



International Institute of Humanitarian Law  
 Institut International de Droit Humanitaire  
 Istituto Internazionale di Diritto Umanitario

	31/12/2023	31/12/2022
I) INTANGIBLE FIXED ASSETS	78.348	86.795
II) TANGIBLE FIXED ASSETS	24.854	18.920
III) FINANCIAL FIXED ASSETS	162.308	250.865
<b>B Total Fixed Assets</b>	<b>265.510</b>	<b>356.581</b>
II) RECEIVABLES	697.178	361.675
IV) LIQUID FUNDS	203.229	204.891
<b>C Total Current Assets</b>	<b>900.407</b>	<b>566.565</b>
<b>D) ACCRUED INCOME AND PREPAYMENTS</b>	<b>43.281</b>	<b>30.273</b>
<b>TOTAL ASSETS</b>	<b>1.209.198</b>	<b>953.418</b>
<b>A) SHAREHOLDERS' EQUITY</b>	<b>391.371</b>	<b>369.229</b>
I. Share capital	195.384	195.384
VI. Other reserves	-	-
VII. Retained earnings (loss carryovers)	173.845	175.444
IX. Profit for the year	22.143	
IX. Loss for the year		(1.599)
X. Negative reserve for Treasury Shares	-	-
<b>C) TOTAL RESERVE FOR SEVERANCE INDEMNITIES (TFR)</b>	<b>211.218</b>	<b>221.944</b>
D6) ADVANCES	11.700	9.650
D7) PAYABLES TO SUPPLIERS	187.377	112.718
D12) TAX LAIABILITIES	36.030	38.138
D13) ACCOUTS PAYABLE TO SOCIAL SECURITY	16.954	21.150
D14) OTHER ACCOUNTS PAYABLES	32.793	44.339
<b>D) ACCOUNTS PYABLES</b>	<b>284.854</b>	<b>225.996</b>
<b>E) ACCRUED LIABILITIES AND DEFERRED INCOME</b>	<b>321.755</b>	<b>136.250</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>1.209.198</b>	<b>953.419</b>
1) Revenues from sales and services	938.032	1.011.495
5) Other income and revenues	1.992.216	1.487.214
<b>A) REVENUES</b>	<b>2.930.249</b>	<b>2.498.709</b>
<b>6) Raw, ancillary and consumable materials and goods for resale</b>	<b>19.205</b>	<b>16.339</b>
<b>7) Services</b>	<b>2.376.869</b>	<b>1.965.251</b>
<b>9) Payroll expenses</b>	<b>446.697</b>	<b>452.909</b>
a) wages and salaries	292.860	292.000
b) related salaries	133.607	124.705
c) severance	20.230	36.205
e) other costs	-	-
<b>10) Amortisation and depreciation</b>	<b>28.186</b>	<b>28.041</b>
a) amortisation of intangible fixed assets	18.541	16.553
b) depreciation of tangible fixed assets	9.645	11.489
<b>14) Miscellaneous running costs</b>	<b>8.318</b>	<b>5.605</b>

<b>B) EXPENSES</b>	<b>2.879.275</b>	<b>2.468.146</b>
17) Interest and other financial expense:	7.303	(1.012)
18) Write-ups		
c) of securities recorded among current assets which do not constitute shareholdings	(374)	(12.907)
<b>RESULT BEFOR TAXES</b>	<b>43.297</b>	<b>18.668</b>
a) Current taxes	21.154	20.267
<b>PROFIT (LOSS) OF THE YEAR</b>	<b>22.142,80</b>	<b>(1.598,86)</b>





## EXPLANATORY NOTES

### 2023 Balance Sheet

#### Introduction

The International Institute of Humanitarian Law was legally instituted before a public notary on September 26, 1970 in Sanremo, Italy. The Institute was officially recognised as a private association with legal status by the Ministry of Foreign Affairs through a decree dated April 27, 1993. The Institute is registered in the Register of Legal Entities at the *Prefettura* in Imperia.

The Financial statements as of and for the year ended December 31, 2023 is complemented by the Activity Report of the Departments and these Explanatory Notes.

Although the Institute is not under any legal obligation, Deloitte & Touche S.p.A. was appointed as auditor of the financial statements as of December 31, 2023 and for the year then ended.

The 2023 balance sheet presents a net profit of Euro 22.143.

Grants relating to training/courses and on-going projects were received and used according to instructions received from International Organisations, Governments and other donating bodies.

The Institute has no investments in any subsidiaries, associates or other Companies, not even through trust companies or a third party, with the exception of the investments in the “Foundation Auxiliary to the International Institute of Humanitarian Law- Villa Ormond” as described below.

#### Contributions in kind

The Institute is particularly grateful for the following contributions in kind, which as such are not considered in the balance sheet even though they constitute an essential support:

- the granting of the full use of Villa Ormond by the Municipality of Sanremo as the IHL headquarters as well as the venue of Institute’s activities;
- the secondment, for the position of Director of the Military Department, of Colonel Mark Dakers until end of July 2023; and of Colonel Nigel Heppenstall, as of August 2023, by the British Armed Forces;
- the secondment of Colonel Rudolph Stamminger as Deputy Director of the Military Department, by the French Armed Forces;

- the secondment by the US Army Judge Advocate General of Colonel Richard Slesman, until July 2023, as legal counsellor and Instructor; and of Major Christopher A. Clausen as Fellow and IHL Instructor.

### Contribution from the Institute's Auxiliary Foundation

In 2023, the Foundation contributed 5.000 Euro in cash to the Institute and covered the expense for the front windows renovation for 9.333,00 Euro.

Starting from March 2023 the Foundation shares with the Institute the staff expenses related to an employee, for the 30% of the total amount.

### Summary of significant accounting policies

The balance sheet has been prepared in accordance with the generally accepted Italian accounting principles, duly integrated by recommendations of the "Not for Profit Commission" of the *Consiglio Nazionale dei Dottori Commercialisti ed Esperti Contabili* (i.e. the Italian accounting profession).

In particular, the balance sheet has been prepared following the general principles of prudence, understandability, consistency, matching and under the accrual basis of accounting.

The balance sheet has been presented in Euro. Revenues in currencies other than Euro have been recorded at the exchange rate prevailing on the date of transaction.

With specific regards to accounting policies, hereinafter the adopted criteria regarding the most important captions:

- **fixed assets** are stated at cost, less accumulated depreciation. Cost includes directly related charges, and it is net of specific grants received. Depreciation is provided at rates deemed representative of the assets' estimated remaining useful life. If, regardless of the depreciation already accounted for, fixed assets are impaired, then they are devalued accordingly. If, in future financial years, the reason for the impairment ceases to apply, the original value is re-instated, net of adjusted depreciation.
- **investments** in subsidiaries are recognized at their acquisition or subscription cost, written down to reflect any permanent impairment losses. Where the book value of equity investments exceeds the corresponding portion of shareholders' equity based on the latest approved Financial Statements, this value is maintained if it does not constitute a permanent impairment. When the reasons for the write-downs cease to exist, equity investments carried at cost are revalued to the extent of the write-downs that had been recognised and the effect is presented in the income statement.
- **receivables** are recorded at their net realizable value. As such, in the presence of a risk of collection, the face value is reduced to the net realizable value through an allowance for doubtful accounts;

- *cash and cash equivalents* are calculated at face value;
- *liquid investment funds* are recorded at their cost;
- *pre-paid and accruals*, both on the asset and on the liability side, are calculated to conform revenues and expenses to the accrual basis of accounting;
- *provision for employees' leaving indemnity* covers the entire liability provided in favour of employees in accordance with existing legislation and labour contract; in particular, this liability is calculated according to the Italian Civil Code and is subject to revaluation based on official indexes;
- *other debts* are recorded at face value;
- *revenues and expenses* are recorded under the accrual basis of accounting. In particular, grants intended to cover the general expenses of the Institute are recorded once they are received or, otherwise, on the basis of a formal decision on the part of the donating bodies reasonably guaranteeing their receipt; on the other hand, grants (and/or registration fees) pertaining to specific projects are recorded in the same financial year in which the relevant courses take place, matching the corresponding costs.

The above-mentioned criteria are consistent with the previous financial year. No entries have been recorded in the financial statement solely for tax purposes.

### Changes regarding assets and liabilities

The balance sheet shows information compared to the previous financial year. In all events, it is useful to highlight the amount and composition of certain assets and liabilities as of 31 December 2023, and provide the reason for any important variation.

### FIXED ASSETS

Fixed assets, recorded in the balance sheet net of depreciation, amount to Euro 103.203 as the following chart illustrates:

		Furniture	Office equipment	Other equipment	Other intangible assets	TOTAL
Fixed assets at 1.1.2023	A	152.246	190.937	33.039	86.793	463.017
Fixed assets fund	B	151.604	177.818	27.879	0	357.301
Remaining fixed assets at 1.1.2023	C= A-B	642	13.119	5.160	86.793	105.716
Purchases 2023	D	9.852	3.699	2.025	9.943	25.519
Fixed assets at 31.12.2023	E = A+D	162.098	194.637	35.065	96.738	488.538
Depreciation for the current year	F	1.154	7.284	1.204	18.390	28.032
Fixed assets fund at 31.12.2023	G = B+F	152.758	185.102	29.083		366.943
Remaining fixed assets at 31.12.2023	H = E-G	9.340	9.535	5.982	78.346	103.202

Tangible assets, such as furniture, office and other equipment, amount to Euro 24.857 and show an increase of Euro 5.936 compared to the same figure on December 31, 2023. This increase is due to the purchase of new goods in 2023 for a total amount of Euro 15.576 and to depreciation for the current year (Euro 9.642).

Other intangible assets refer to extraordinary maintenance expenses. They amount to Euro 78.346 and show a decrease of Euro 18.390 compared to the same figure on December 31, 2023. This decrease is due to depreciation for the current year (Euro 18.541) and to the purchase of new goods to be used on a multi-annual basis realized in 2023 for a total amount of Euro 9.934.

### **LIQUID INVESTMENT FUNDS**

Liquid investment funds are represented by mutual funds purchased during previous financial years (and integrated in the present financial year) as funding for the liability towards the employees' leaving indemnity. These funds can be settled at any time. They are recorded at cost, plus all earnings accrued. The decrease of the year amounts to Euro 88.557 and it refers to the employees' leaving indemnity given to staff members who left.

### **EQUITY INVESTMENT**

The caption amounts to Euro 50.000 and entirely refers to the endowment fund provided to the "Foundation Auxiliary to the International Institute of Humanitarian Law- Villa Ormond". The Foundation was created in Sanremo on December 4, 2014 with the aim of supporting and developing the use of Villa Ormond. According to its statutory mission, the Foundation will be engaged in providing services and opportunities to increase the visibility of Villa Ormond, supporting, at the same time, the fund-raising activities necessary to contribute towards expenses and investments related to the building.

### **RECEIVABLES**

These amount to Euro 676.360 as of December 31, 2023, and are mainly represented by contributions from Governments, International Organisations and Institutions, as well as registration fees.

The caption shows an increase of Euro 332.229 compared to December 31, 2022.

### **CASH-IN-HAND AND CASH-AT-BANK**

Cash-in-hand and cash-at-bank amount to Euro 203.230 and are represented by Euro 490 in cash on hand and by Euro 202.740 in bank deposits.

The following schedule shows details regarding bank accounts as at December 31, 2023:

	2023	2022	
Bper Bank - CC 47229306	68.858	7.839	61.019
Intesa San Paolo Bank – CC 12348	132.566	186.231	-53.665
Intesa San Paolo Bank (US dollars)	1.316	8.870	-7.554
<i>Total</i>	202.740	202.940	-200

## PRE-PAID EXPENSES AND ACCRUED REVENUES

Pre-paid expenses amount to Euro 43.281 and mainly refer to insurance costs, to the purchase of goods such as plaques, books, handbooks for participants and travel expenses to be used in early 2024 year as well as some registrations to internet services covering more than one year.

## NET EQUITY

Net equity as of December 31, 2023 amounts to Euro 391.371 and is composed as follows:

<b>Share capital</b>	<b>195.384</b>
<b>Retained surplus</b>	<b>173.844</b>
<b>Net result for the year</b>	<b>22.143</b>
<b><i>Total equity</i></b>	<b><i>391.371</i></b>

Movements occurring in 2023 refer solely to net profit of the 2023 financial year and the transfer of the loss of 2022 under the caption “Retained surplus”.

## EMPLOYEES’ LEAVING INDEMNITY

This caption refers solely to the provision of employees leaving indemnity amounting to Euro 211.218 and shows a decrease of Euro 10.726 compared with the value on 31 December 2022, which is the 2023 accrual, made in accordance with the Italian Civil Code requirements, together with the amount given to staff members who left.

## LIABILITIES

This caption amounts to Euro 284.854 and includes both trade payables of Euro 199.077, which includes advance and payable to supplies, and other payables of Euro 85.777, which includes tax liabilities, account payable to social securities institutions and other accounts payables.

Said payables, when compared with the previous year, record an increase of Euro 58.858.

Trade payables refer to payables for services provided in connection with courses, mainly hotel accommodation and air tickets, and maintenance works on Villa Ormond. Other payables refer to the following:

	2023	2022	
Liabilities vs/Employees	32.793	44.339	-11.546
Social security institutions	16.954	21.150	-4.196
Withholding taxes	36.030	38.138	-2.108
<i>Total</i>	<i>85.777</i>	<i>103.627</i>	<i>-17.850</i>

## ACCRUED LIABILITIES AND DEFERRED INCOME

Accrued liabilities amount to Euro 10.525 and have been determined according to the accrual basis of accounting. They mainly refer to the fourteenth monthly salary for staff and related social contributions.

Deferred income amounts to Euro 311.230 and refers to contributions received in 2023 for activities that have been postponed to 2024.

Concerning receivables and payables, it is to be noted that they are all expected to be settled in less than five years.

## REVENUES and EXPENSES for the year ending 31 December 2023

The attached table (annex 1) gives a comprehensive view of all revenues, expenses, and result for the following programmes and activities:

- IHL/LOAC
- Refugee and Migration Law
- Special Projects and Initiatives
- Secretariat

The first section of the table details the number of participants and the number of courses.

The second section outlines the revenues by source:

- **Registration fees:** include all course fees directly paid either by individuals or sponsored by organisations, such as the ICRC, UNHCR, etc., or governments.
- **Earmarked contributions to specific courses or events:** include funds assigned by the donor to a specific course/event.
- **Earmarked contributions to a training programme:** include funds assigned by donors to a specific training programme of one of the Departments.
- **Non-earmarked contributions to the IIHL:** include those contributions given to the IIHL without a specific purpose.

The third section outlines the expenses divided into:

- **Direct expenses:** include all costs associated to each of the courses/events. For example: travel, accommodation, meals, faculty, etc.



- **Personnel costs:** include salaries and related costs of all IIHL personnel with indefinite contracts, fixed term contracts and of consultants.
- **General expenses (Secretariat):** include expenses not directly associated to a programme or activity. For example: Council meetings, Liaison Office in Geneva, auditors, equipment, maintenance, utility, etc.

Lastly, the attached table “IIHL 2023 Financial overview” shows the results.

During 2023, registration fees decreased by Euro 74.938 (Euro 922.942 compared to Euro 997.880 in 2022). Earmarked contributions to specific courses and to training programs increased by Euro 432.658 (Euro 1.851.931 during 2023 compared to Euro 1.419.273 during 2022). Non-earmarked contributions to the IIHL recorded Euro 40.000 (compared to Euro 40.000 reached during 2022).

Regarding direct expenses for specific courses and programmes, during 2023 an increase of Euro 328.139 has been recorded (Euro 1.281.753 during 2023 compared to Euro 953.614 during 2022). These include all costs directly associated with specific courses/programmes, such as travel, accommodation, meals, faculty, etc.

Regarding costs related to personnel, in 2023 the global expenses were Euro 1.357.912 with an increase of 122.474 Euro (1.235.438 Euro in 2022).

As for general expenses, they include costs not directly associated to a programme or activity, such as costs for Council meetings, the Geneva Liaison Office, the external auditors, equipment, etc.

## Other Remarks

The year 2023 confirmed the full restart after the Covid emergency, particularly for the in-presence activities in Sanremo of the Military Department.

The present Balance Sheet, consisting of the Activity Report of the Departments and these explanatory notes, comply with the journal entries recorded during the year 2022, to the relevant laws and regulations, and give a true and fair view of the Institute’s financial position and result of operations.

Sanremo, March 2023

