,050</b>	<b>133,385</b>	<b>511,434</b>

## NOTES TO THE ACCOUNTS

### 7. Restricted Income Funds

During the current financial year total receipts from donors amounted to US\$ 41,451,853 (2019 – US\$ 35,686,393).

DONOR in US\$	2020 Funds Invoiced	2020 Expenditure	2020 Restricted Income Funds Balance	2019 Funds Invoiced	2019 Expenditure	2019 Restricted Income Funds Balance
Bill and Melinda Gates Foundation	4,628,466	(4,983,512)	3,870,237	5,443,091	(6,236,496)	4,202,923
UK Government DFID Mozambique <sup>(1)</sup>	2,479,971	(2,615,132)	-	2,448,154	-	135,161
Government of the Netherland <sup>(2)</sup>	20,769,557	(19,211,147)	12,590,294	17,937,151	(21,189,044)	11,031,884
US Government USAID	1,241,002	(1,241,002)	-	-	-	-
Children's Investment Fund Foundation CIFF	4,041,652	(1,921,534)	2,198,020	230,257	(631,099)	77,902
World Food Programme	521,403	(145,388)	436,740	775,451	(388,821)	31,658
NL EVD International <sup>(4)</sup>	-	(263,779)	361,194	1,749,479	(891,310)	624,973
Government of Canada	-	(12,675)	27,677	-	(1,434,977)	40,351
Bestseller A/S	-	-	-	-	(104,596)	-
Government of the Federal Republic of Germany	2,064,147	(5,013,208)	(0)	3,663,114	(1,042,102)	2,949,060
Danida Market Development Partnership	413,199	(299,321)	113,878	404,642	(463,097)	-
Irish Aid <sup>(3)</sup>	933,807	(62,109)	871,697	677,838	(980,766)	-
Others	4,559,533	(5,052,202)	2,498,728	5,054,440	(6,077,063)	3,042,824
<b>Total</b>	<b>41,652,737</b>	<b>(40,821,008)</b>	<b>22,968,465</b>	<b>38,383,618</b>	<b>(39,439,371)</b>	<b>22,136,735</b>

<sup>(1)</sup> DFID Mozambique - Funds invoiced in 2019/2020: GBP 1,904,535 (2018/2019: GBP 1'872'878)

<sup>(2)</sup> Government of the Netherland - Funds invoiced in 2019/2020: EUR 18'750'000 (2018/2019: EUR 15'849'740)

<sup>(3)</sup> Irish Aid MN4 Project - Funds invoiced in 2019/2020: EUR 880,000 (2018/2019: EUR 600'000)

<sup>(4)</sup> Detail by Workstream for NL EVD Int. funding	2020 Funds received	2020 Expenditure	2019 Funds received	2019 Expenditure
Workstream B1: Vegetables for All	-	251,925	-	281,110
Workstream B3: Micronutrient Powders	-	-	32,297	-
Workstream B4: Fortified Dairy	-	-	20,344	-
Workstream B5: Rural Retail Hubs	-	11,854	-	445,387
Workstream BX: Home fortification	-	-	777,192	(766)
Workstream E1: Quality Improvement Network (QIN)	-	-	-	-
Workstream E2: Access to Finance	-	-	267,470	-
Workstream S: Support workstream	-	-	652,176	24,536
<b>Total</b>	<b>-</b>	<b>263,779</b>	<b>1,749,479</b>	<b>750,267</b>

### 8. Personnel costs

The personnel costs represent payroll and social benefits for employees in representative and country offices.

Personnel Costs in US\$	2020	2019
Wages, Salaries and Social benefits	15,206,960	14,723,911
Other personnel costs	251,448	402,148
<b>Total</b>	<b>15,458,408</b>	<b>15,126,059</b>

The remuneration of key management (including salaries, all benefits and all social charges), comprising the Executive Director and members of the Senior Management Team, amounted to USD 1,614,037 (2019: USD 1,451,221).



## NOTES TO THE ACCOUNTS

### 9. Sub-Awards Expenditure

Sub-Awards spent by clusters were as follows:

Clusters in US\$	2020	2019
Enabling Environment	1,132,705	449,816
Supply Chains for Nutritious Foods	4,267,426	1,304,733
Amsterdam Initiative against Malnutrition	209,642	596,089
Food Policy and Finance	1,510,409	2,146,490
Targeted Dietary Improvement Programmes	1,125,684	1,241,089
Knowledge Leadership	600,771	1,673,578
<b>Total</b>	<b>8,846,637</b>	<b>7,411,795</b>

### 10. Donations in Kind income / expenses

GAIN implements a program on behalf of NL EVD. This program requires in kind contribution from the partners in this program totaling 50.4% of the total program. The balance of the program is met by 49.6% contribution in cash from the Netherlands Agency EVD International FDOV program.

### 11. Remuneration and Indemnities Paid to Board Members

Remuneration is not provided to Foundation Board Members. It is a voluntary appointment and costs relating to attending meetings are covered by the Foundation.

### 12. Services Received and Rendered Free of Charge

GAIN received no services free of charge other than those of the Board members. GAIN did not provide any services free of charge.

There are no other volunteers except Board Members.

### 13. Foundation Capital

The Foundation capital amounts to CHF 50,000.

This is equivalent to US\$ 36,187 at the rate of exchange on the date of inception of the Foundation, 26 March 2003.

### 14. Rent and Leasing Commitments

As of 30 June 2020, the Foundation had future office rental commitments and leasing contracts up to the end of their contract period totalling USD 2,291,675 (2019: USD 2,184,385).

## NOTES TO THE ACCOUNTS

### 15. Related Party Transactions

There were no related party transactions during the year.

### 16. Pension Plan Obligations

GAIN sponsors different pension plans. The main retirement plans are the following:

Employees based in Geneva, Switzerland: GAIN headquarters' employees benefit from a pension scheme covering retirement, invalidity and death according to the provisions of the Federal Law for occupational retirement (LOB). The occupational benefits are provided by a collective foundation, Patrimonia, according to a defined-contribution benefit plan. The plan is funded by the contributions of GAIN and the employees. As of 30 June 2020, 31 employees were enrolled in the plan (2019: 32 employees). The total amount expensed for GAIN's contributions was US\$ 276,565 (2019: US\$ 279,890). As of 30 June 2020, the capital ratio is at 104.1% (2019: 106.9%). Due to the coverage ratio, no liabilities were recognised in the Balance Sheet and no outstanding amount was due at closing date.

Employees Based in Washington, DC: GAIN NoSCA, LLC sponsors a 401(k) defined contribution plan (the "Plan") which is a US retirement savings plan under the US Internal Revenue Code, for all eligible employees. Employees become eligible upon being hired and may participate immediately upon employment (Interns are excluded from the Plan). The plan is funded by the contributions of GAIN and the employees. As of 30 June 2020, 18 employees were enrolled in the plan (2019: 12 employees). The amount expensed for GAIN's contributions was US\$ 118,736 (2019: US\$ 106,833).

Employees based in London, UK: On 1 May 2014 GAIN UK entered into a defined contribution pension scheme with Scottish Life for all eligible employees. The plan is funded by the contributions of GAIN and the employees. As of 30 June 2020, 36 employees were enrolled in the plan (2019: 35 employees). The amount expensed for GAIN's contributions was US\$ 308,845 (2019: US\$ 276,002).

### 17. Assets pledged as guarantee for commitments

At the balance sheet date, a bank of the Foundation had provided a rental letter of guarantee totalling CHF 10,500 (US\$ 11,105) (2019: CHF 10,500 - US\$ 10,643) in favour of a third party. Cash for an equivalent amount is pledged at the corresponding bank.

### 18. Subsequent events

There were no significant subsequent events to report.