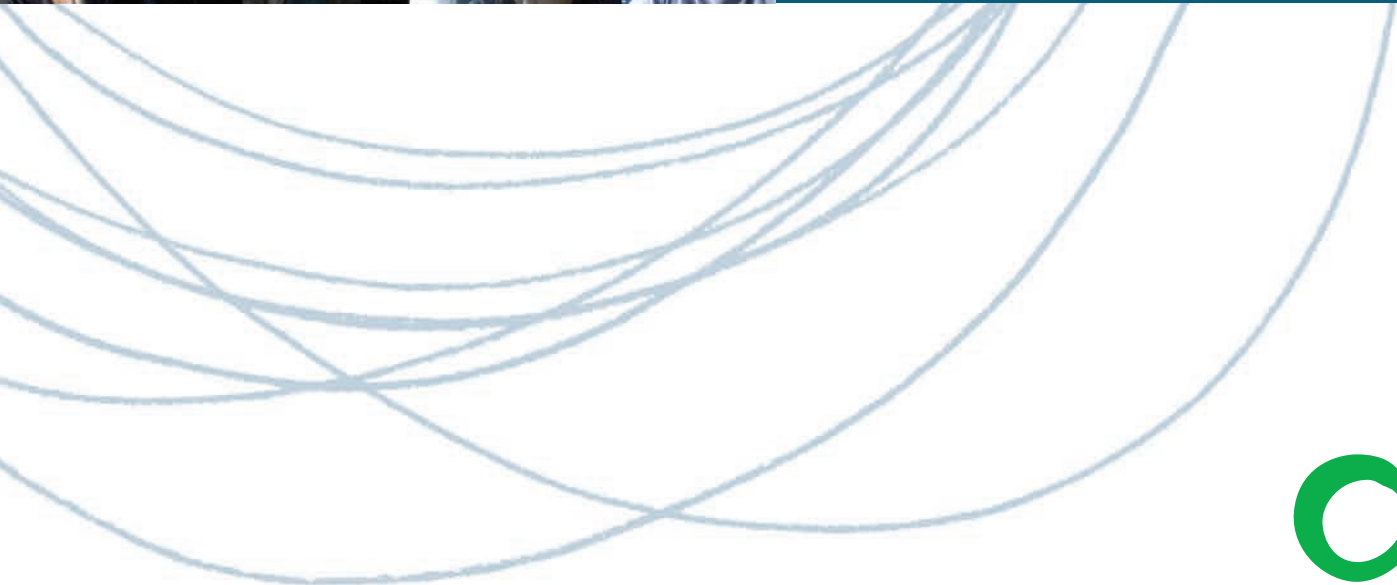


# friends of the earth international

FINANCIAL STATEMENTS 2020



**Friends of  
the Earth  
International**

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## report of the executive committee

In this difficult context of 2020, our deep roots nurtured by a long history of local and national work with communities and social movements around the world, combined with our internationalist perspective built together with our allies, allowed Friends of the Earth International to organise rapidly at multiple levels to provide structural and justice-based responses to the pandemic, while also addressing the other interlinked systemic crises.

Our work at the local, national, regional and international levels was informed and strengthened by our common principles for a Just Recovery. These principles were developed as the result of the federation coming together to reach a common understanding and analysis of the root causes of the health crisis and its links with the other systemic crises. These crises have devastating impacts that extend beyond the tragic loss of human lives; FoEI is fighting to avoid us all going back to what was considered 'normal' by making steps towards building the society we want.

The pandemic made it more difficult to mobilise on the streets or carry out face-to-face advocacy, yet through webinars and strategy meetings with allies, online mobilisation and participation and monitoring of international negotiations, our international programmes managed to convey a strong critique against false solutions aimed at continuing business as usual under a green veneer, and to challenge the corporate capture of decision making. Together with our allies, we mobilised internationally against human rights' violations by transnational corporations, and their impunity, as well as against the excessive privileges they are granted through Free Trade, investment agreements and corporate bailouts.

Importantly, we continued to advance our system change agenda. We made huge progress in proposing pathways to foster truly emancipatory and systemic peoples' solutions and clear policy proposals to enable community forest management, food sovereignty and agroecology, economic justice, climate justice and a Just Transition. In a rich dialogue with our allies, our regions and programmes alike made steps towards a feminist framing of the Just Transition.

## report of the executive committee *continued*

As a federation, we also focused a considerable amount of time and energy on the wellbeing of our member groups and activists around the world. We set up a wellbeing group in March, which worked throughout the year to help the staff and activists of our member groups cope with the uncertainty and disruption caused by the pandemic. We organised a survey about the impacts of Covid-19 on groups, distributed emergency grants and ran a well-received solidarity event and a wellbeing workshop. In this way we helped our groups and activists continue their important work during the pandemic and lockdowns.

The effects of the COVID-19 pandemic on our income in 2020 have not been significant, as both the income from membership fees and the income from donor grants have their basis in numbers and decisions that stem from earlier dates. The fees for 2020 are based on the member group's income from 2018 and the majority of our donor grants were part of multi-annual agreements. Three of those agreements, DGIS-FGG, DGIS-GIA and Bread for the World ended per December 2020. We were fortunate to secure new grants with these donor agencies for the next cycle of respectively 5, 5 and 4 years. SSNC extended their 3-year grant with another year as well, covering 2021, and for the 4 year after that a new multi-annual proposal has been submitted and is pending review.

The membership fees were € 70,000 higher than anticipated, and € 155,000 more than in 2019. This increase was the result of applying our new policy with more detailed calculation instructions, but also incidental spikes in the income level of one of our larger member groups. For 2021 it will be safe to count on an amount of € 650,000 from fees. In the year after that we may have to anticipate the effect that the pandemic has had on the income of those member groups that rely mostly on individual donations.

As foreseen the 2020 budget as adopted in 2019 needed ongoing revisions throughout 2020. Uncertainty about the duration of lockdowns worldwide led to a sequence of postponed activities and budget adjustments, with a gradual shift from travel and meeting costs to increased capacity -mostly by outsourcing work- and national level subgrants to our member groups.

Whereas our income was not affected much by the COVID-19 pandemic, the effect on our expenses was considerable. Our activities were impacted in many ways, as described. Financially the result was that several budget items were much lower than anticipated. There have been virtually no travel costs, not for our program activities, and not for our internal meetings. The development of the Euro exchange rate also led to reduced expenses for salary costs in member groups.

We closed 2020 therefore with a surplus of € 212,661 instead of the deficit of € 60,000 we had budgeted. This means that in one year we restored our reserves to the level that was deemed the desired minimum level by the ExCom in our reserves policy as adopted in March 2020. This may help us to absorb the decrease in grant income that we face from 2021 onwards. The budget that was adopted for 2021 reflects this decrease in income of a total of € 220,000. The cuts that we had to absorb, were made with a view to the expected new reality where remote working and virtual meetings have become more of the norm than the exception.

**Amsterdam, May 2021**



Karin Nansen  
(chair, REDES, Uruguay)



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Prakash Sharma (Pro Public, Nepal)  
Nora Bowier (SDI, Liberia)  
Victor Barro (Amigos de la Tierra, Spain)

# balance sheet 31 december 2020

(amounts in euro)

	<b>2020</b>	<b>2019</b>
<b>fixed assets</b>		
tangible fixed assets (1)	6,997	13,545
<b>current assets</b>		
liquid assets (2)	1,143,904	626,578
subsidies to receive (3)	64,375	74,021
project funds advanced to foe groups (4)	52,981	150,331
accounts receivable (4)	255,228	168,090
	1,516,487	1,019,019
<b>total assets</b>	<b>1,523,484</b>	<b>1,032,565</b>
<b>current liabilities</b>		
accounts payable (4)	431,533	302,215
subsidies received in advance (5)	140,143	-
donor grants balances (6)	130,002	121,205
	701,679	423,420
<b>unexpended funds (7)</b>		
accumulated surplus	793,953	575,805
fund for membership development	10,000	10,000
fund for nepal earthquake relief	-	2,985
hrd emergency fund	17,852	20,355
	821,806	609,144
<b>total liabilities</b>	<b>1,523,484</b>	<b>1,032,565</b>

# statement of revenues and expenditures 2020

(amounts in euro)

income	income	result 2020	budget 2020	result 2019
<i>core income</i>	membership fees (1)	721,365	650 000	565 067
	donations	23,734	15 000	17 604
	interest & miscellaneous (2)	2,305	1 000	2 808
		747,404	666 000	585 479
<i>donor income</i>	donor income (3)	2,010,159	2 040 335	2 256 770
<b>total income</b>		<b>2,757,563</b>	<b>2 706 335</b>	<b>2 842 249</b>
<b>expenditures</b>				
<i>meetings (4)</i>	foei meetings	14,530	81,300	17,467
	gender activities	26,172	20,000	33,626
<i>programs (5)</i>	international program coordination	357,682	410,000	391,349
	program activities	229,087	243,200	265,786
<i>national projects</i>	support to member group projects (5)	269,676	244,000	398,040
<i>membership development &amp; activities</i>	international solidarity system (6)	89,936	75,866	95,499
	cross regional capacity building (7)	9,490	10,000	32,383
<i>regional activities (8)</i>	regional meetings & capacity building	167,841	225,000	227,149
	member group evaluations	1,000	5,000	7,284
<i>communications (9)</i>	communication materials & tools	41,497	35,000	39,052
	real world radio	104,075	102,306	103,730
<i>governance (10)</i>	chair & executive committee	32,793	69,000	66,372
	strategic planning	555	-	1,488
	translations network	14,752	15,100	10,177
<i>fundraising (11)</i>	fundraising investments	3,860	6,000	8,716
<i>staff (12)</i>	international coordinator & fundraisers	276,934	270,864	271,731
	programs team	197,648	185,592	167,712
	membership development staff	112,125	150,755	170,109
	communications staff	183,480	199,977	180,226
	support staff	223,981	215,234	267,847
	staff costs - non-salaries (13)	27,758	19,500	27,321
<i>operational costs</i>	rent, maintenance, inventory	60,464	52,800	50,699
	computer systems maintenance	11,144	14,000	11,953
	communications infrastructure	15,758	19,850	18,680
	supplies	2,159	6,300	4,864
	auditor & administrative costs (14)	34,871	33,000	46,811
	miscellaneous (15)	35,283	7,000	22,618
<i>passed on to others</i>	passed on to others	350	50,000	56,318
<b>total expenditures</b>		<b>2,544,902</b>	<b>2,766,644</b>	<b>2,995,008</b>
<i>surplus/deficit</i>		212,661	-60,309	-152,759
<b>use of reserves</b>				
<i>general reserves</i>		218,149	-42,324	-86,975
<i>fund for nepal</i>		-2,985	-2,985	-
<i>fund for membership development</i>		-	-5,000	-
<i>fundraising investment fund</i>		-	-	-35,784
<i>human rights defenders solidarity fund</i>		-2,503	-10,000	-
<i>reserve for international secretariat</i>		-	-	-30,000
		<b>212,661</b>	<b>-60,309</b>	<b>-152,759</b>

# 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 rates of the European Union, using the EU currency exchange converter. 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 750). 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 interest of 0.0 % by the end of 2020 which will be changed to a negative interest per 31 March 2021 for amounts over € 250,000. The same applies for the Triodos bank and ABN-AMRO with the latter applying a threshold value of € 150,000.

## 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)

<b>1. tangible fixed assets</b>	<b>inventory</b>	<b>computers</b>	<b>network infrastructure</b>	<b>total</b>
purchase value december 31, 2019	12,398	50,623	10,055	73,076
depreciation december 31, 2019	-10,448	-39,343	-9,739	-59,530
<b>book value december 31, 2019</b>	<b>1,949</b>	<b>11,280</b>	<b>316</b>	<b>13,545</b>
correction depreciation 2019		-708		-708
investments 2020	724	2,531		3,254
disposed 2020		-2,341		-2,341
disposed depreciation 2020		2,341		2,341
depreciation 2020	-981	-7,798	-316	-9,094
<b>book value december 31, 2020</b>	<b>1,692</b>	<b>5,305</b>	<b>0</b>	<b>6,997</b>

<b>2. liquid assets</b>	<b>2020</b>	<b>2019</b>
cash	457	499
euro (triodos current)	76,156	41,077
euro (triodos savings-dgis-gla)	30,992	104,003
euro (ing current)	224,676	81,747
euro (abn-amro, current)	66,124	37,346
euro (asn savings-general)	595,495	328,456
euro (asn savings-dgis-fgg)	63,894	-
euro (asn savings-bread f/t world)	57,000	24,167
paypal account	29,110	9,282
<b>total</b>	<b>1,143,904</b>	<b>626,578</b>

<b>3. subsidies to receive</b>	<b>2020</b>	<b>2019</b>
dgis-gla flg-01	11,470	5,523
dgis-gla flg-03	7,656	-
dgis-gla flg-07	12,000	-
bread for the world-2017-2020	8,217	-
bread for the world consultancy	18,000	-
bread for all palm oil project	7,031	5,809
pro natura palm oil project	-	24,041
european union - hrd apac project	-	38,648
<b>total</b>	<b>64,375</b>	<b>74,021</b>

<b>4a. financial assets &amp; liabilities by kind</b>	<b>2020</b>	<b>2019</b>
<b>accounts receivable</b>		
debtors	189,539	135,847
doubtful debtors	-11,355	-8,122
deposits	8,445	8,445
transit assets	68,599	31,919
<b>total</b>	<b>255,228</b>	<b>168,090</b>

<b>accounts payable</b>		
creditors	317,495	175,709
provision holidays	50,249	46,973
transit liabilities	45,291	56,431
tax service - wage tax + premiums	18,498	23,103
<b>total</b>	<b>431,533</b>	<b>302,215</b>

## 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 argentina		7,022	-	-	-	-7,022
foe australia	8,763	13,925	-	-	-	-5,162
foe austria	25,604		-	-	-	25,604
foe bangladesh	209	-1,093	-	5,481	-	6,783
foe el salvador	-	16,760	-	-	-	-16,760
foe england, wales & northern ireland	125,167	2,000	21,675	-	-	140,599
foe europe	5,000	52,500	-	47,500	4,243	0
foe indonesia	5,282	-9,391	-	-	-	14,673
foe malaysia	-	8,910	-	-	-	-8,910
foe mozambique	-	5,991	1,500	-	-	-4,491
foe netherlands	-	15,617	-	-	-	-15,617
foe south africa	-	13,002	-	-	365	-13,367
foe togo	-	6,163	-	-	-	-6,163
foe uruguay	-	28,287	-	-	-	-28,287
foe us	-	14,906	-	-	15,560	-30,466
others	19,515	142,896	45,424	-	25,123	-103,080
<b>total</b>	<b>189,539</b>	<b>317,495</b>	<b>68,599</b>	<b>52,981</b>	<b>45,291</b>	<b>-51,667</b>

### 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 original agreement ran from 1 November 2005 until 31 October 2020, with an addendum signed in 2019 for annual renewals until October 2025.

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	2020	2019
energy transition fund	123,021	-
troper wojcicki	17,122	-
<b>total</b>	<b>140,143</b>	<b>0</b>

6. donor grants balances	2020	2019
bread for the world	-	6,181
marisla foundation	278	278
dgis-gla flg-03	-	13,937
dgis-fair, green & global alliance	14,893	46,793
isvara foundation	64,980	27,334
swedish society for nature conservation	17,122	26,681
pro natura palm oil project	32,729	-
<b>total</b>	<b>130,002</b>	<b>121,205</b>

7. unexpended funds	end 2019	result 2020	allocations	end 2020
accumulated surplus	575,805	212,661	5,488	793,953
fund for nepal	2,985	-	-2,985	-
fund for membership development	10,000	-	-	10,000
hrd emergency fund	20,355	-	-2,503	17,852
<b>total</b>	<b>609,144</b>	<b>212,661</b>	<b>0</b>	<b>821,806</b>

### appropriation of result

The positive result of € 212,661 will be added to the general reserves, with the exception of the following withdrawals from allocated reserves: An amount of 1,000 Euros has been withdrawn from the fund for Membership Development. The reserve allocated for the Membership Development will be re-supplemented with 1,000 Euros. An amount of € 2,985 has been withdrawn from the Fund for Nepal, with permission of the original donor. An amount of € 2,503 has been withdrawn from the HRD Emergency Fund and used for Corona crisis response funding. The result of supplemented and withdrawn allocations, an amount of 218,149 Euros, will be added to the general reserves. In March 2020 the ExCom adopted a Reserves Policy that aims to build up an amount of reserves that, supplemented by membership fees, can cover 150 % of a basic operating budget of 1 million euros. The ExCom will assess and revise the numbers annually.



# 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 2020 were thus based on groups' income from 2018 and amounted to € 721,365, an increase of € 156,000 compared to 2019, and over € 70,000 more than the budgetted € 650,000 thanks to considerably larger contributions from some of the bigger member groups. The additional guidelines we created for the calculation of the fees with more detailed definitions of the categories of restricted and unrestricted income yielded an higher amount as anticipated, as well as a considerable correction over 2019.

2. interest & miscellaneous	2020	budget	2019
interest	2	1,000	189
miscellaneous	2,303	-	2,619
<b>total</b>	<b>2,305</b>	<b>1,000</b>	<b>2,808</b>

Interest rates on our savings account are very low. Some accounts pay 0 %, some a tiny amount of 0,5 % or less. In 2020 most banks will start charging negative interest when the balance exceeds a treshold level of € 250,000. Triodos bank started this policy already in 2019. We will have to carefully balance amounts between our various bank accounts.

## 3. donor income (institutional funders)

	2020	budget	2019
milieudefensie/dgis: fair, green & global alliance	1,075,481	1,051,581	1,094,444
milieudefensie/dgis: green livelihoods alliance	419,672	430,700	347,910
isvara foundation	62,354	130,000	133,039
swedish society for nature conservation	212,522	227,921	192,732
bread for the world 2017-2020	165,399	134,733	105,499
foe switzerland contribution palm oil project	30,542	32,400	23,338
bread for all palm oil project	33,000	33,000	30,000
contribution foe europe	5,000	-	2,764
contribution foe us	6,190	-	-
contribution foe netherlands	-	-	1,783
europaan union: hr defenders asia-pacific region	-	-	253,409
iucn-nl / netherlands postcode lottery	-	-	45,120
cultures of resistance	-	-	4,372
marisla foundation	-	-	22,359
<b>total</b>	<b>2,010,159</b>	<b>2,040,335</b>	<b>2,256,770</b>

The donor income amount is based on the part of the grants that was spent in the respective year. So when the actual amount is lower than the budgetted amount this is explained by a delay in implementation. When the actual amount is higher than the budgetted amount this is because a donor has contributed additional funding in the course of 2020, as was the case with Bread for the World. In some cases there were remaining funds from 2019 that were not yet known when the budget was approved, as was the case with the funding from the Fair, Green & Global Alliance.

The subsidies from the Ministry of Foreign Affairs (DGIS) are for the period 2016-2020. The subsidy from the Swedish Society for Nature Conservation is for the period 2017-2020 with an extension for 2021. The subsidy for the joint project with Bread for All and FoE Switzerland is for the period 2020-2024. The subsidy period for Bread for the World ends in 2020, a new grant has been approved for the period 2021-2023.

## 4. foei meetings

	2020	budget	2019
biennial general meeting germany	14,530	81,300	-
gender meeting	26,172	20,000	-
membership development team meeting	-	-	17,467
<b>total</b>	<b>40,703</b>	<b>101,300</b>	<b>17,467</b>

Due to the Covid-19 pandemic physical meetings were cancelled. The costs made were for cancellation costs that could not be recovered. Funds were shifted to allow for gender activities instead of a physical meeting. As per the budget 2020 the gender expenses are grouped under FoEI meetings instead of membership development, although a meeting could not take place in 2020.

## 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)

iss:  
 internationalist solidarity system

	<b>budget</b>	<b>2020</b>	<b>cje</b>	<b>ejrn</b>	<b>fs</b>	<b>fb</b>	<b>cross program</b>	<b>solidarity program</b>
<b>international programs:</b>								
program coordination	410,000	357,682	74,047	67,338	104,411	111,886	-	-
corona crisis respons	-	11,683	-	-	-	-	-	11,683
program / project meetings	-	22,358	200	439	7,744	2,205	11,770	-
international representation	-	40,172	2,026	17,810	577	19,759	-	-
exchanges / capacity building	-	25,520	3,814	4,495	4,017	13,195	-	-
communications materials & translations	-	129,353	30,517	18,440	34,948	43,321	2,128	-
<i>program activities subtotal</i>	<i>243,200</i>	<i>229,087</i>	<i>36,557</i>	<i>41,183</i>	<i>47,285</i>	<i>78,481</i>	<i>13,898</i>	<i>11,683</i>
<b>international programs total</b>	<b>653,200</b>	<b>586,768</b>	<b>110,603</b>	<b>108,521</b>	<b>151,696</b>	<b>190,367</b>	<b>13,898</b>	<b>11,683</b>
<b>national projects total</b>	<b>244,000</b>	<b>269,676</b>	<b>68,680</b>	<b>81,808</b>	<b>29,999</b>	<b>61,980</b>	<b>-</b>	<b>27,209</b>

The program coordination costs were lower than budgetted due to a favourable exchange rate of the Euro in 2020. In one host country the government subsidized staff salary costs related to the inability to work due to the pandemic. There were higher expenses for national projects because the programs shifted travel funds to support for national level activities. With the support of FoE US, and using funds from our HRD Emergency Fund, specific support to respond to the Covid-19 crises was given to member groups. The support was both for humanitarian purposes and for enabling staff to work remotely and invest in their communication tools.

### 6. human rights defenders work - internationalist solidarity system

<b>international solidarity system</b>	<b>2020</b>	<b>budget</b>	<b>2019</b>
solidarity fund	23,796	25,000	31,830
human rights defenders activities	10,968	5,000	1,221
international solidarity system	55,172	45,866	31,401
human rights delegations	-	-	3,850
human rights defenders trainings & evaluation	-	-	25,403
curriculum development	-	-	1,794
<b>total</b>	<b>89,936</b>	<b>75,866</b>	<b>95,499</b>

<b>solidarity emergency funding</b>	<b>2020</b>	<b>budget</b>	<b>2019</b>
foe cameroon	3,228	-	1,272
foe brazil	5,052	-	-
foe honduras	5,396	-	5,385
foe bangladesh	2,190	-	7,550
foe bosnia & hercegovina	2,940	-	-
foe togo	-	-	1,000
foe palestine	-	-	9,905
foe malaysia	-	-	968
others	4,990	-	5,750
<b>total</b>	<b>23,796</b>	<b>25,000</b>	<b>31,830</b>

<b>7. capacity building cross regional</b>	<b>2020</b>	<b>budget</b>	<b>2019</b>
capacity building cross-regional	6,777	10,000	32,383
membership development team meeting	2,713	-	-
<b>total</b>	<b>9,490</b>	<b>10,000</b>	<b>32,383</b>

The costs for the membership development team meeting are related to cancellation costs for a physical meeting. The capacity building costs are for cross-regional list translation and interpretation of calls.

## notes to the statement of revenues and expenditures *continued*

<b>8. regional activities</b>	<b>2020</b>	<b>budget</b>	<b>2019</b>
regional meeting asia-pacific region	3,593	-	31,283
regional meeting latin american & caribbean region	8,451	-	24,671
regional meeting african region	5,417	-	29,814
<b>total</b>	<b>17,461</b>	<b>-</b>	<b>85,769</b>
capacity building activities asia-pacific region	11,857	-	9,736
capacity building activities latin-american & caribbean region	10,087	-	38,165
capacity building activities african region	2,950	-	29,049
<b>total</b>	<b>24,894</b>	<b>-</b>	<b>76,950</b>
regional facilitation asia-pacific region	29,130	-	21,042
regional facilitation latin american & caribbean region	18,582	-	19,280
regional facilitation african region	10,667	-	10,595
<b>total</b>	<b>58,380</b>	<b>-</b>	<b>50,917</b>
hrd focal point asia-pacific region	10,000	-	6,238
hrd focal point latin american & caribbean region	4,600	-	4,786
hrd focal point african region	9,144	-	2,490
<b>total</b>	<b>23,744</b>	<b>-</b>	<b>13,514</b>
regional activities asia-pacific region	21,060	-	-
regional activities latin american & caribbean region	12,875	-	-
regional activities african region	9,427	-	-
<b>total</b>	<b>43,362</b>	<b>-</b>	<b>-</b>
<b>total regional activities</b>	<b>167,841</b>	<b>225,000</b>	<b>227,149</b>

Each FoE region was provided with a budget of € 75,000 for activities at the regional level in the framework of our joint workplans. Some regions have higher salary costs, other regions spent more on meeting costs. Physical regional meetings were held online, investments were made in digital regional communication, and fund were shifted to activities in countries in the region.

<b>9. communications</b>	<b>2020</b>	<b>budget</b>	<b>2019</b>
<b>communications materials &amp; tools</b>			
communications activities	6,951	22,500	25,575
website	25,931	3,000	2,398
freelancers	-	-	3,990
annual report	8,614	9,500	7,089
<b>total</b>	<b>41,497</b>	<b>35,000</b>	<b>39,052</b>
<b>real world radio</b>			
real world radio	104,075	102,306	103,730
<b>total</b>	<b>104,075</b>	<b>102,306</b>	<b>103,730</b>

Website development received an extra impuls thanks to a contribution from Bread for the World for a new structure and design of our website, including an agro-ecology map. These expenses have now been grouped under communication tools. The expenses for communications activities were lower than in 2019 due to the impossibility to travel.

### **10. governance**

The first Executive Committee meeting planned for March 2020 in Madrid had to be cancelled because of the rapid spread of Covid-19 infections in Spain. Part of the costs are related to cancellation of that meeting, some costs were covered by insurance. The Executive Committee turned to almost weekly online meetings throughout 2020, with only interpretation costs. As per the budget 2020 the network translation expenses are now grouped under governance. 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 their activities for FoEI. Network translations are now grouped under Governance instead of Communications, as these relate to translations for ExCom and BGM. Other translation costs are included in the cost of the activities they relate to.

## notes to the statement of revenues and expenditures *continued*

### 10. governance - *continued*

chair & executive committee	2020	budget	2019
chair costs	15,827	15,000	15,000
chair travel costs	787	10,000	8,711
excom meeting costs	16,180	44,000	42,661
<b>total</b>	<b>32,793</b>	<b>69,000</b>	<b>66,372</b>

### 11. fundraising

The expenses in this budget line are for fundraising expenses. The salary costs of the fundraisers are listed under staff costs.

### 12. staff salaries

The total spending on salaries was € 28,000 lower than budgetted. This was caused by a combination of sick leaves and vacancies that were not filled. The sick leave case which started in 2019 ended mid 2020. There have not been any further cases this year.

<i>sick leave percentage</i>		4.0%	6.9%
		<b>2020</b>	<b>2019</b>
<i>international coordinator &amp; fundraiser</i>	international coordinator	1,0	1,0
	international fundraising coordinator	1,0	1,0
	fundraising officer	0,4	0,4
	us-based fundraiser	1,0	1,0
<i>membership development team</i>	international membership development officer	-	0,8
	internationalist solidarity system officer	0,8	0,8
<i>programs team</i>	international programs facilitator	0,9	0,9
	international program officers (2)	1,6	1,6
<i>communications team</i>	communications coordinator	0,8	0,9
	communications officer	0,8	0,8
	real world radio coordinator	0,8	0,8
	digital coordinator	0,8	0,8
<i>support staff</i>	operations manager	0,8	0,8
	office coordinator	0,7	0,7
	events coordinator	0,8	0,8
	human resource officer	0,4	0,4
	bookkeeper	0,6	0,6
		<i>ftu 13.2</i>	<i>ftu 14.1</i>

specification salary costs	2020	budget	2019
gross salaries	662,977	-	726,052
severance payment	4,887	-	-
social security costs	155,685	-	159,355
pension costs	54,219	-	64,172
costs terms & conditions	4,208	-	12,783
other staff costs	5,783	-	8,028
	887,759	-	970,390
staff not based in amsterdam office	99,233	-	97,623
free-lancers	2,625	-	-
costs staff recruited from abroad	1,805	-	7,312
salary correction 2019	2,747	-	-
salary included in program coordination	-	-	-17,699
<b>total</b>	<b>994,168</b>	<b>1,022,422</b>	<b>1,057,625</b>

13. staff costs non-salaries	2020	budget	2019
staff travel (not home-work)	506	10,000	20,588
volunteer costs	44	500	298
staff development	21,209	5,000	4,888
recruitment costs		4,000	612
other staff costs	5,999	-	935
<b>total</b>	<b>27,758</b>	<b>19,500</b>	<b>27,321</b>

The staff travel budget was reserved for staff attending our general meeting, which was cancelled. We were able to provide extra safety & security trainings funded by dgis-fgg funding. The other staff costs were higher because they included compensation for staff working from home (energy & supplies) in line with NIBUD recommendations. This was possible because of savings in office supplies and commuting costs.

## notes to the statement of revenues and expenditures *continued*

14. auditor & administrative costs	2020	budget	2019
auditing costs	28,067	25,000	38,066
administrative costs & bank charges	5,706	6,000	6,385
currency differences	1,098	2,000	2,359
<b>total</b>	<b>34,871</b>	<b>33,000</b>	<b>46,811</b>

We underbudgetted for audit costs. We will aim to obtain more accurate estimations for these cost in 2020.

15. miscellaneous	2020	budget	2019
membership fees partos, asoc, oneworld	6,011	5,500	5,628
reconciliation bad debts	6,107	500	393
consultancies & coaching	5,881	-	14,516
miscellaneous	17,285	1,000	2,081
<b>total</b>	<b>35,283</b>	<b>7,000</b>	<b>22,618</b>

<i>reconciliation bad debts</i>			
dubious debts written off	2,873	-	-
balance provision bad debts end 2020	11,355	-	-
balance provision bad debts end 2019	-8,122	-	8,122
balance provision bad debts end 2018	-	-	-7,729
<b>total</b>	<b>6,107</b>	<b>0</b>	<b>393</b>

The high amount of miscellaneous costs is caused by the costs charged by the EU who deemed an amount of 2017 expenses ineligible. A response to our appeal was never received in spite of multiple reminders. The amounts of debts written off are related to member groups who have resigned from their membership from FoEI.

### Events subsequent to the balance date

There are no events subsequent to the balance date that have an impact on these financial statements.

## 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 2020 included in the annual report

##### Our opinion

We have audited the financial statements 2020 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 2020 and of its result for 2020 in accordance with the Guidelines for annual reporting C1 Small not-for-profit organizations of the Dutch Accounting Standards Board.

The financial statements comprise:

1. the balance sheet as at 31 December 2020;
2. the statement of revenues and expenditures for 2020; 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.

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 organizations 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, 26 May 2021

Dubois & Co. Registeraccountants

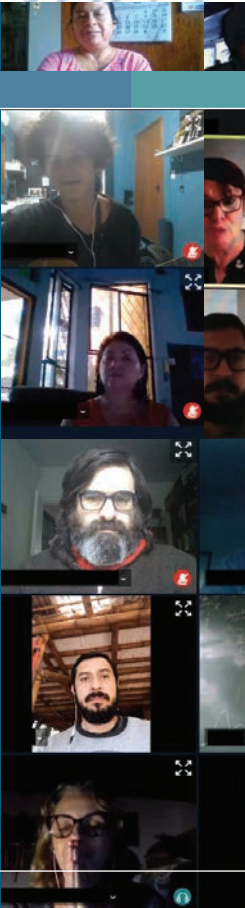
ValidSigned door K. Ait Boukdir RA  
op 26-05-2021

A. Ait Boukdir

# budget 2021

(amounts in euro)

<b>expenses</b>		<b>2021</b>	<b>2020</b>
<i>governance</i>	biennial general meeting	56,987	91,300
	chair & executive committee travel	50,000	69,000
	translations	15,000	15,100
<i>regional activities</i>	cross regional meetings	5,000	10,000
	regional coordination & activities	296,652	225,000
<i>international programs</i>	program coordination	427,185	410,000
	program activities	205,000	243,200
	member group projects	246,000	225,000
	programs team	179,233	185,592
<i>membership development</i>	member group evaluations	2,500	5,000
	human rights defenders work	35,000	75,866
	hrd member group projects	19,000	19,000
	gender justice work	10,000	20,000
	membership development team	80,757	150,755
<i>communications</i>	communications materials & tools	38,225	35,000
	web & radio	104,549	102,306
	communications team	207,656	199,977
<i>management, fundraising &amp; administration</i>	international coordination & fundraising support team	271,909	270,864
	fundraising expenses (travel)	168,729	215,234
		-	6,000
<i>staff costs - non-salaries</i>	recruitment & staff development	6,300	9,500
<i>operational costs</i>	rent, maintenance, inventory	69,265	62,800
	computer systems maintenance	14,000	14,000
	communication infrastructure	7,650	9,850
	supplies	3,150	6,300
	auditor & administrative costs	35,800	33,000
	miscellaneous	7,000	7,000
<i>passed on to others</i>	passed on to others		50,000
<b>total expenses</b>		<b>2,562,547</b>	<b>2,766,644</b>
<b>income</b>		<b>2021</b>	<b>2020</b>
<i>grants</i>	milieudefensie - dgis: fair, green & global-3	900,000	1,051,581
	milieudefensie - dgis: green livelihoods alliance-2	292,000	430,700
	ssnc	232,422	227,921
	bread for the world	159,425	134,733
	isvara foundation	-	130,000
	energy transition fund	169,999	-
	bread for all / pro natura	104,084	65,400
	surplus previous year	-	-
<i>core income</i>	membership fees	650,995	650,000
	interest	-	1,000
	donations	32,122	15,000
<b>total income</b>		<b>2,541,047</b>	<b>2,706,335</b>
<b>balance</b>		<b>-21,500</b>	<b>-60,309</b>
		<b>2021</b>	<b>2020</b>
<i>use of reserves</i>	from allocated reserves - fundraising	-	5,000
	from allocated reserves - membership evaluations	4,000	10,000
	from allocated reserves - solidarity fund	17,500	10,000
	from general reserves	-	35,309
<b>total</b>		<b>21,500</b>	<b>60,309</b>



Zoom meetings throughout 2020.  
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**international secretariat**

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**Friends of  
the Earth  
International**