

april 2019



friends of the earth international

FINANCIAL STATEMENTS 2018

contents | report of the executive committee

report of the executive committee	2
financial statements 2018	4
balance sheet december 31, 2018	4
statement of revenues and expenditures 2018	5
accounting policies	6
notes to the balance sheet	7
notes to the statement of revenue and expenses	9
auditor's report	13
budget 2019	15

report of the executive committee

In 2018, Friends of the Earth continued to make significant progress in advancing our long term objectives. Our work to stop fossil fuels and hold companies accountable for their crimes and violations of peoples' rights continued as FoEI supported FoE Netherlands to launch a ground-breaking international legal challenge against Shell because of its role in causing climate change. The effort included coordinated diverse actions in support of the Stop Shell campaign, resulting in global media coverage (over 100 media hits in six languages). More than 30,000 people from 70 countries signed up to join the case as honorary co-claimants and our communication messages/materials reached over 1.3 million people on social media. As a result, FoEI strengthened its ability to push for national binding rules for business and for climate justice. We also strengthened our vision for energy solutions in 2018 with the launch of our 'People Power Now: Energy Manifesto'.

During 2018 we continued our work opposing secret and destructive trade deals. We strengthened the 'Stop RCEP' coalition and helped to delay approval of the Regional Comprehensive Economic Partnership (RCEP), including by convincing an increasing number of politicians to express their concern about secrecy in trade deals. We published a report, 'RCEP: A Secret Deal' together with TNI, PSI and IGG and Focus on

the Global South and developed associated communication materials, including a short video clearly articulating the main points from the report (viewed by 30,000 people), an opinion piece and five infographics. This was covered in major media outlets around the world.

Our work on promoting agroecology continued to advance, contributing to further strengthening the food sovereignty movement. As a result of our work with allies, there is increasing support from decision makers at different levels, as well as greater capacity in the movement to expose the false narratives of agribusiness and its attempts to capture agroecology. These efforts were supported with the publication of two issues of the FoEI's series 'Who Benefits?'. The first report, 'Fight hunger and cool the climate with agroecology', was targeted at the general public, to provide accessible information about this debate and increase the awareness about real solutions. The second report, 'Agroecology: innovating for sustainable food systems and agriculture', was a more detailed intervention specifically on the issue of innovation in family farming. This report has helped substantiate our arguments that agroecology is the real innovative model to be supported and that small-scale food producers, especially peasants and family farmers, are the main innovators in agriculture.

report of the executive committee *continued*

In the Convention on Biological Diversity COP 14 (held in Sharm El Sheik, in Egypt, 16-29 November), we provided analysis and strengthened alliances. We now have a key role in the the CBD Alliance, which allows our positions to be supported by more organisations and to have a greater degree of adoption by countries party to the CBD. We organized four actions, including on environmental defenders and on denouncing the role of corporations. We also set up a coordination team on the long term biodiversity policies.

Internally, we worked throughout 2018 to take forward substantial areas of work outlined in our current five year plan. In March, we evaluated our efforts to achieve our objectives and concluded that we are making good progress. In November, our federation came together at our biennial general meeting, where we agreed a new framework and plan for our communications work. We also agreed the framework for our work on protecting human rights defenders. And finally, we agreed a workplan for our federation-wide Gender Justice/Dismantling Patriarchy work. All three of these areas of work were identified as major priorities in our five year plan.

With 3,4 million Euros FoEI's turnover in 2018 was higher than ever before and also slightly higher than foreseen. Compared to 2017 the increase was 18 %. The explanation for this is that we succeeded in carrying out activities not yet implemented in 2017 and thus using up last year's rollover. Next to that we received additional funding from some of our donors, for example extra support from SSNC for human rights defenders work in Latin America and support from FoE Netherlands for a meeting on agro-commodities. Income from membership fees did not increase compared to 2017, but was nevertheless more than expected. Donations from the general public doubled.

On the expense side of the statement of revenues and expenditures the increase can mainly be seen in the costs of our Biennial General Meeting and support to member group projects. The 2018 result is a negative amount, which was a planned deficit. In its budget for 2018 FoEI had reserved substantial amounts from its reserves to be invested in an increased fundraising capacity, including a US-based fundraiser who started in July 2018.

Last year FoEI's staff in Amsterdam suffered from various capacity gaps due to sick leave and vacancies. This situation improved drastically in 2018. Staff members returned from their sick leave, some staff left, and new staff was recruited. In 2018 we added to our team two new fundraisers, two new support staff and a new program officer. The communications team was extended with a new staff member for Real World Radio and will in 2019 be completed with a 4th team member.

In 2019, our federation will focus its attention on developing a new fundraising strategic plan. In 2018 we agreed a process; in 2019 we will conduct the consultations and research needed to take this plan forward. In addition, we will begin the process of working to develop our next five year workplan. This is a time consuming but extremely valuable piece of work, which will position us well to continue making progress on our objectives.

Amsterdam, April 2019



Karin Nansen
(chair, REDES, Uruguay)



Nur Hidayati
(treasurer, WALHI, Indonesia)

Anabela Lemos (JA!, Mozambique)
Bertrand Sansonnens (Pro Natura, Switzerland)
Silvia Yada (CESTA, El Salvador)
Pankaj Kumar Karn (Pro Public, Nepal)
Nora Bowier (SDI, Liberia)
Victor Barro (Amigos de la Tierra, Spain)

balance sheet 31 december 2018

(amounts in euro)

	2018	2017
fixed assets		
tangible fixed assets (1)	23,230	24,438
current assets		
liquid assets (2)	1,214,530	1,636,583
subsidies to receive (3)	45,739	43,343
project funds advanced to foe groups (4)	61,400	105,217
accounts receivable (4)	234,978	104,227
	1,556,647	1,889,370
total assets	1,579,877	1,913,808
current liabilities		
accounts payable (4)	418,578	367,301
subsidies received in advance (5)	28,372	30,000
donor grants balances (6)	371,024	652,308
	817,974	1,049,609
unexpended funds (7)		
accumulated surplus	662,780	673,742
fund for increased capacity is	30,000	64,117
fundraising investment fund	35,784	75,000
fund for membership development	10,000	10,000
fund for nepal earthquake relief	2,985	9,985
hrd emergency fund	20,355	31,355
	761,903	864,199
total liabilities	1,579,877	1,913,808

statement of revenues and expenditures 2018

(amounts in euro)

income	income	result 2018	budget 2018	result 2017
<i>core income</i>	membership fees (1)	549,912	520,000	549,288
	donations	16,273	7,000	7,761
	interest & miscellaneous (2)	3,775	3,000	1,180
	from reserves - general budget support	-	71,879	-
	from reserves - fundraising	-	60,000	-
	from reserves - membership evaluations	-	10,000	-
		569,960	671,879	558,228
<i>donor income</i>	donor income (3)	2,832,993	2,659,101	2,322,509
total income		3,402,952	3,330,980	2,880,737
expenditures				
<i>meetings (4)</i>	foei meetings	179,039	109,000	14,317
<i>programs (5)</i>	international program coordination	386,573	418,783	376,956
	program activities	308,977	308,200	249,154
<i>membership development & activities</i>	support to member group projects (5)	469,158	388,631	450,314
	human rights defenders solidarity/support (6)	75,041	85,250	108,528
	capacity building/youth exchanges (7)	121,420	125,106	109,539
	international solidarity platform	14,065	-	-
<i>regional activities (8)</i>	regional meetings & capacity building	221,069	245,090	187,112
	member group evaluations (7)	12,028	10,000	7,431
<i>communications (9)</i>	communication materials & tools	37,316	51,500	12,565
	audio visual media, web, radio	114,990	120,446	116,055
	translations network	15,811	15,100	14,921
<i>governance (10)</i>	chair & executive committee	80,468	68,599	74,052
	strategic planning	16,199	-	30,936
<i>fundraising (11)</i>	fundraising investments	8,655	10,000	19,999
<i>staff (12)</i>	international coordinator & fundraisers	226,710	220,898	147,910
	programs team	164,535	171,609	160,412
	membership development staff	269,159	267,462	196,737
	communications staff	182,917	209,393	148,781
	support staff	248,582	225,457	199,420
	staff costs - non-salaries (13)	52,730	43,505	35,405
<i>operational costs</i>	rent, maintenance, inventory	58,879	59,700	51,020
	computer systems maintenance	14,317	16,500	29,772
	communications infrastructure	21,099	15,500	14,856
	supplies	6,333	6,750	5,871
	auditor & administrative costs (14)	45,226	31,500	36,881
	miscellaneous (15)	40,273	7,000	26,790
<i>passed on to others</i>	passed on to others	113,682	100,000	1,373
total expenditures		3,505,248	3,330,980	2,827,106
<i>surplus/deficit</i>		-102,296		53,632
allocation surplus				
<i>general reserves</i>		-10,963		59,515
<i>fund for nepal</i>		-7,000		
<i>fundraising investment fund</i>		-39,216		
<i>human rights defenders solidarity fund</i>		-11,000		
<i>reserve for international secretariat</i>		-34,117		-5,883
		-102,296		53,632

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 0.08 % in 2018.

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.

There have not been any events after the 31st of December 2018 that have an impact on the numbers in these financial statements.

notes to the balance sheet

(amounts in euro)

1. tangible fixed assets	inventory	computers	network infrastructure	total
purchase value december 31, 2017	11,374	47,664	10,055	69,093
depreciation december 31, 2017	-9,139	-27,226	-8,290	-44,655
book value december 31, 2017	2,235	20,437	1,765	24,438
investments 2018	1,492	10,627		12,119
disposed 2018	-664	-6,177		-6,841
disposed depreciation 2018	664	6,177		6,841
depreciation 2018	-848	-11,720	-759	-13,327
book value december 31, 2018	2,880	19,345	1,006	23,230
2. liquid assets			2018	2017
cash			693	345
euro (triodos current)			99,493	72,726
euro (triodos savings-dgis-gla)			33,003	265,623
euro (ing current)			58,289	87,747
euro (abn-amro, current)			32,112	235,395
euro (asn savings-general)			569,170	585,565
euro (asn savings-dgis-fgg)			387,230	355,430
euro (asn savings-bread f/t world)			24,157	30,875
paypal account			10,383	2,877
total			1,214,530	1,636,583
3. subsidies to receive			2018	2017
bread for the world-2017-2020			1,319	8,433
eu grant foe croatia - ngos development			2,803	2,803
pro natura palm oil project			704	-
iucn-postcode lottery ehrl project			40,913	-
bread for the world-2015-2017			-	29,061
european union - school of sustainability			-	3,046
total			45,739	43,343
4a. financial assets & liabilities by kind			2018	2017
accounts receivable				
debtors			177,489	53,790
doubtful debtors			-7,729	-4,617
deposits			8,445	8,445
transit assets			56,773	46,608
total			234,978	104,227
accounts payable				
creditors			253,064	225,173
provision holiday payments			42,651	47,800
transit liabilities			83,721	29,377
foe us membership fees 2018 paid in advance			-	41,400
tax service - wage tax + premiums			39,142	23,551
total			418,578	367,301

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 australia	-	5,075	120	-	-	-4,955
foe austria	20,937	-	-	-	-	20,937
foe bangladesh	11,239	-	-	-	-	11,239
foe brasil	-	7,858	2,500	20,059	-	14,701
foe colombia	458	8,041	-	18,213	-	10,630
foe costa rica	-	9,954	-	-	-	-9,954
foe el salvador	-	5,184	-	-	-	-5,184
foe england, wales & northern ireland	51,775	2,000	-	-	18,263	31,512
foe europe	8,066	-	-	-	2,278	5,789
foe indonesia	6,267	-	-	-	725	5,542
foe liberia	850	5,361	-	-	-	-4,511
foe malaysia	10,625	-	-	-	-	10,625
foe netherlands	1,360	29,483	11,097	-	12,347	-29,373
foe nigeria	-	25,455	-	-	-	-25,455
foe palestine	6,071	-	-	-	-	6,071
foe philippines	7,450	-	-	-	-	7,450
foe south africa	-	5,958	-	-	-	-5,958
foe sri lanka	15,617	-	-	-	-	15,617
foe togo	162	11,665	-	-	-	-11,503
foe uganda	-	-	-	5,500	-	5,500
foe uruguay	-	22,446	-	4,002	-	-18,444
foe us	-	-	-	-	30,880	-30,880
others	36,612	114,585	43,056	13,626	19,228	-40,518
total	177,489	253,064	56,773	61,400	83,721	-41,123

liabilities not shown on balance sheet

Friends of the Earth International entered into an agreement with Milieudefensie for the rent of their office space. The agreement runs from 1 November 2005 until 31 October 2020 and the initial annual rent was € 33,782. The amount is adjusted annually by the percentage indicated in the Consumers's price index as published by the Dutch Central Bureau of Statistics.

5. subsidies received in advance

	2018	2017
dgis-gla international solidarity platform	24,000	-
cultures of resistance	4,372	-
bread for all - advance 2018	-	30,000
total	28,372	30,000

6. donor grants balances

	2018	2017
european union - erasmus+	6,350	46,539
dgis-green livelihoods alliance	1,825	96,470
dgis-fair, green & global alliance	97,657	245,522
isvara foundation	30,373	39,555
european union - grant apac-hrd	214,761	142,664
swedish society for nature conservation (ssnc)	20,059	-
foe switzerland-palm oil project	-	8,735
iucn-nl / netherlands postcode lottery	-	72,823
total	371,024	652,308

7. unexpended funds

	end 2017	result 2018	allocations	end 2018
accumulated surplus	673,742	-102,296	91,333	662,780
fund for nepal	9,985	-	-7,000	2,985
fund for membership development	10,000	-	-	10,000
fundraising investment fund	75,000	-	-39,216	35,784
reserve for international secretariat	64,117	-	-34,117	30,000
hrd emergency fund	31,355	-	-11,000	20,355
total	864,199	-102,296	0	761,903

notes to the balance sheet *continued*

appropriation of result

In accordance with the budget for 2018, as approved by the Executive Committee in 2017, the negative result of Euro 102,296 will be withdrawn from the following allocated reserves: An amount of 11,000 Euros has been withdrawn from the HRD Emergency Fund, an amount of 39,216 Euros has been withdrawn from the Fundraising Investment fund and 10,000 Euros have been withdrawn from the fund for Membership Development. An amount of 7,000 Euros has been withdrawn from the Fund for Nepal. From the reserve for the International Secretariat an amount of € 34,117 has been withdrawn, to bring it to the level of 30,000 Euros as approved in the budget for 2019. The reserve allocated for the Membership Development will be re-supplemented with 10,000 Euros. The result of supplemented and withdrawn allocations, an amount of 10,963 Euros, will be withdrawn from 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 2018 were thus based on groups' income from 2017 and amounted to € 549,912, almost the same amount as 2017. It was however still € 30,000 higher than budgetted.

2. interest & miscellaneous	2018	2017
interest	495	1,180
miscellaneous	3,281	-
total	3,775	1,180

Interest rates on our savings account are very low. Some accounts pay 0 %, some a tiny amount of 0,5 % or less. Some accounts charge negative interest when the balance exceeds a threshold level. We are avoiding generating balances that are too high on those accounts.

3. donor income (institutional funders)	2018	2017
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The donor income amount is based on the part of the grants that was spent in the respective year.

milieudefensie / dgis: fair, green & global alliance	1,191,447	907,311
milieudefensie / dgis: green livelihoods alliance	419,084	309,351
europaan union - hr defenders asia-pacific region	372,510	300,431
isvara foundation	259,181	257,317
swedish society for nature conservation (ssnc)	194,018	155,249
bread for the world 2017-2020	138,387	8,433
bread for the world 2015-2017	-	117,382
iucn-nl / netherlands postcode lottery	113,737	59,177
europaan union - erasmus+	40,189	64,239
foe switzerland contribution palm oil project	39,439	21,265
bread for all palm oil project	30,000	30,000
foe netherlands contribution f & b meeting	29,974	11,732
foe european groups contribution bgm	10,350	-
europaan union - school of sustainability	-5,323	71,623
foe us contribution solidarity fund	-	6,000
foe netherlands contribution	-	3,000
total	2,832,993	2,322,509

The subsidies from the Ministry of Foreign Affairs (DGIS) are for the period 2016-2020. The subsidy from the EU for the HR Defenders project in the Asia-Pacific region is for the period January 2017-July 2019. The subsidy from the Swedish Society for Nature Conservation is for the period 2017-2020. The subsidy from the Netherlands Postcode Lottery will end in 2019, and the same applies to the subsidies from Bread for All and Friends of the Earth Switzerland. All other donor contracts end in 2018.

notes to the statement of revenues and expenditures *continued*

4. foei meetings	2018	2017
biennial general meeting nigeria	150,885	-
translations general meeting	9,593	-
membership development team meeting	18,562	14,317
total	179,039	14,317

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:

human rights defenders project

	total	cje	ejrn	fs	fb	cross program	hrd
international programs:							
program coordination	386,573	98,598	75,234	117,100	95,496	144	-
program / project meetings	98,500	-	18,460	-	53,663	26,377	-
international representation	69,898	16,754	22,144	16,297	14,704	-	-
exchanges / capacity building	31,471	4,826	4,720	14,266	7,660	-	-
communications materials & translations	109,107	44,346	22,394	17,278	25,090	-	-
<i>program activities subtotal</i>	<i>308,977</i>	<i>65,926</i>	<i>67,717</i>	<i>47,840</i>	<i>101,116</i>	<i>26,377</i>	<i>-</i>
international programs total	695,550	164,524	142,951	164,940	196,613	26,522	-
national projects total	469,158	73,462	69,890	51,976	47,899	-	225,931

6. human rights defenders work

FoEI's Human Rights defenders work was mainly financed through a grant from the European Union specifically for FoE's Asia and Pacific (APac) region. The grant provides 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. Since the BGM in Nigeria in November 2018 FoEI refers to environmental Human Rights defenders as Defenders of the Territories. Below a specification of activities for all regions supported with funding from the EU and from DGIS-FGG.

hrd support	2018	2017
solidarity fund	58,502	37,500
human rights delegations	1,253	17,899
human rights defenders trainings	11,195	40,431
human rights defenders materials	724	1,866
curriculum development	3,367	10,833
total	75,041	108,528

solidarity fund	2018	2017
foe indonesia	16,337	-
foe philippines	10,592	5,000
foe brasil	8,000	-
community partner foe cameroon	5,000	5,000
foe palestine	5,000	-
foe bangladesh	4,373	-
foe malaysia	2,200	-
foe colombia	2,000	-
foe el salvador	2,000	-
others	3,000	-
foe honduras	-	12,500
foe mexico	-	11,000
foe sierra leone	-	4,000
total	58,502	37,500

notes to the statement of revenues and expenditures *continued*

7. capacity building / youth exchanges	2018	2017
gender justice-dismantling patriarchy work	127,790	19,937
capacity building cross-regional	56,301	27,746
youth trainings and exchanges	37,329	61,856
total	121,420	109,539

8. regional activities	2018	2017
regional meeting asia-pacific region	20,965	22,183
regional meeting latin american & caribbean region	22,090	18,682
regional meeting african region	28,695	20,719
total	71,751	61,584

capacity building asia-pacific region	12,700	8,810
capacity building latin-american & caribbean region	32,636	44,114
capacity building african region	42,133	23,264
total	87,468	76,188

regional facilitation asia-pacific region	33,133	22,079
regional facilitation latin american & caribbean region	18,424	16,383
regional facilitation african region	10,293	10,879
total	61,850	49,341

total regional activities	221,069	187,112
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9. communications	2018	2017
communications materials		
communications general	24,180	11,548
annual report	13,136	1,016
total	37,316	12,565

audio visual media, web & radio		
website	1,631	2,181
spanish/french website	372	4,994
real world radio	112,987	108,880
total	114,990	116,055

10. governance

In 2018 there were three Executive Committee meetings, two of them were held in Amsterdam and the third one was held before the BGM in Nigeria. The Amsterdam meetings took place in March and July. In March the meeting was combined with the meeting of the International Program Coordinators and the Membership Development Team. At the BGM FoE's Chairperson, Karin Nansen from FoE Uruguay was re-elected. A new Executive Committee was elected, with members from FoE groups in El Salvador, Spain, Switzerland, Mozambique, Liberia, Nepal and Indonesia. The ExCom member from FoE Indonesia, Nur (Yaya) Hidayati, will serve as FoE's new treasurer. Members of the Executive Committee are not paid for their work. The member group delegating the FoE Chairperson has been compensated for the loss of time due to her activities for FoE.

chair & executive committee	2018	2017
chair costs	12,500	10,000
chair travel costs	13,263	13,045
excom meeting costs	54,705	51,007
total	80,468	74,052

strategic planning		
facilitation communications strategy development	16,199	27,888
5-year plan document design	-	3,048
total	16,199	30,936

notes to the statement of revenues and expenditures *continued*

11. fundraising

The search for a US-based fundraiser has resulted in the appointment of a new colleague, based in the FoE US office on a cost-share basis between FoE US and FoEI. The fundraising team in Amsterdam has been strengthened with a second fundraising staff member as well. The expenses in the budget line here are for fundraising expenses. The salary costs of the fundraisers are listed under staff costs.

12. staff salaries

After a year with an exceptionally high level of sick leave in 2017, in 2018 all of the sick leave cases could be closed. FoEI also succeeded in recruiting for four vacancies and has currently two positions open. The role of media coordinator has been replaced by a coordinator from Real World Radio in Uruguay. Next to the International Program Coordinators who are based in member groups we now have two remote staff on our team.

<i>sick leave percentage</i>		6.7%	11.3%
		2018	2017
<i>international coordinator & fundraiser</i>	international coordinator	1.0	1.0
	international fundraising coordinator	1.0	1.0
	fundraising officer	0.4	0.6
	us-based fundraiser	1.0	-
<i>membership development team</i>	international membership development coordinator	-	1.0
	international membership development officers (2)	1.9	1.8
	hrd-apac project coordinator	0.8	0.7
<i>programs team</i>	international programs facilitator	0.9	1.0
	international program officers (2)	1.6	0.8
<i>communications team</i>	communications coordinator	0.9	0.9
	media coordinator	-	0.8
	real world radio coordinator	0.8	-
	digital storyteller	-	-
<i>support staff</i>	technical coordinator	0.8	0.8
	operations manager	0.8	0.8
	finance officer	0.8	0.8
	office coordinator	0.7	0.7
	events coordinator	0.8	0.8
	human resource officer	0.4	-
	bookkeeper	0.6	0.4
		<i>ftu</i> 15.2	<i>ftu</i> 13.9

specification salary costs

	2018	2017
gross salaries	762,142	642,064
severance payment	17,000	-
social security costs	167,821	143,224
pension costs	60,296	56,383
costs terms & conditions	7,574	7,889
other staff costs	9,025	8,490
	1,023,859	858,050
staff not based in amsterdam office	76,409	-
free-lancers	12,977	-
costs staff recruited from abroad	10,913	7,475
salary included in program coordination	-32,255	-
provision 2017 salary finalizing 2016 fsf project	-	-10,994
included in systems maintenance	-	-1,272
total	1,091,903	853,260

13. staff costs non-salaries

	2018	2017
staff travel (not home-work)	39,384	17,272
volunteer costs	430	359
training & education	6,451	10,019
recruitment costs	6,465	7,755
total	52,730	35,405

The extra spending on staff travel is related to the participation of staff in the BGM in Nigeria.

notes to the statement of revenues and expenditures *continued*

14. auditor & administrative costs	2018	2017
auditing costs	36,647	29,678
administrative costs	6,307	5,503
currency differences	2,272	1,699
total	45,226	36,881

15. miscellaneous	2018	2017
membership fees partos, asoc, oneworld	5,372	4,582
reconciliation bad debts	3,579	-2,120
consultancies & coaching	29,160	18,865
miscellaneous	2,162	5,463
total	40,273	26,790

<i>reconciliation bad debts</i>		
dubious debts written off	467	1,274
balance provision bad debts end 2018	7,729	-
balance provision bad debts end 2017	-4,617	4,617
balance provision bad debts end 2016	-	-8,010
total	3,579	-2,120

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 2018 included in the annual report

Our opinion

We have audited the financial statements 2018 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 2018 and of its result for 2018 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 2018;
2. the statement of revenues and expenditures for 2018; 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, 29 April 2019

Dubois & Co. Registeraccountants

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

budget 2019

(amounts in euro)

expenses		2018	2019
<i>meetings</i>	biennial general meeting	100,000	-
	membership development team meeting	9,000	12,000
<i>international programs</i>	program coordination	418,783	425,000
	program activities	308,200	260,000
<i>membership support</i>	member group projects	388,631	333,597
	cross regional capacity building	100,106	32,000
	gender work	25,000	25,000
	human rights defenders work	85,250	72,500
<i>regional activities</i>	regional coordination & capacity building	245,090	240,000
	member group evaluations	10,000	7,500
<i>communications</i>	communication materials & tools	51,500	49,000
	web & radio	120,446	113,835
<i>chair & excom</i>	chair & executive committee travel	68,599	71,000
	translations	15,100	15,100
<i>fundraising</i>	fundraising investments	10,000	10,000
<i>secretariat staff</i>	international coordination & fundraising	220,898	271,775
	programs team	171,609	187,300
	membership development team	267,462	212,504
	communications team	209,393	200,460
	support team	225,457	256,891
	staff costs - non-salaries	43,505	36,500
<i>operational costs</i>	rent, maintenance, inventory	59,700	59,900
	computer systems maintenance	16,500	15,000
	communications infrastructure	15,500	12,700
	supplies	6,750	6,500
	auditor & administrative costs	31,500	40,750
	miscellaneous	7,000	7,500
<i>passed on to others</i>	passed on to others	100,000	50,000
total expenses		3,330,980	3,024,312
income		2018	2019
<i>grants</i>	milieudefensie - dgis: fair, green & global	1,131,235	1,143,581
	milieudefensie - dgis: green livelihoods alliance	376,445	342,500
	swedish society for nature conservation (ssnc)	161,432	146,207
	bread for the world	138,033	127,233
	isvara foundation	205,450	130,000
	european union - erasmus+	44,106	-
	netherlands postcode lottery	101,786	16,200
	european union - school of sustainability foe europe	27,931	-
	european union - hrd-apac grant	376,231	211,245
	bread for all / pro natura	96,452	45,483
	contributions human rights defenders	-	-
<i>core income</i>	surplus previous year	23,750	33,870
	from allocated reserves - fundraising	60,000	30,652
	from allocated reserves - membership evaluations	10,000	7,500
	from allocated reserves - is capacity	-	30,000
	from general reserves	48,129	101,841
	membership fees	520,000	650,000
	interest	3,000	1,000
	donations	7,000	7,000
total income		3,330,980	3,024,312
balance		0	0

Members of Gai community, Friends of the Earth Nigeria (FEN) and International in Gai, Niger Delta, November 2018.

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international secretariat

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