

June 2018



friends of the earth international

FINANCIAL STATEMENTS 2017

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report of the executive committee

In 2017, Friends of the Earth took significant steps forward to advance our long term strategic objectives. FoEI is following a five-year workplan, which runs through 2020, and outlines key objectives for movement building, reduction in corporate power, and internal capacity building. The workplan is helping to show the cohesion and strategic direction for our work. In this year we made significant progress on our objectives. In particular, our objective of driving forward the UN Binding Treaty on TNCs and Human Rights has gone from being an idea in the minds of civil society and a few states to a real international treaty now under negotiation, with a record number of states now participating in the treaty process.

Our work to fight climate change also moved forward, with a significant global mobilization in the run up to the UNFCCC COP-23 in Bonn, Germany. FoEI worked with national groups across the federation to organize two coordinated days of action to draw attention to the negative impacts of dirty energy, and to call for climate justice as a response to the climate crisis, as part of transitioning to a new environmentally and socially just energy system. From around the world, 26 national FoEI member groups held physical actions and 4 others did online actions, which helped draw attention to international, national and local struggles.

report of the executive committee *continued*

Internally, we worked throughout 2017 on a new strategic framework for the federation's communications work. A working group representing all of the structures of our federation has developed guidance that identifies FoEI's priority audiences and communications priorities. Similarly, in 2017 we moved forward with a new strategy on gender justice and dismantling patriarchy. This strategy will help improve our ways of working internally and give direction to our efforts to fight oppression in all its forms.

FoEI's income in 2017 increased by € 77,000 compared to 2016, or 2.8 %. The biggest increase took place in membership fees income, which grew from € 500,000 to € 549,000. This trend of growing income from membership fees has been stable for over a decade; we do however not expect it to continue in 2018 and budgeted conservatively with € 520,000. Years of surpluses following from a higher amount of fees than budgeted have helped us build a healthy level of reserves, which is being used to further invest in FoEI's growth through fundraising investment. In 2018 FoEI will add a US-based fundraiser to its fundraising team. Obviously a sound basis of reserves will be kept to see us through financially difficult periods if these would occur.

The increase of staff in FoEI in 2016 helped us deal with a growing workload but did not immediately offer relief. Recruitment, induction and re-organizing processes created a lot of extra work which took its toll in the shape of a high sick leave percentage in 2017. In addition a few staff members suffered the consequences of accidents. Working with reduced staff capacity explains a relatively high amount of donor grant balances by the end of 2017: € 652,000. In the first months of 2018 we are seeing an improvement, with most staff returning to work and vacancies being filled.

In 2018, our federation will come together for our Biennial General Meeting in Nigeria. At this meeting we will look at the progress we've made on meeting the objectives of our current five-year workplan. We will be introducing our new communications strategy to our federation and beginning to implement some of the changes outlined in this ambitious new plan. In addition, in 2018 we are undertaking a process to develop a new fundraising strategic plan, which we hope will expand our base of donors and diversify our sources of funding. These new plans represent an effort to ensure that Friends of the Earth International is strong for years to come. With these new plans to guide us, we hope to strengthen and improve our work – and the work of our member groups – and to increase our visibility throughout the world.

Amsterdam, June 2018



Karin Nansen
(chair, REDES, Uruguay)



Kwami Dodzi Kpondzo
(treasurer, Amis de la Terre, Togo)

Luka Tomac (Zelena Akcija, Croatia)
Hemantha Withanage (CEJ, Sri Lanka)
Silvia Yada (CESTA, El Salvador)
Nora Bowier (SDI, Liberia)
Godwin Ojo (ERA, Nigeria)
Elaine Gilligan (FoE EWNl, UK)
Choony Kim (KFEM, South-Korea)

balance sheet 31 december 2017

(amounts in euro)

	2017	2016
fixed assets		
tangible fixed assets (1)	24,438	18,621
current assets		
liquid assets (2)	1,636,583	1,613,368
subsidies to receive (3)	43,343	136,386
project funds advanced to foe groups (4)	105,217	174,454
accounts receivable (4)	104,227	178,338
	1,889,370	2,102,546
total assets	1,913,808	2,121,167
current liabilities		
accounts payable (4)	367,301	473,149
subsidies received in advance (5)	30,000	503,094
donor grants balances (6)	652,308	334,357
	1,049,609	1,310,600
unexpended funds (7)		
accumulated surplus	673,742	614,227
fund for increased capacity is	64,117	70,000
fundraising investment fund	75,000	75,000
fund for membership development	10,000	10,000
fund for nepal earthquake relief	9,985	9,985
hrd emergency fund	31,355	31,355
	864,199	810,567
total liabilities	1,913,808	2,121,167

statement of revenues and expenditures 2017

(amounts in euro)

income	income	result 2017	budget 2017	result 2016
<i>core income</i>	membership fees (1)	549,288	420,000	499,814
	donations	7,761	10,000	7,281
	interest & miscellaneous (2)	1,180	5,000	15,281
	from reserves - general budget support	-	70,000	-
	from reserves - fundraising	-	40,000	-
	from reserves - membership evaluations	-	5,000	-
		558,228	550,000	522,376
<i>donor income</i>	donor income (3)	2,322,509	2,547,017	2,281,419
total income		2,880,737	3,097,017	2,803,795
expenditures				
<i>meetings (4)</i>	foei meetings	14,317	5,910	138,469
<i>programs (5)</i>	international program coordination	376,956	380,300	304,197
	program activities	249,154	250,000	282,030
<i>membership development & activities</i>	support to member group projects (5)	450,314	508,077	396,934
	human rights defenders solidarity/support (6)	108,528	216,701	41,100
	capacity building/youth exchanges (7)	185,727	117,410	93,175
<i>regional activities (8)</i>	regional meetings & regional facilitation	110,924	95,040	67,619
	member group evaluations	7,431	5,000	5,419
<i>communications (9)</i>	communication materials & tools	12,565	49,500	24,964
	audio visual media, web, radio	116,055	113,760	108,203
	translations network	14,921	16,375	12,525
<i>governance (10)</i>	chair & executive committee	74,052	44,000	62,499
	strategic planning	30,936		
<i>fundraising (11)</i>	fundraising investments	19,999	77,871	7,023
<i>staff (12)</i>	international coordinator & fundraisers	147,910	167,800	129,452
	programs team	160,412	227,500	179,238
	membership development staff	196,737	218,300	191,656
	communications staff	148,781	216,491	183,263
	support staff	199,420	201,800	197,297
	staff costs - non-salaries (13)	35,405	21,582	29,157
<i>operational costs</i>	rent, maintenance, inventory	51,020	62,000	50,383
	computer systems maintenance	29,772	15,000	9,979
	communications infrastructure	14,856	22,000	13,073
	supplies	5,871	5,500	6,579
	auditor & administrative costs (14)	36,881	27,100	32,911
	miscellaneous (15)	26,790	7,000	13,109
<i>passed on to others</i>	passed on to others	1,373	25,000	93,853
total expenditures		2,827,106	3,097,017	2,668,690
<i>surplus/deficit</i>		53,632		135,105
allocation surplus				
<i>general reserves</i>		59,515		128,605
<i>human rights defenders solidarity fund</i>				-1,500
<i>reserve for international secretariat</i>		-5,883		8,000
		53,632		135,105

accounting policies

general

The financial report has been made in accordance with the Guidelines for annual reporting C1 “Small not-for-profit organisations” of the Dutch Accounting Standards Board.

All assets and liabilities are stated at their face value, unless otherwise mentioned. Foreign currency amounts are valued against the exchange rate of the last day of each quarter, using XE Currency Converter or with the EU currency exchange converter when EU requirements are applicable. Exchange rate differences have been included in the result.

tangible fixed assets

Tangible fixed assets are valued at purchase price minus depreciation. Depreciation is based on the expected duration of life. The tangible assets are divided in inventory, network infrastructure and computers (hardware & software over Euro 500). Depreciation of computers and network infrastructure is 30% for the first 3 years and 10% for the fourth year. Depreciation of inventory is spread over five years, for second-hand furniture an estimate of its remaining life is made.

liquid assets

All cash and bank balances listed under liquid assets are discretionary. The funds in the ASN savings accounts generated an average interest of 0.1 % in 2017.

accounts receivable and accounts payable

If there is an account receivable and an account payable with the same Friends of the Earth member group, the outstanding amounts will be balanced. An overview of the balances of the largest debts and liabilities can be found in note to the balance 4b.

result

The result is the difference between core income on the one hand and core expenses at historical cost on the other hand, taking into account the above valuation principles.

notes to the balance sheet

(amounts in euro)

1. tangible fixed assets	inventory	computers	network infrastructure	total
purchase value december 31, 2016	11,374	48,588	14,182	74,144
depreciation december 31, 2016	-8,222	-33,261	-14,040	-55,523
book value december 31, 2016	3,153	15,327	142	18,621

investments 2017		12,925	2,299	15,224
disposed 2017		-13,850	-6,426	-20,276
disposed depreciation 2017		13,850	6,426	20,276
depreciation 2017	-917	-7,815	-676	-9,408
book value december 31, 2017	2,235	20,437	1,765	24,438

2. liquid assets	2017	2016
cash	345	546
euro (triodos current)	72,726	18,533
euro (triodos savings-dgis-gla)	265,623	340,000
euro (ing current)	87,747	37,156
euro (abn-amro, current)	235,395	19,185
euro (asn savings-general)	585,565	363,099
euro (asn savings-dgis-fgg)	355,430	435,000
euro (asn savings-891-95)	30,875	396,450
paypal account	2,877	3,400
total	1 636 583	1,613,368

3. subsidies to receive	2017	2016
bread for the world-2017-2020	8,433	-
bread for the world-2015-2017	29,061	39,680
european union - school of sustainability	3,046	993
eu grant foe croatia - ngos development	2,803	2,803
european union - financing sustainable futures	-	92,910
total	43,343	136,386

4a. financial assets & liabilities by kind	2017	2016
accounts receivable		
debtors	53,790	101,428
doubtful debtors	-4,617	-8,010
deposits	8,445	8,445
pension fund current account	-	5,380
transit assets	46,608	71,095
total	104,227	178,338

accounts payable		
creditors	225,173	383,717
provision holiday payments	47,800	31,617
transit liabilities	29,377	35,382
foe us membership fees 2018 paid in advance	41,400	-
tax service - wage tax + premiums	23,551	22,433
total	367,301	473,149

notes to the balance sheet *continued*

4b. accounts receivable & payable per debtor/creditor	debtors	creditors	transit assets	project funds advanced	transit liabilities	balance
<i>foe groups (amounts over € 5,000):</i>						
foe austria	19,416	-	-	-	-	19,416
foe bangladesh	-	-5,199	-	-	-	5,199
foe colombia	-	33,795	-	48,627	-	14,832
foe costa rica	-	10,793	1,000	-	-	-9,793
foe croatia	-	873	1,244	-	-	371
foe england, wales & northern ireland	-	14,585	-	-	-	-14,585
foe flanders	-	5,429	-	-	-	-5,429
foe mexico	-	-5,453	-	-	-	5,453
foe mozambique	420	9,702	-	16,912	-	7,630
foe netherlands	19,552	2,806	144	-	-	16,890
foe palestine	-	11,190	-	-	-	-11,190
foe papua new-guinea	-	14,989	-	17,950	-	2,961
foe south africa	1,093	5,958	-	-	-	-4,864
foe togo	-	13,231	1,398	6,944	-	-4,889
foe uruguay	-	24,822	-	13,065	-	-11,757
foe us	-	-	-	-	41,400	-41,400
<i>others</i>	13,309	87,651	42,822	1,719	29,377	-59,178
total	53,790	225,173	46,608	105,217	70,777	-90,335

5. subsidies received in advance	2017	2016
foe switzerland - grant advance 2018	-	30,000
bread for all - advance 2018	30,000	30,000
european union - grant apac-hrd	-	443,094
total	30,000	503,094

6. donor grants balances	2017	2016
european union - erasmus +	46,539	110,778
dgis-green livelihoods alliance	96,470	88,364
dgis-fair, green & global alliance	245,522	109,253
isvara foundation	39,555	25,962
foe switzerland-palm oil project	8,735	-
european union - grant apac-hrd	142,664	-
iucn-nl-netherlands postcode lottery	72,823	-
total	652,308	334,357

7. unexpended funds	end 2016	result 2017	allocations	end 2017
accumulated surplus	614,227	53,632	5,883	673,742
fund for nepal	9,985	-	-	9,985
fund for membership development	10,000	-	-	10,000
fundraising investment fund	75,000	-	-	75,000
reserve for international secretariat	70,000	-	-5,883	64,117
hrd emergency fund	31,355	-	-	31,355
total	810,567	53,632	0	864,199

appropriation of result

By decision of the Executive Committee the full result of Euro 53,632 will be added to the reserves. From the allocated reserves 21,000 Euros has been withdrawn from the HRD Emergency Fund. An amount of 19,999 Euros has been withdrawn from the Fundraising Investment fund and 7,431 Euros from the fund for Membership Development. The reserve allocated for Fundraising Investment and for Membership Development will be supplemented with the amount of expenses made in 2017 so that they remain at the level of 31 December 2016. From the reserve for the International Secretariat an amount of € 5,883 has been withdrawn. The result of supplemented and withdrawn allocations, an amount of 59,515 Euros, will be added to the general reserves.

notes to the statement of revenues and expenditures

(amounts in euro)

1. membership fees

Membership fees are calculated at 1.15 % of member groups' unrestricted income plus 0,13 % of their restricted income of two years ago. The fees for 2017 were thus based on groups' income from 2015 and amounted to € 549,288. The total amount received was almost € 50,000 higher than the fees of 2016 and € 130,000 higher than budgetted.

2. interest & miscellaneous	2017	2016
interest	1,180	4,808
miscellaneous	-	10,474
total	1,180	15,281

Interest rates on our savings account are at an historic low. Some accounts pay 0 %, some a tiny amount of 0,5 % or less.

3. donor income (institutional funders)

The donor income amount is based on the part of the grants that was spent in the respective year.

	2017	2016
milieudefensie/dgis: fair, green & global alliance	907,311	934,328
milieudefensie/dgis: green livelihoods alliance	309,351	307,978
european union: hr defenders asia-pacific region	300,431	-
isvara foundation	257,317	248,519
swedish society for nature conservation	155,249	193,494
bread for the world 2015-2017	117,382	153,635
bread for the world 2017-2020	8,433	-
european union: school of sustainability	71,623	63,931
european union: erasmus +	64,239	9,213
iucn-nl / netherlands postcode lottery	59,177	-
bread for all palm oil project	30,000	-
foe switzerland contribution palm oil project	21,265	-
foe netherlands contribution forest meeting	11,732	-
foe us contribution solidarity fund	6,000	-
foe netherlands contribution just transition event	3,000	-
european union: financing sustainable futures	-	353,060
v kann rasmussen foundation	-	15,222
un food & agriculture foundation	-	2,039
total	2,322,509	2,281,419

4. foei meetings

	2017	2016
biennial general meeting indonesia	-	122,581
translations general meeting	-	8,456
membership development team meeting	14,317	7,432
total	14,317	138,469

notes to the statement of revenues and expenditures *continued*

5. program activities per program

programs:

climate justice & energy program (cje)
 economic justice & resisting neoliberalism (ejrn)
 food sovereignty program (fs)
 forest and biodiversity program (fb)

hrd-apac:

human rights defenders project in Asia-Pacific region

	total	cje	ejrn	fs	fb	hrd	cross program
international programs:							
program coordination	376,956	89,980	80,768	97,189	106,328	-	2,691
program / project meetings	55,453	-	-	-	31,389	-	24,063
international representation	84,837	23,431	33,213	16,309	11,884	-	-
exchanges / capacity building	25,002	-	-	13,874	11,129	-	-
communications materials & translations	83,862	25,790	32,896	15,101	10,034	-	41
<i>program activities subtotal</i>	249,154	49,220	66,110	45,283	64,436	-	24,104
international programs total	626,110	139,200	146,878	142,473	170,764	-	26,795
national projects total	450,314	41,027	225,430	28,700	41,770	113,388	

6. human rights defenders work

Our funding for Human Rights defenders work increased a lot in 2017 thanks to a grant from the European Union specifically for FoE's Asia and Pacific (Apac) region. The grant provided funding for a range of HR activities: solidarity support, trainings in the region, support for our HR Treaty work in Geneva and the development of a curriculum for HR trainings across the federation. This section specifies activities that were not exclusively for the Apac region, but for all regions and supported with funding from DGIS and the EU-School of Sustainability grant.

hrd support	2017	2016
solidarity fund	37,500	18,405
human rights delegations	17,899	13,349
human rights defenders trainings	40,431	8,385
human rights defenders materials	1,866	961
curriculum development	10,833	-
total	108,528	41,100

solidarity fund	2017	2016
foe honduras	12,500	5,563
foe mexico	11,000	5,000
foe sierra leone	4,000	1,500
community partner foe cameroon	5,000	-
community partner foe philippines	5,000	-
foe el salvador	-	3,742
foe nigeria	-	2,600
total	37,500	18,405

7. capacity building / youth exchanges	2017	2016
gender justice work	19,937	-
capacity building cross-regional	27,746	34,913
capacity building asia-pacific region	8,810	20,341
capacity building latin-american & caribbean region	44,114	11,501
capacity building african region	23,264	10,051
youth trainings and exchanges	61,856	10,950
total	185,727	87,756

member group evaluations	7,431	5,419
(moved to regional activities in 2017)	193,158	93,175

notes to the statement of revenues and expenditures *continued*

8. regional activities	2017	2016
regional meeting asia-pacific region	22,183	14,200
regional meeting latin american & caribbean region	18,682	11,532
regional meeting african region	20,719	22,566
total	61,584	48,298

regional facilitation asia-pacific region	22,079	8,003
regional facilitation latin american & caribbean region	16,383	6,935
regional facilitation african region	10,879	4,382
total	49,341	19,320
total regional activities	110,924	67,619

9. communications	2017	2016
communications materials		
communications general	11,548	12,856
annual report	1,016	12,108
total	12,565	24,964

audio visual media, web, radio, testimonies		
website	2,181	45
spanish/french website	4,994	2,158
real world radio	108,880	106,000
total	116,055	108,203

10. governance

In 2017 there were two Executive Committee meetings, both held in Amsterdam. The meetings took place in March and October. In March the meeting was combined with the meeting of the International Program Coordinators and the Membership Development Team. Members of the Executive Committee are not paid for their work. The member group delegating the FoEI Chairperson has been compensated for the loss of time due to her/his activities for FoEI. The cost per ExCom meeting has increased due to interpretation needs for French and Spanish.

chair & executive committee	2017	2016
chair costs	10,000	10,045
chair travel costs	13,045	1,137
excom meeting costs	51,007	51,317
total	74,052	62,499

strategic planning

facilitation communications strategy development	27,888
5-year plan document design	3,048
total	30,936

11. fundraising

The amount reserved for fundraising investments has been used for further assignments by a US consultancy company to explore opportunities for FoEI and for the Latin-American region. A memorandum of understanding has been agreed between FoE US and FoEI for the joint hiring of a US-based fundraiser. The recruitment process for this new staff member is well underway and we hope to hire the new fundraiser in 2018.

notes to the statement of revenues and expenditures *continued*

12. staff salaries

FoEI had a number of vacancies in 2017 that took a long time to fill (international programs officer, communications staff). This explains the reduction in the number of ftu's. The percentage of sick leave increased considerably in 2017, from a negligible percentage in previous years and 4.4 % in 2016, it reached 11.3 % in 2017. There were 6 long-term sick leave cases in total. Two of those cases extended over a period of more than 1 year, but these staff are currently re-integrating and working part time. 2 staff fully re-integrated in the course of 2017 and 2 other staff have partly re-integrated.

<i>sick leave percentage</i>		11.3%	4.4%
		2017	2016
<i>international coordinator & fundraiser</i>	international coordinator	1.0	1.0
	international fundraising coordinator	1.0	1.0
	fundraising officer	0.6	-
<i>membership development team</i>	international membership development coordinator	1.0	1.0
	international membership development officers (2)	1.8	2.4
	hrd-apac project coordinator	0.7	0.7
<i>programs team</i>	international programs facilitator	1.0	1.0
	international program officers (1)	0.8	1.6
<i>communications team</i>	communications coordinator	0.9	1.0
	media coordinator	0.8	0.8
	digital storyteller	0.0	0.8
	technical coordinator	0.8	0.8
<i>support staff</i>	operations manager	0.8	0.8
	finance officer	0.8	0.8
	office coordinator	0.7	0.7
	events coordinator	0.8	0.7
	bookkeeper	0.4	0.4
		<i>ftu</i> 13.9	<i>ftu</i> 15.5

specification salary costs	2017	2016
gross salaries	642,064	652,851
social security costs	143,224	132,710
pension costs	56,383	51,956
costs terms & conditions	7,889	6,620
other staff costs	8,490	6,966
	858,050	851,102
free-lancers	-	8,349
provision 2017 salary finalizing 2016 fsf project	-10,994	10,994
included in systems maintenance	-1,272	-
provision holiday rights	-	2,794
costs staff recruited from abroad	7,475	10,234
total	853,260	883,473

13. staff costs non-salaries	2017	2016
staff travel (not home-work)	17,272	21,858
volunteer costs	359	195
training & education	10,019	2,118
recruitment costs	7,755	4,986
total	35 405	29,157

notes to the statement of revenues and expenditures *continued*

14. auditor & administrative costs	2017	2016
auditing costs	29,678	28,489
administrative costs	5,503	5,613
currency differences	1,699	-1,191
total	36,881	32,911

15. miscellaneous	2017	2016
membership fees partos, asoc, oneworld	4,582	4,781
reconciliation bad debts	-2,120	-4,449
consultancies	18,865	10,573
miscellaneous	5,463	2,204
total	26,790	13,109

<i>reconciliation bad debts</i>		
dubious debts written off	1 274	4,237
balance provision bad debts end 2017	4 617	-
balance provision bad debts end 2016	-8 010	8,010
balance provision bad debts end 2015	-	-16,696
total	-2 120	-4,449

auditor's report

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INDEPENDENT AUDITOR'S REPORT

To: the Board of Vereniging Friends of the Earth International in Amsterdam, the Netherlands.

A. Report on the audit of the financial statements 2017 included in the annual report

Our opinion

We have audited the financial statements 2017 of Friends of the Earth International based in Amsterdam, the Netherlands.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Friends of the Earth International as at 31 December 2017 and of its result for 2017 in accordance with the Guidelines for annual reporting C1 Small not-for-profit organisations of the Dutch Accounting Standards Board.

Dubois & Co. Registeraccountants is een maatschap van praktijkvennootschappen. Op alle opdrachten die aan ons kantoor worden verstrekt zijn onze algemene voorwaarden van toepassing. Deze voorwaarden, waarvan de tekst is opgenomen op de website www.dubois.nl, bevatten een aansprakelijkheidsbeperking.

The financial statements comprise:

1. the balance sheet as at 31 December 2017;
2. the statement of revenues and expenditures for 2017; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Friends of the Earth International in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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auditor's report *continued*

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B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of the Board's report.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements. Management is responsible for the preparation of the other information, including the Board's report, in accordance with the Guidelines for annual reporting C1 Small not-for-profit organisations of the Dutch Accounting Standards Board.

C. Description of responsibilities regarding the financial statements

Responsibilities of the Board for the financial statements

The Board is responsible for the preparation and fair presentation of the financial statements, in accordance with the Guidelines for reporting C1 Small not-for-profit organisations of the Dutch Accounting Standards Board. Furthermore, the Board is responsible for such internal control as the Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Board is responsible for assessing the association's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board should prepare the financial statements using the going concern basis of accounting unless management either intends to dissolve the association or to cease operations, or has no realistic alternative but to do so.

The Board should disclose events and circumstances that may cast significant doubt on the association's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements.

Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit 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 association's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive committee;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause an association to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amsterdam, 5 June 2018

Dubois & Co. Registeraccountants

Signed on original by:
J.J.H.G. Stengs RA and M. Belkadi RA

budget 2018

(amounts in euro)

expenses		2017	2018
<i>meetings</i>	biennial general meeting		100,000
	membership development team meeting	5,910	9,000
<i>international programs</i>	program coordination	380,300	418,783
	program activities	250,000	308,200
<i>membership support</i>	member group projects	508,077	388,631
	cross regional capacity building	117,410	125,106
	human rights defenders work	125,641	85,250
<i>regional activities</i>	regional coordination & capacity building	186,100	245,090
	member group evaluations	5,000	10,000
<i>communications</i>	communication materials & tools	49,500	51,500
	web & radio	113,760	120,446
<i>chair & excom</i>	chair & executive committee travel	44,000	68,599
	translations	16,375	15,100
<i>fundraising</i>	fundraising investments	77,871	10,000
<i>secretariat staff</i>	international coordination & fundraising	167,800	220,898
	programs team	181,420	171,609
	membership development team	264,380	267,462
	communications team	216,491	209,393
	support team	201,800	225,457
	staff costs - non-salaries	21,582	43,505
<i>operational costs</i>	rent, maintenance, inventory	62,000	59,700
	computer systems maintenance	15,000	16,500
	communications infrastructure	22,000	15,500
	supplies	5,500	6,750
	auditor & administrative costs	27,100	31,500
	miscellaneous	7,000	7,000
<i>passed on to others</i>	passed on to others	25,000	100,000
total expenses		3,097,017	3,330,980
income			
<i>grants</i>	millieudéfensie - dgis: fair, green & global	1,040,000	1,131,235
	millieudéfensie - dgis: green livelihoods alliance	306,895	376,445
	swedish society for nature conservation (ssnc)	150,000	161,432
	bread for the world	97,000	138,033
	isvara foundation	100,000	205,450
	europa union - erasmus+	68,605	44,106
	netherlands postcode lottery	100,000	101,786
	europa union - financing sustainable futures	10,500	-
	europa union - school of sustainability for europa	61,880	27,931
	europa union - human rights defenders APac region	501,237	376,231
	bread for all / pro natura	85,900	96,452
	contributions human rights defenders	25,000	-
<i>core income</i>	surplus previous year	30,000	23,750
	from allocated reserves - fundraising	40,000	60,000
	from allocated reserves - membership evaluations	5,000	10,000
	from general reserves	40,000	48,129
	membership fees	420,000	520,000
	interest	5,000	3,000
	donations	10,000	7,000
total income		3,097,017	3,330,980
balance		0	0

international secretariat

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action highlighting impact of CO₂ emissions and climate change on affected peoples. UN climate negotiations COP 23, Bonn, 7 November 2017



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the Earth
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