

The International Vaccine Institute

Financial Statements

December 31, 2017 and 2016

The International Vaccine Institute
Index
December 31, 2017 and 2016

	Page(s)
Report of Independent Auditors	1-2
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4
Statements of Changes in Net Assets	5
Statements of Cash Flows	6
Notes to the Financial Statements.....	7-19



Report of Independent Auditors

To the Board of Trustees of
The International Vaccine Institute

We have audited the accompanying financial statements of the International Vaccine Institute ("IVI"), which comprise the balance sheets as of December 31, 2017 and 2016, and the related statements of activities, statements of changes in net assets and statements of cash flows for the years then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Consultative Group on International Agricultural Research ("CGIAR") Accounting Policies and Reporting Practices adopted by IVI; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the IVI's preparation and fair presentation of the 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 IVI's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the 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 financial statements referred to above present fairly, in all material respects, the financial position of IVI as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with Consultative Group on International Agricultural Research ("CGIAR") Accounting Policies and Reporting Practices adopted by IVI.

Samil PricewaterhouseCoopers

March 30, 2018
Seoul, Korea



The International Vaccine Institute
Statements of Financial Position
December 31, 2017 and 2016

(in U.S. Dollars)

	2017	2016
Assets		
Current assets		
Cash and cash equivalents (Note 3)	US\$ 3,389,308	US\$ 5,676,076
Bank deposits (Note 3)	15,696,083	15,980,280
Accounts receivable-donations (Note 4)	81,190	27,359
Accounts receivable-other	634	511
Prepaid expenses	226,066	336,269
Loans to employees	243,519	328,117
Advanced payment	3,920	71,519
Total Current Assets	19,640,720	22,420,131
Non-current Assets		
Property and equipment, net (Note 5)	1,271,373	1,060,052
Other assets (Note 6)	4,246	4,246
Total Non-current Assets	1,275,619	1,064,298
Total Assets	20,916,339	23,484,429
Liabilities		
Current liabilities		
Deferred support (Note 7)	11,557,615	15,803,851
Accounts payable - other (Note 8)	783,787	1,999,819
Advance payments received	885,196	-
Accrued expenses	685,735	734,764
Total Current Liabilities	13,912,333	18,538,434
Non-current liabilities		
Building Deposit	131,355	-
Total Non-current Liabilities	131,355	-
Total Liabilities	14,043,688	18,538,434
Net Assets (Note 2)		
Capital invested in property and equipment	1,271,373	1,060,052
Capital fund	1,440,789	1,652,110
Operating fund	4,160,489	2,233,833
Total Net Assets	6,872,651	4,945,995
Total Liabilities and Net Assets	US\$ 20,916,339	US\$ 23,484,429

These financial statements have been approved for issue by the management on March 30, 2018

The above statements of financial position should be read in conjunction with the accompanying notes.

The International Vaccine Institute
Statements of Activities
Years Ended December 31, 2017 and 2016

(in U.S. Dollars)

	2017		2016	
Income:				
Revenue-grants (Notes 2 and 9)	US\$	27,484,670	US\$	25,949,423
Other income (Note 10)		311,973		112,108
		<u>27,796,643</u>		<u>26,061,531</u>
Expenditure :				
Salary & Benefits		10,302,631		10,343,516
Travel Expenses		1,401,566		1,650,648
Service Expenses		2,918,406		2,646,153
Sub - Awards		7,865,414		6,221,631
Supplies		1,740,751		2,364,488
Building Expenses		1,419,811		1,355,813
Depreciation Expenses(Note 5)		207,468		321,993
Other Costs (Note 11)		86,256		125,411
		<u>25,942,303</u>		<u>25,029,653</u>
Net Surplus before foreign exchange		<u>1,854,340</u>		<u>1,031,878</u>
Foreign exchange gain(loss) (Note 2)		72,316		179,765
Net Surplus	US\$	<u>1,926,656</u>	US\$	<u>1,211,643</u>

The above statements of activities should be read in conjunction with the accompanying notes.

The International Vaccine Institute
Statements of Changes in Net Assets
Years Ended December 31, 2017 and 2016

<i>(in U.S. Dollars)</i>	Capital Invested in Property and Equipment	Capital Fund	Operating Fund	Net Assets
Balance at January 1, 2016	US\$ 1,085,902	US\$ 1,626,260	US\$ 1,022,190	US\$ 3,734,352
Net surplus	-	-	1,211,643	1,211,643
Depreciation	(321,993)	321,993	-	-
Purchase of property and equipment	296,143	(296,143)	-	-
Balance at December 31, 2016	<u>US\$ 1,060,052</u>	<u>US\$ 1,652,110</u>	<u>US\$ 2,233,833</u>	<u>US\$ 4,945,995</u>
Net surplus	-	-	1,926,656	1,926,656
Depreciation	(207,468)	207,468	-	-
Purchase of property and equipment	418,789	(418,789)	-	-
Balance at December 31, 2017	<u>US\$ 1,271,373</u>	<u>US\$ 1,440,789</u>	<u>US\$ 4,160,489</u>	<u>US\$ 6,872,651</u>

The above statements of changes in net assets should be read in conjunction with the accompanying notes.

The International Vaccine Institute
Statements of Cash Flows
Years Ended December 31, 2017 and 2016

(in U.S. Dollars)

	2017		2016	
Cash flows from operating activities				
Net surplus	US\$	1,926,656	US\$	1,211,643
Adjustments to reconcile net surplus to net cash used in operating activities				
Depreciation		207,468		321,993
Decrease(increase) in accounts receivable-donations		(53,831)		316,220
Decrease(increase) in accounts receivable-other		(123)		201
Decrease(increase) in prepaid expenses		110,203		(26,474)
Decrease(increase) in loans to employees		84,598		(10,041)
Decrease(increase) in advanced payment		67,599		(12,159)
Decrease in deferred support		(4,246,236)		(7,275,741)
Increase(decrease) in accounts payable-other		(1,245,148)		836,826
Increase in advance receipt		885,196		-
Increase(decrease) in accrued expenses		(49,029)		54,421
Increase in building deposit		131,355		-
Net cash outflow from operating activities		<u>(2,181,292)</u>		<u>(4,583,111)</u>
Cash flows from investing activities				
Net change of investment in bank deposits		284,197		5,428,864
Purchase of property and equipment		<u>(389,673)</u>		<u>(296,143)</u>
Net cash inflow(outflow) used in investing activities		<u>(105,476)</u>		<u>5,132,721</u>
Cash flows from financing activities				
Net increase(decrease) in cash and cash equivalents		<u>(2,286,768)</u>		<u>549,610</u>
Cash and cash equivalents at the beginning of the year		5,676,076		5,126,466
Cash and cash equivalents at the end of the year	US\$	<u>3,389,308</u>	US\$	<u>5,676,076</u>

The above statements of cash flows should be read in conjunction with the accompanying notes.

The International Vaccine Institute

Notes to the Financial Statements

December 31, 2017 and 2016

1. Nature of Activities

The International Vaccine Institute (the "IVI") located in Seoul, Republic of Korea, is an independent international organization established at the initiative of the United Nations Development Programme (UNDP) under the Vienna Convention of 1969 through a treaty signed by Signatory Countries. Signatories and/or State Parties to the IVI Establishment Agreement include the World Health Organization (WHO) and 35 signatory countries. IVI's mission is to discover, develop, and deliver safe, effective and affordable vaccines for global public health.

IVI's registered office is located in Seoul National University Research Park, 1 Gwanak-ro, Gwanak-gu, Seoul, Korea. The number of employees as at December 31, 2017 is 126 (2016: 127).

The Korean National Assembly ratified IVI's Headquarters Agreement between the Republic of Korea and IVI on December 1, 1998.

2. Summary of Significant Accounting Policies

The significant accounting policies followed by IVI in the preparation of its financial statements are summarised below:

Basis of Financial Statement Presentation

IVI's financial statements are prepared in accordance with the Consultative Group on International Agricultural Research ("CGIAR") Accounting Policies and Reporting Practices adopted by IVI under the historical cost convention. IVI primarily generates and expends cash in U.S. Dollars which is its measurement currency. All amounts are presented in U.S. Dollars, unless indicated otherwise.

Revenue recognition

Unrestricted grants are recognized as receivables and revenue when the counterparty makes a firm commitment to contribute resources to the IVI, normally when a formal contract with a donor is signed. Restricted grants are recognized as income when the grant conditions are met. Before the grant conditions are met, grants received are recorded as deferred support within liabilities. Interest income is recognized on a time proportion basis taking account of the principal outstanding and the effective interest rate over the period to maturity.

Sub-awards expenditure

Sub-awards expenditures are recognized as incurred.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and on deposit and highly liquid, temporary cash investments with original maturities of three months or less. Cash and cash equivalents are stated at cost and accrued interest from the deposit is added to the principal.

The International Vaccine Institute

Notes to the Financial Statements

December 31, 2017 and 2016

Bank deposits

IVI holds deposits at several banks with high credit ratings. Bank deposits are stated at cost and accrued interest from the deposits is added to the principal.

Prepaid expense

Prepaid expense is the amount paid in advance, which will be recognized as an expense following the passage of time.

Loans to employees

Loans to employee are the amount, which is generally provided to internationally recruited staff for their housing rental deposit.

Advanced payment

Advanced payment is the amount paid for the official purpose of employees or consultants, which will be recognized as expense after receiving expense reports.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation. Routine maintenance and repairs are expensed as incurred. Subsequent expenditures on property and equipment are capitalized when the condition of the asset is improved beyond originally assessed standard of performance. Depreciation is computed using the straight-line method based on estimated useful lives ranging from 1 to 10 years.

Grant of assets or rights to use assets without charges

IVI is granted certain assets or rights to use certain assets for free without legal title passing to IVI. Such grants are disclosed in the notes to these financial statements.

Guarantee deposits

Guarantee deposits are lump sums paid based on a contract for the right to use assets. The deposits will be refunded after expiration of the contract or at the time of early termination of the contract by IVI. The deposits due on demand are carried at their nominal amount.

Foreign currency translation

Monetary foreign currency assets and liabilities have been translated into U.S. Dollar equivalents using the current exchange rates in effect on December 31, 2017 and 2016, respectively. Foreign currency transactions are translated into U.S. Dollar using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the translation and from settlement of such transactions are recognized in the income statement. IVI separately discloses the net effects of changes in foreign exchange rates as a single line item in the statement of activities.

The International Vaccine Institute

Notes to the Financial Statements

December 31, 2017 and 2016

Retirement benefits

IVI sponsors defined contribution plans for certain employees. IVI makes pension deposits, which amount to 15 percent of monthly salary. Retirement benefits are paid to employees from the pension deposits. IVI's contributions relating to defined contribution plans amount to US\$1,061,805 in 2017 (2016: US\$1,035,923).

Capital invested in property and equipment

Net book value of property and equipment is reflected in net assets as 'capital invested in property and equipment'. At purchase of property and equipment, an amount equal to the cost of the purchased item is transferred from 'capital fund' to 'capital invested in property and equipment'.

Capital fund

As property and equipment depreciate, 'capital invested in property and equipment' is transferred to 'capital fund' by the amount of depreciation. The capital fund is also appropriated by the transfers from 'operating fund' based on IVI's decision and it is the main source for future acquisition of property and equipment.

Operating fund

The operating fund represents the accumulated surplus of IVI's revenue over expenses, and is used to meet ongoing operating requirements.

Research and development activities

IVI's research and development are not-for-profit activities. Therefore, research and development expenditure does not meet the criteria for capitalisation and is expensed as incurred.

The International Vaccine Institute
Notes to the Financial Statements
December 31, 2017 and 2016

3. Cash and Cash Equivalents and Bank Deposits

Cash and cash equivalents and bank deposits as at December 31, 2017 and 2016 consist of the following:

<i>(In U.S Dollars)</i>	2017	2016
Cash and cash equivalents		
Demand deposits	US\$ 2,100,628	US\$ 1,469,724
MMDA	1,288,680	4,206,352
	<u>3,389,308</u>	<u>5,676,076</u>
Bank deposits		
Time deposits	15,672,009	15,961,665
Accrued interest	24,074	18,615
	<u>15,696,083</u>	<u>15,980,280</u>
	<u>US\$ 19,085,391</u>	<u>US\$ 21,656,356</u>

Weighted average interest rate for time deposits is 1.64% at December 31, 2017 (2016: 1.18%).

Fair value of cash and cash equivalents and bank deposits approximates their carrying value.

4. Accounts Receivable – Donations

Accounts receivable - donations as at December 31, 2017 and 2016 consist of the following:

<i>(In U.S Dollars)</i>	2017	2016
Korea Health Industry Development	US\$ 29,072	US\$ -
PATH Vaccine Solutions	21,399	-
Foundation Merieux	16,709	-
Ministry of Trade, Industry and Energy	10,954	-
Robert Koch Institute	-	25,776
Others	3,056	1,583
	<u>US\$ 81,190</u>	<u>US\$ 27,359</u>

The International Vaccine Institute
Notes to the Financial Statements
December 31, 2017 and 2016

5. Property and Equipment

Property and equipment as at December 31, 2017 and 2016 consist of the following:

	2017			
<i>(In U.S Dollars)</i>	At January 1	Additions	Disposals	At December 31
Acquisition cost:				
Furniture and office equipment	US\$ 1,215,050	US\$ 361,250	US\$ -	US\$ 1,576,300
Computer equipment	1,453,835	8,877	(5,345)	1,457,367
Vehicles	70,653	-	-	70,653
Laboratory equipment	4,104,658	-	-	4,104,658
Scientific equipment	991,921	5,298	-	997,219
Construction in progress	-	43,364	-	43,364
	<u>7,836,117</u>	<u>418,789</u>	<u>(5,345)</u>	<u>8,249,561</u>
Accumulated depreciation:				
Furniture and office equipment	556,991	116,420	-	673,411
Computer equipment	1,315,110	54,158	(5,345)	1,363,923
Vehicles	70,653	-	-	70,653
Laboratory equipment	4,104,658	-	-	4,104,658
Scientific equipment	728,653	36,890	-	765,543
	<u>6,776,065</u>	<u>207,468</u>	<u>(5,345)</u>	<u>6,978,188</u>
Net book value	<u>US\$ 1,060,052</u>	<u>US\$ 211,321</u>	<u>US\$ -</u>	<u>US\$ 1,271,373</u>
	2016			
<i>(In U.S Dollars)</i>	At January 1	Additions	Disposals	At December 31
Acquisition cost:				
Furniture and office equipment	US\$ 948,999	US\$ 266,051	US\$ -	US\$ 1,215,050
Computer equipment	1,425,524	30,154	(1,843)	1,453,835
Vehicles	70,653	-	-	70,653
Laboratory equipment	4,104,658	-	-	4,104,658
Scientific equipment	988,752	3,169	-	991,921
Construction in progress	3,231	(3,231)	-	-
	<u>7,541,817</u>	<u>296,143</u>	<u>(1,843)</u>	<u>7,836,117</u>
Accumulated depreciation:				
Furniture and office equipment	477,755	79,236	-	556,991
Computer equipment	1,117,691	199,262	(1,843)	1,315,110
Vehicles	70,653	-	-	70,653
Laboratory equipment	4,104,658	-	-	4,104,658
Scientific equipment	685,158	43,495	-	728,653
	<u>6,455,915</u>	<u>321,993</u>	<u>(1,843)</u>	<u>6,776,065</u>
Net book value	<u>US\$ 1,085,902</u>	<u>US\$ (25,850)</u>	<u>US\$ -</u>	<u>US\$ 1,060,052</u>

The International Vaccine Institute
Notes to the Financial Statements
December 31, 2017 and 2016

IVI's building and facilities were constructed by the Korean government and are used by IVI free of charge. The building is located in Seoul National University Research Park with a gross floor area of 16,982 square meters.

6. Other Assets

Other assets as at December 31, 2017 and 2016 consist of the following:

<i>(In U.S Dollars)</i>	2017		2016	
Guaranteed deposits	US\$	1,947	US\$	1,947
Telephone subscription rights		2,299		2,299
	<u>US\$</u>	<u>4,246</u>	<u>US\$</u>	<u>4,246</u>

7. Deferred Support

Movements in deferred support for the periods ended December 31, 2017 and 2016 are as follows:

<i>(In U.S. Dollars)</i>	2017		2016	
At January 1	US\$	15,803,851	US\$	23,079,592
Increase of donations:				
Vi-DT clinical development support for SK		4,623,750		2,117,200
Vaccine Development against MERS-CoV		2,485,315		3,339,769
MOCA (Cholera vaccination and in Africa)		1,512,941		-
Multi-country TSP		1,327,095		2,475,976
Capacity Building: Realignment and Transformation		1,220,265		26,904
Additional Technical Support to Incepta_Cholvax		799,068		-
Cholvax		638,907		-
MERS-CoV vaccine candidate and evaluation system		618,069		427,707
CSiMA (Cholera Surveillance in Malawi)		617,496		-
Vi-DT clinical development support for PT Biofarma		534,529		512,764
Science projects funded by KCDC		447,468		-
TuNDRA		353,332		246,554
Rapid testkit/ELISA for antigen/antibody detection		287,398		-
RIGHT Planning Grant		242,355		-
General support for Dengue vaccine		233,558		178,068
NIH dengue vaccine DB		225,634		-
Development of HAV/HBV combination vaccine		190,460		286,897

The International Vaccine Institute
Notes to the Financial Statements
December 31, 2017 and 2016

<i>(In U.S. Dollars)</i>	2017	2016
Next generation mucosal immune vaccine development	182,359	-
Shigella Vaccine Development	180,695	206,146
Vaccinology Course	180,692	204,017
US-Japan Cholera Conference	175,251	-
Neutralizing antibodies against hemorrhagic fever	163,456	-
Neutralization assay&ref.reagent for ZIKV vaccines	160,866	-
NRA Meeting support	151,264	-
Pneumococcal Conjugate Vaccine (PCV) case study	100,488	-
Single dose rotavirus vaccination in DR Congo	91,500	-
Development of Microneedle HB Vaccine Formulation	88,298	-
SETA Add-on: OXFORD iNTS immunological assessment	86,072	-
VAEIMS	67,364	15,040
Cholvax-GMP support	66,668	-
Influenza and Pneumo Project	52,213	33,993
Safety and Immunogenicity of Two Doses of OCV	50,436	21,772
JE Surveillance in Indonesia_WHO	48,895	-
Reference Lab for Clinical Evaluation of Vaccines	46,885	-
Shinil - IVI Global Vaccine Forums	44,574	85,137
New paradigm for OCV development	40,601	38,930
Celltrion PCV Conjugation and Assay Development	40,017	-
Evaluation of bacterial spore	35,243	36,632
Celltrion - Influenza Project	31,543	-
Evaluation of TCV process	30,108	60,135
Study of HEV infection using animal model system	27,358	17,833
Risk assessment of LMO for IBC activation	27,356	-
Vaccination Project in Mozambique	27,123	-
2018 IVI - THSTI Joint Symposium	18,446	-
JE Surveillance in Indonesia_Rotary 3640	18,125	36,790
HIV in Asia Pacific	18,115	-
SNU Boramae Hospital vaccination project	17,731	9,055
Euvichol	17,608	-
Immunodominant CTL epitope study	16,386	41,457
Dengue Meeting support	10,058	-

The International Vaccine Institute
Notes to the Financial Statements
December 31, 2017 and 2016

<i>(In U.S. Dollars)</i>	2017	2016
Typhoid Surveillance in Africa_EKFS	8,193	73,568
OCV Dosing Optimization	6,705	326,970
Dengue Vaccine Initiative (DVI II)	5,277	319,706
Typhoid Diagnostics for Measuring Disease Burden	1,519	426,342
Cholera demonstration project in Nepal	390	87,064
JE Surveillance in Indonesia	241	32,077
Evaluation of Hecolin	159	199,388
Effect of thimerosal in animal model	130	16,885
Ewha Univ.	-	134,593
Antibody as an Adjuvant(celltrion)	-	81,316
VIVA	-	(470,736)
Technical transfer of Vi-PspA conjugate vaccine	(56,874)	150,133
Bivalent Conjugate vaccine preclinical development	(167,955)	629,519
CHOVI	(1,320,727)	259,401
OTHER	(23,406)	(54,985)
	17,125,086	12,630,017

Expenditures of donations:

Vaccine Development against MERS-CoV	3,760,040	1,864,508
Vi-DT clinical development support for SK	3,344,992	1,040,755
Multi-country TSP	2,786,969	2,625,145
Capacity Building: Realignment and Transformation	2,061,226	2,040,963
OCV Dosing Optimization	1,222,629	2,177,890
Dengue Vaccine Initiative (DVI II)	889,828	2,466,825
MOCA (Cholera vaccination and in Africa)	798,629	-
Cholvax	626,013	-
General support for Dengue vaccine	558,142	175,272
CHOVI	469,680	3,211,405
MERS-CoV vaccine candidate and evaluation system	453,153	442,825
Science projects funded by KCDC	446,978	-
Vi-DT clinical development support for PT Biofarma	342,719	348,702
Rapid testkit/ELISA for antigen/antibody detection	287,398	-
TuNDRA	245,995	246,554
CSIMA (Cholera Surveillance in Malawi)	209,673	-
Development of HAV/HBV combination vaccine	209,505	140,419

The International Vaccine Institute
Notes to the Financial Statements
December 31, 2017 and 2016

<i>(In U.S. Dollars)</i>	2017	2016
Additional Technical Support to Incepta_Cholvax	185,533	-
Shigella Vaccine Development	185,447	201,297
Next generation mucosal immune vaccine development	182,359	-
Neutralization assay&ref.reagent for ZIKV vaccines	170,460	22,496
Typhoid Diagnostics for Measuring Disease Burden	169,032	258,829
Neutralizing antibodies against hemorrhagic fever	163,456	-
NRA Meeting support	138,948	45,291
Vaccinology Course	119,682	157,290
NIH dengue vaccine DB	106,341	-
Pneumococcal Conjugate Vaccine (PCV) case study	97,034	-
Development of Microneedle HB Vaccine Formulation	88,298	-
US-Japan Cholera Conference	87,999	-
Cholvax-GMP support	66,668	-
Influenza and Pneumo Project	62,124	29,580
Evaluation of TCV process	59,899	30,344
Shinil - IVI Global Vaccine Forums	55,319	45,903
Bivalent Conjugate vaccine preclinical development	54,340	640,549
Collaboration with SK for typhoid conjugate	52,380	86,797
Technical transfer of Vi-PspA conjugate vaccine	51,744	41,515
SETA Add-on: OXFORD iNTS immunological assessment	48,523	-
VAEIMS	44,493	6,653
New paradigm for OCV development	42,247	37,907
Cholera demonstration project in Nepal	37,215	24,077
Reference Lab for Clinical Evaluation of Vaccines	36,038	-
Evaluation of bacterial spore	32,744	26,257
Immunodominant CTL epitope study	31,613	48,378
Study of HEV infection using animal model system	27,735	17,447
Risk assessment of LMO for IBC activation	27,118	-
RIGHT Planning Grant	23,179	-
Laboratory Assay for phase III clinical study	19,543	47,313
SNU Boramae Hospital vaccination project	18,158	7,647
HIV in Asia Pacific	18,039	-
JE Surveillance in Indonesia_WHO	17,823	-

The International Vaccine Institute
Notes to the Financial Statements
December 31, 2017 and 2016

<i>(In U.S. Dollars)</i>	2017	2016
JE Surveillance in Indonesia_Rotary 3640	17,501	-
Effect of thimerosal in animal model	13,175	-
UK-Korea Partnering Awards	13,052	-
Construction of Vaccine Delivery System in Nepal	10,065	14,969
Typhoid Surveillance in Africa_EKFS	8,193	76,558
Preparation of Cholera Standard	5,247	10,581
Evaluation of Hecolin	2,395	184,148
Educational Grant for Dengue	1,951	14,207
OPV & Rotavirus Vaccine(UV)	1,450	123,207
HepE-Exim	1,447	14,221
Science Leadership (LGE)	-	15,067
IVI Capacity Building Support (BMGF)	-	366,112
Development of malaria conjugate vaccine	-	54,531
Ewha Univ.	-	146,163
TSAP CID Publication	-	103,374
Antibody as an Adjuvant(celltrion)	-	81,316
MOFA emergency fund for Malawi OCV Vaccination	-	21,547
Public Health Info. Campaign in Ethiopia	-	13,078
OTHER	61,746	109,846
	<u>21,371,322</u>	<u>19,905,758</u>
At December 31	<u>US\$ 11,557,615</u>	<u>US\$ 15,803,851</u>

8. Accounts Payable - Other

Accounts payable as at December 31, 2017 and 2016 consist of the following:

<i>(In U.S. Dollars)</i>	2017	2016
Accounts payable – vendors	US\$ 677,586	US\$ 1,918,395
Accounts payable – employee	86,715	64,245
Accounts payable – others	19,485	17,179
	<u>US\$ 783,786</u>	<u>US\$ 1,999,819</u>

The International Vaccine Institute
Notes to the Financial Statements
December 31, 2017 and 2016

9. Revenue - Grants

Grants for the periods ended December 31, 2017 and 2016 consist of the following:

<i>(In U.S. Dollars)</i>	2017	2016
Unrestricted revenue:		
Government of the Republic of Korea	US\$ 5,022,300	US\$ 4,813,476
Swedish International Development Cooperation Agency (SIDA)	793,596	780,368
Bill & Melinda Gates Foundation(BMGF)	-	473,506
Korean Support Committee for IVI	69,159	45,550
Government of the Republic of Korea– Laboratory Equipment Support	26,338	26,338
Donation from Fundraising	28,754	35,059
Others	92,013	1,155
	<u>6,032,160</u>	<u>6,175,452</u>
Restricted revenue:		
Vaccine Development against MERS-CoV	3,760,040	1,864,508
Vi-DT clinical development support for SK	3,344,992	1,040,755
Multi-country TSP	2,786,969	2,625,145
Capacity Building: Realignment and Transformation	2,061,226	2,040,963
OCV Dosing Optimization	1,222,629	2,177,890
Dengue Vaccine Initiative (DVI II)	889,828	2,466,825
MOCA (Cholera vaccination and in Africa)	798,629	-
Cholvax	626,013	-
General support for Dengue vaccine	558,142	175,272
CHOVI	469,680	3,211,405
MERS-CoV vaccine candidate and evaluation system	453,153	442,825
Science projects funded by KCDC	446,978	-
Vi-DT clinical development support for PT Biofarma	342,719	348,702
Rapid testkit/ELISA for antigen/antibody detection	287,398	-
TuNDRA	245,995	246,554
CSIMA (Cholera Surveillance in Malawi)	209,673	-
Development of HAV/HBV combination vaccine	209,505	140,419
Shigella Vaccine Development	206,846	201,297
Typhoid Diagnostics for Measuring Disease Burden	185,741	258,829

The International Vaccine Institute
Notes to the Financial Statements
December 31, 2017 and 2016

<i>(In U.S. Dollars)</i>	2017	2016
Additional Technical Support to Incepta_Cholvax	185,533	-
Next generation mucosal immune vaccine development	182,359	-
Neutralization assay&ref.reagent for ZIKV vaccines	170,460	22,496
Neutralizing antibodies against hemorrhagic fever	163,456	-
NRA Meeting support	138,948	45,291
Vaccinology Course	119,682	157,290
NIH dengue vaccine DB	106,341	-
Development of Microneedle HB Vaccine Formulation	99,252	-
Pneumococcal Conjugate Vaccine (PCV) case study	97,034	-
US-Japan Cholera Conference	87,999	-
Collaboration with SK for typhoid conjugate	81,452	86,797
Cholvax-GMP support	66,668	-
Influenza and Pneumo Project	62,124	29,580
Evaluation of TCV process	60,235	30,344
Shinil - IVI Global Vaccine Forums	55,319	45,903
Bivalent Conjugate vaccine preclinical development	54,339	640,549
Technical transfer of Vi-PspA conjugate vaccine	51,744	41,515
SETA Add-on: OXFORD iNTS immunological assessment	48,523	-
VAEIMS	44,493	6,653
New paradigm for OCV development	42,247	37,907
Cholera demonstration project in Nepal	37,216	24,077
Reference Lab for Clinical Evaluation of Vaccines	36,038	-
Evaluation of bacterial spore	32,744	26,257
Immunodominant CTL epitope study	31,613	48,378
Study of HEV infection using animal model system	27,735	17,447
Risk assessment of LMO for IBC activation	27,118	-
RIGHT Planning Grant	23,179	-
HIV in Asia Pacific	20,391	-
Laboratory Assay for phase III clinical study	19,543	47,313
JE Surveillance in Indonesia_WHO	17,823	-
JE Surveillance in Indonesia_Rotary 3640	17,501	-
Effect of thimerosal in animal model	13,175	-
UK-Korea Partnering Awards	13,052	-
Construction of Vaccine Delivery System in Nepal	10,065	14,969
Typhoid Surveillance in Africa_EKFS	8,193	76,564

The International Vaccine Institute
Notes to the Financial Statements
December 31, 2017 and 2016

<i>(In U.S. Dollars)</i>	2017	2016
Preparation of Cholera Standard	5,247	10,581
Evaluation of Hecolin	2,395	184,148
Educational Grant for Dengue	1,951	14,207
OPV & Rotavirus Vaccine(UV)	1,450	123,207
HepE-Exim	1,447	14,221
IVI Capacity Building Support (BMGF)	-	366,112
Ewha Univ.	-	145,804
TSAP CID Publication	-	103,374
Antibody as an Adjuvant(celltrion)	-	81,316
OTHER	80,270	90,282
	<u>21,452,510</u>	<u>19,773,971</u>
Total Revenue	US\$ 27,484,670	US\$ 25,949,423

10. Other Income

Other income for the periods ended December 31, 2017 and 2016 consists of the following:

<i>(In U.S. Dollars)</i>	2017	2016
Rent revenue	US\$ 196,244	US\$ -
Interest income	76,238	49,021
Miscellaneous	39,491	63,087
	<u>US\$ 311,973</u>	<u>US\$ 112,108</u>

11. Other Costs

Other expenses for the periods ended December 31, 2017 and 2016 consists of the following:

<i>(In U.S. Dollars)</i>	2017	2016
Internal meeting	US\$ 66,274	US\$ 71,156
Public relations	3,802	23,804
Fundraising expenses	126	4,629
Membership dues	6,032	8,699
Bank charges	5,556	4,159
Gift/Appreciation	3,412	2,696
Other costs	1,054	10,268
	<u>US\$ 86,256</u>	<u>US\$ 125,411</u>