

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

INCLUDES: Board of Trustees Report | Independent Auditors' Report | Financial Statements year ended 30 June 2017



STICHTING ECPAT INTERNATIONAL

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

INCLUDES

Board of Trustees Report

Independent Auditors, Report

Financial Statements year ended 30 June 2017

Board of Trustees Report

Operating and financial review

This year our focus continued to be investing in a sustainable organisational structure and to advance our programmatic interventions, both at global thematic levels and at regional levels.

Annual expenditure was USD 3,418,764 compared to USD 3,835,367 in the previous year. This decrease in expenditure is due to the completion of a number of thematic project grants. The Global Study on Sexual Exploitation of Children in Travel and Tourism (SECTT) was completed and in July 2017 a transition meeting was convened to plan the next phase for the implementation of the recommendations of the Study. Both Global Study partners and its High Level Task Force members demonstrated strong commitment for actual actions against SECTT.

Donation income was USD 3,232,050 slightly lower than the expenditure level but higher than in previous year. The organisation received a number of large grants in this financial year. Whilst these are very welcome, the priority for 2017/18 will be to broaden our donor base so that we are not reliant on the generosity of a small number of agencies.

The 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs), as adopted by the UN General Assembly in September 2015 continues to provide opportunities for ECPAT International to advance its advocacy work at global and regional level. ECPAT is part of and collaborates with a variety of global partnerships and supports regional initiatives. The adoption of the SDGs and the advocacy actions over the last 18 months are starting to show results through various regional mechanisms that are planning for accelerated actions against SEC, in partnership with governments and UN, civil society and with the private sector.

At the start of 2016 a number of multi-year grants to advance regional advocacy and network development came into effect. This year demonstrates the impact of these grants with increased expenditure levels (plus USD 355,480) particularly in Africa, South Asia and Southeast Asia. For the coming year ECPATV has secured dedicated funding for the Eastern Europe region.

ECPAT International's income is traditionally based on donor grants, and only on exceptional, incidental basis substantial unrestricted income is received. The ECPAT International reserve policy recommends a continuity reserve of nine months core operational costs to cover periods with low levels of grant income and to provide a base to respond to unexpected situations. The Unrestricted Funds of USD 576,066 as presented in the Statement of Financial positions reflects a reserve that is slightly below target. With substantial growth of specific grants and project funds over the last few years to implement our programme work, the Board's intent is to use any future unrestricted income to further build the reserves in the coming years towards its targeted level.

The level of Restricted Funds (USD 994,815) present grant disbursements received in advance for programme implementation in the coming year.

The annual audit carried out by KPMG Thailand for this financial year concluded that there were no substantial findings with regard to the implementation of the financial policies and procedures. The Board is pleased with this result and with the efforts of the Management of the organisation to achieve this. The Finance and Audit Committee of the Board will continue to work with Management to review processes and procedures and ensure effective, efficient and transparent processes within the context of a growing organisation.

The future

The successes of the regionalization process show the way forward for network development, and ECPAT plans for all regions to go through similar processes. One-year funding for Eastern Europe has been secured. The implementation of the recommendations of the Global Study on SECTT will remain a strong point on ECPAT's agenda at national, regional and global levels. ECPAT continues close collaboration with the WePROTECT Global Alliance and supports the Model National Response (MNR). Various of ECPAT partners and members have successfully secured funding for implementation of the MNR and ECPAT's programme on combatting Online Child Sexual Exploitation (OCSE) will ensure support to the various initiatives.

In 2018 ECPAT will hold its 7th International Assembly. The Assembly will set forward the strategies for the coming three years, proposals are being developed to make the network structure more effective and efficient, and the organisation of the Assembly is planned to link to a global high level advocacy event.

As reported last year ECPAT International continues to demonstrate the capability to secure programme and project funds. However, the organisation's heavy reliance on grant income remains a major concern for the Board. Grants provide for specific project funds only, are time restricted and give limited coverage of operational and management costs. Substantial, continued flexible income is required to ensure sustainable income streams and to allow ECPAT to prioritise its expenditure as per our Strategic Plan rather than reacting to donor-led priorities. Operating at a global level with a base in Thailand constrains the organisation's ability to secure private donations due to the inability for donors to give tax deductible donations. This continues to be a high priority of the fundraising strategy.

Board of Trustees

Members of the Board of Trustees during this financial year:

Position

Chair Carol Bellamy
Vice-Chair Katlijn Declercq
Treasurer Ann Byrne

Regional Representatives:

East Asia Bernard Kao
Eastern Europe/ Central Asia Maya Rusakova
Eastern/ Central Africa Zingui Messomo

Latin America Maria Eugenia Villareal

North America Carol Smolenski
Pacific Sandy Thompson
South Asia Sumnima Tuladhar
Western Europe Erika Georg- Monney
Western/Southern Africa Justa Mwaituka

Board Meetings held this year:

9 November 2016, Conference call 23-24 May 2017, Leiden, Netherlands

Detailed information on activities and impact can be found in ECPAT's Annual Report 2016-2017, on our website: http://www.ecpat.org/resources/

Financial statements for the year ended 30 June 2017 and Independent Auditor's Report



KPMG Phoomchai Audit Ltd. Empire Tower, 50th-51st Floors 1 South Sathorn Road, Yannawa Sathorn, Bangkok 10120, Thailand Tel +66 2677 2000, Fax +66 2677 2222 บริษัท เคพีเอ็มจี ภูมิไชย สอบบัญชี จำกัด ชั้น 50-51 เอ็มไพร์ทาวเวอร์ 1 ถนนสาทรใต้ แขวงยานนาวา เขตสาทร กรุงเทพฯ 10120 โทร +66 2677 2000 แฟกซ์ +66 2677 2222

Independent Auditors' Report

To the management of ECPAT International

Opinion

We have audited the financial statements of ECPAT International (the "Organisation"), which comprise the statement of financial position as at 30 June 2017, the statements of revenue and expenditure and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information (together the "financial statements"). The financial statements have been prepared by the management of the Organisation using the basis of preparation and accounting policies described in Note 2 to the financial statements.

In our opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the basis of preparation and accounting policies described in Note 2 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organisation in accordance with the ethical requirements that are relevant to our audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Use and Distribution

We draw attention to Note 2 to the financial statements, which describes the accounting policies. The financial statements have been prepared to assist the Organisation to provide financial information to the management of the Organisation and its donors. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Organisation and its donors, and should not be distributed to or used by parties other than the Organisation and its donors. Our opinion is not modified in respect of this matter.



Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the basis of preparation and the accounting policies described in Note 2 to the financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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 Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude 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 Organisation'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 the Organisation to cease to continue as a going concern.



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

MPMG Phoomchai Audit Ltd.

KPMG Phoomchai Audit Ltd. Bangkok 22 September 2017

Statement of financial position

		30 June		
Assets	Note	2017	2016	
		(in USD)	
Current assets				
Cash and cash equivalents	3	1,473,325	2,002,864	
Donation receivables		323,219	5,215	
Other receivables	- 4	47,519	14,264	
Prepayments		41,415	46,678	
Total current assets		1,885,478	2,069,021	
Non-current asset				
Deposit		6,219	5,744	
Total non-current asset		6,219	5,744	
Total assets		1,891,697	2,074,765	
Liabilities and fund balances				
Current liabilities				
Accounts payable	5	297,318	335,877	
Accrued expenses		23,498	26,324	
Total current liabilities		320,816	362,201	
Fund balances				
Restricted funds	6, 7	994,815	1,149,460	
Unrestricted funds	6	576,066	563,104	
Total fund balances		1,570,881	1,712,564	
Total liabilities and fund balances		1,891,697	2,074,765	

The accompanying notes are an integral part of these financial statements.

Statement of revenue and expenditure

	For the year ended			
49		30 June		
	Note	2017	2016	
		(in USI	D)	
Revenue				
Donation income	7	3,234,050	3,008,177	
Other income		43,031	23,858	
Total revenue		3,277,081	3,032,035	
Expenditure				
Thematic programme areas				
Sexual Exploitation of Children Online		383,538	571,445	
Sexual Exploitation in Travel and Tourism		417,285	521,708	
Legal Programme		111,276	196,177	
Child and Youth Participation		344,999	288,822	
Total thematic programme areas		1,257,098	1,578,152	
e				
Network development and global partnership				
Global Strategies and Coordination		276,188	157,061	
Regional Programming and Coordination				
- Africa		450,192	317,076	
- South Asia		139,397	90,845	
- East Asia		142,633	59,799	
- Latin America		49,453	95,282	
- Other Regions		3,973	6,293	
Total network development and global partnership		1,061,836	726,356	

Statement of revenue and expenditure

	For the year	r ended	
	30 June		
	2017	2016	
	(in USD)		
Research and Policy	208,207	312,662	
Communication and Advocacy	104,188	385,821	
Executive Office	277,761		
Administrative and Operational Expenditure	509,674	576,877	
Total expenditure	3,418,764	3,835,367	
Shortfall of revenue over expenditure	(141,683)	(803,332)	
Fund balance, beginning of year	1,712,564 2,515,		
Fund balance, end of year	1,570,881 1,712,56		

The accompanying notes are an integral part of these financial statements.

Statement of cash flows

	For the year 30 Jun	
	2017	2016
	(in USI	D)
Cash: Brought forward, 1 July 2016 / 1 July 2015		
Cash and deposits at financial institutions	2,002,864	2,604,811
Addition:		
Revenue		
Income receipts during the year	3,277,081	3,032,035
Non cash receipts/payments:		
Advance to staff for work purposes closing balance	(7,611)	(210)
Receivables from ECPAT member groups and partners closing balance	(35,687)	(12,524)
Other receivables closing balance	(4,221)	(1,530)
Accounts payable closing balance	297,318	335,877
Accrued expenses closing balance	23,498	26,324
	273,297	347,937
Deductions:		
Disbursements for various projects	(3,418,764)	(3,835,367)
Change in prepayments and deposits	4,788	419
Advance to staff for work purposes opening balance	210	8,994
Receivables from ECPAT member groups and partners opening balance	12,524	2,013
Other receivables opening balance	1,530	5,831
Accounts payable opening balance	(335,877)	(159,085)
Accrued expenses opening balance	(26,324)	(20,853)
Change in donation receivables	(318,004)	16,129
	(4,079,917)	(3,981,919)
Cash: Carried forward, 30 June 2017 / 30 June 2016		
Cash and deposits at the financial institutions	1,473,325	2,002,864

Note	Contents
1	General information of the Organisation
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These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Executive Director on 22 September 2017.

1 General information of the Organisation

ECPAT International (the "Organisation") was established in January 1991 and registered as a Foundation ("Stichting") under Netherlands' law in 2000, statutory domiciled in Amsterdam, with registration number KvK 34139743. ECPAT International's main office is located at 328/1 Phayathai Road, Bangkok, Thailand, with permission from the Thai Ministry of Labour to operate as a foreign entity in Thailand since 2005.

ECPAT International is governed by the Board of Trustees.

The main objective of the Organisation is to end the sexual exploitation of children. The Organisation seeks to encourage the world community to ensure that children everywhere enjoy their fundamental rights free and secure from all forms of commercial sexual exploitation.

ECPAT International acts as the International Secretariat of the ECPAT International Network, a network consisting of over 98 independent member organisations located in over 88 countries in all regions of the world.

The International Secretariat is the administrative and coordinating unit of the ECPAT Network, including the responsibility for advocacy, campaigning, partnerships and research at the global level and coordination of these activities at regional levels. For this coordination role ECPAT International does not receive membership fees from the Network. Activities are funded through external grants and donations.

2 Summary of significant accounting policies

(a) Basis of preparation

The Organisation maintains its books and records in US Dollars. The financial statements have been prepared in accordance with a modified cash basis of accounting with certain practices considered as appropriate for not-for-profit organisations.

(b) Revenue and expenditure

The Organisation recognises income using the modified cash basis of accounting. The Organisation recognises income when cash is received and when committed funds are due for installment but not yet received. On finalisation or termination of a grant, the Organisation derecognises income when cash is refunded to donor for the unutilised fund balance.

Restricted donation income is allocated to specific projects or programmes depending on the specifics of the project as outlined in the respective donation agreement. Restricted funds made available to the Organisation without detailed conditions for specific project purpose are allocated, within the conditions of the grant agreement, to those projects that (partially or fully) are not supported by specific donations.

Expenditure are recognised as incurred on an accrual basis.

Expenses related to funding commitments to partner organisations for the purpose of project implementation are considered incurred at the moment of advance payment to partner or, if prior, when expenses are incurred and verified. In cases where partner organisations do not fully expend their advances by the end of the implementation period and remaining balances are refunded to the Organisation, such refunds shall be recognised as negative expenditure in the year of refund.

(c) Equipment

Purchases of equipment are recognised as expenses and are matched against the current year receipts of funds. The reason for such treatment of equipment is the importance of matching expenses with donation income disbursements.

For the year ended 30 June 2017, the equipment acquisitions amounted to USD 12,983 (2016: USD 20,151).

(d) Foreign currency transactions

The Organisation operates three currencies - Thai Baht, US Dollar, and Euro - and maintains its accounting records in US Dollar ("USD"). Transactions denominated in Thai Baht and Euro currencies were translated to USD at the rates of exchange of the last day of the preceding month. Transactions denominated in currencies other than Thai Baht and Euro were translated to USD at the exchange rates on the date of transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to USD at the exchange rate ruling at that date.

Gains or losses on foreign exchange arising on settlements and transactions are recognised as revenue or expenditure in the statements of revenue and expenditure as incurred.

(e) Employee benefits

The Organisation recognises employee severance allowances upon the moment payments are made to the employee in accordance with the Organisation's policy.

3 Cash and cash equivalents

	2017	2016
	(in U	SD)
Cash on hand	4,290	2,561
Cash at banks - current accounts	1,218,794	1,569,817
Cash at banks - saving accounts	250,241_	430,486
Total	1,473,325	2,002,864

4 Other receivables

	2017	2016
	(in US)	D)
Receivables from ECPAT Member Groups and Partners	35,687	12,524
Other receivables	4,221	1,530
Advances to staff for work purposes	7,611	210
Total	47,519	14,264

Receivables from ECPAT Member Groups and Partners are unspent project funds advanced to partners to be refunded to the Organisation.

5 Accounts payable

	Note	2017	2016
		(in USI	D)
Other accounts payable		140,009	187,960
Staff savings plan	11.2	157,309	147,917
Total		297,318	335,877

Other accounts payable includes an amount of USD 17,344 of donation income received in advance that was not spent by the end of the donation agreement. This amount will be returned to the respective donors. In Note 7, this amount is excluded from the donation income stated for the year.

6 Fund balances

	Restricted funds	Unrestricted funds (in USD)	Total
Fund balances as at 1 July 2016	1,149,460	563,104	1,712,564
Donation income	3,211,360	22,690	3,234,050
Other income	42,464	567	43,031
Total funds balances	4,403,284	586,361	4,989,645
Utilisation of funds	(3,408,469)	(10,295)	(3,418,764)
Fund balances as at 30 June 2017	994,815	576,066	1,570,881

Unrestricted funds balance

The Organisation aims to ensure a sustainable organisation so that in case of temporarily funding shortage or unforeseen circumstances the ongoing operations of the Organisation are not affected. Therefore, the Organisation aims to maintain an unrestricted reserve of nine months of core operational costs. The Organisation does not wish to build any other reserves than reserves to ensure continuity. The nine months timeframe is based on a prudent assessment of organisational risks and the time required to source additional funding. This reserve is primarily built up from unrestricted donations from private donors and foundations. The Organisation has no investments. The unrestricted funds balance at 30 June 2017 is USD 576,066. This amount is below the targeted continuity reserve. The Organisation has the intention to bring the amount to the targeted level in the coming years.

7 Donation income

	For the year ended 30 June 2017		
	Restricted Donations	Unrestricted Donations (in USD)	Total
Accor Asia	-	3,435	3,435
DCI/ ECPAT Netherlands	299,743	**	299,743
Human Dignity Foundation	830,229	-	830,229
Irish Aid	132,344	-	132,344
Kuoni Global Travel Services	14,862	=	14,862
Oak Foundation	1,065,100	-	1,065,100
SECO (Switzerland)	(93,719)		(93,719)
Sundry donations	# V S	19,255	19,255
Swedish International Development Cooperation			
Agency (Sida)	749,262	-	749,262
Terre des Hommes Netherlands	67,213		67,213
The Code of Conduct in Travel and Tourism			
(TheCode.org)	109,787	78	109,787
UNICEF Thailand	36,539		36,539
Total	3,211,360	22,690	3,234,050
conversion dividuals :			

	For the year ended 30 June 2016 Restricted Unrestricted			
	Restricted	-		
	Donations	Donations	Total	
		(in USD)		
Accor Asia	(4	2,475	2,475	
Carlson Family Foundation	9,270	=	9,270	
DCI/ ECPAT Netherlands	341,948		341,948	
Deutsche Gesellschaft für Internationale				
Zusammenarbeit (GIZ)	7,979	-	7,979	
Embassy of France, Addis Ababa	34,515	W.	34,515	
Human Dignity Foundation	300,839		300,839	
INTERPOL	284,794	:	284,794	
Irish Aid	163,038	Yi⊕	163,038	
Kuoni Global Travel Services	27,534	-	27,534	
Oak Foundation	222,728	-	222,728	
Plan International Inc.	11,126	100) 200	11,126	
Sundry donations	-	46,394	46,394	
Swedish International Development Cooperation				
Agency (Sida)	797,270		797,270	
Terre des Hommes Netherlands	242,882	A	242,882	
The Code of Conduct in Travel and Tourism				
(TheCode.org)	121,017	-	121,017	
UNICEF	380,636	()	380,636	
UNICEF Thailand	13,732		13,732	
Total	2,959,308	48,869	3,008,177	

The unutilised restricted donation fund of USD 93,719 has been refunded to SECO (Switzerland) during the year ended 30 June 2017 as the grant period of *Protection of Children in Tourism II Institutional support to the Child Protection Code* had ended and mutually agreed not to extend.

Additional Information:

The following information lists the specifics of each restricted donation and the remaining funds for the years ended 30 June 2017 and 2016.

The remaining funds are intended for expenditure in the following financial year(s) in accordance with the conditions of each donation agreement.

Donor and Project	Remaining Funds 30 June 2016	Income Financial Year 2016/2017 (in U	Expenditure Financial Year 2016/2017	Remaining Funds 30 June 2017
DCI/ ECPAT Netherlands		(in O		
Reducing Violence against Children Down to Zero	36,963 7,708	17,016 172,950	(53,979) (133,485)	47,173
Girls Advocacy Alliance	9,435	109,777	(66,350)	52,862
Human Dignity Foundation Prevention of Commercial Sexual Exploitation of Children	160,835	830,229	(621,570)	369,494
INTERPOL				
International Child Sexual			87	
Exploitation Database Connectivity and Awareness Raising (I-CARE)	284,794	-	(81,017)	203,777
Irish Aid				
Core funds 2013-2016	70,332		(70,332)	a 0
Multi-sectoral approach to				
Sustainable Change for Children		202 2 3 4	722 72W	**
2016-2019	1 -	132,344	(93,438)	38,906
Kuoni Global Travel Services				
Latin America Programme	540	14,862	(15,402)	-
Latin Timerica 1 rogramme	2.0	1.,002	(,)	2-
Oak Foundation				
Africa funds 2014-2018	(46,752)	200,000	(62,852)	90,396
Core funds 2014-2018	(85,129)	400,000	(308,012)	6,859
Positioning Sexual Exploitation		465 100	(200 041)	264 150
2016-2018	-	465,100	(200,941)	264,159
SECO (Switzerland) Protection of Children in Tourism II Institutional support to the Child		400 510	(0.041)	
Protection Code	102,963	(93,719)	(9,244)	•
Swedish International Development Cooperation Agency (Sida)				
Core funds 2012-2016	=	749,262	(749, 262)	-
Child and Youth Participation 2012-2016	207,660		(207,660)	1 ₩ 1
Combating Exploitation of Children Online 2013-2016	90,073	-	(90,073)	
Terre des Hommes Netherlands Regional CSEC Programme (Asia) Myanmar Situational Analysis Girls Advocacy Alliance (Asia)	163,215 48,497 -	11,510 56,194	(231,544) (107,734) (33,534)	(56,819) (3,043) (33,534)

Donor and Project	Remaining Funds 30 June 2016	Income Financial Year 2016/2017	Expenditure Financial Year 2016/2017 USD)	Remaining Funds 30 June 2017
The Code of Conduct in Travel and Tourism (TheCode.org) Operational Support The Code Programme	98,326	110,190	(180,631)	27,885
UNICEF Philippines Technical Support to Build Capacity COSE	-	41,570	(41,570)	-
UNICEF Thailand Child Protection within Thailand's Tourism Private Sector - The Code	-	36,539	(49,839)	(13,300)
Total	1,149,460	3,253,824	3,408,469	994,815

Income for the financial year under Terre des Hommes Netherlands and The Code of Conduct in Travel and Tourism (The Code.org) included interest income which is recognised as restricted fund for projects.

Income for the financial year under UNICEF Philippines included other income which is recognised as restricted fund for project.

8 Remuneration or fees to Board of Trustees

Apart from reimbursement of expenses, the Trustees on the Organisation's Board of Trustees do not receive any financial compensation for their assignment as Trustees. Any work undertaken for the Organisation whereby Trustees perform technical or specialty services for remuneration are not deemed to be in conflict with this policy.

9 Executive director's remuneration

The sum of USD 168,834 were paid as salary, living allowance and other remuneration to the Executive Director of the Organisation during the year ended 30 June 2017 (2016: USD 162,467).

10 Total staff and related expenses

The total amount paid as salaries and allowances and stipends to the staff and interns of the Organisation for the financial year ended 30 June 2017 amount to USD 1,670,214 (2016: USD 1,883,407). These amounts include the sums paid to the Executive Director shown under Note 9 above and the sums paid to the interns of USD 19,156 (2016: USD 25,069).

Staff size averaged 22 and 24 during the financial years ended 30 June 2017 and 2016, respectively, and there were 18 and 24 staff members at the end of the financial years then ended.

The Organisation receives substantial support from interns who contribute to the different programmes and projects of the organisation. During the fiscal years 2016-2017 and 2015-2016 interns supported the Organisation with a total of 66 months and 90 months of work, respectively. The interns receive a very modest stipend for their contribution, though the actual value of their work that is not presented in the accounts is estimated by Organisation at USD 75,376 and USD 99,968 respectively.

Overview of employee's emoluments

Annual emoluments per employee (in USD)	Number of employees
Less than 20,000	1
20,000 to 39,999	3
40,000 to 59,999	8
60,000 to 79,999	5
80,000 to 99,999	-
100,000 to 119,999	3
More than 120,000	2

Annual emoluments in this overview includes payroll expenditure (gross salary, housing allowance, and savings plan contribution), plus costs for health insurance provided by the Organisation.

For the purpose of comparison, where employees were working part-time or were not employed for the full 12 months reporting period, the emoluments were re-calculated to the full time equivalent for a 12 months period. Only employees who were employed more than six months in the reporting period are presented here.

11 Employee benefits

11.1 Termination Gratuity

In light of the importance of matching expenditure with donation income disbursement and the calculation of restricted fund balances, the Organisation does not have provisions to make reservations for long term liabilities with regard to staff benefit policies, more specifically entitlements for Termination Gratuity. The Organisation's funding is largely based on restricted donation income which can be applied only for actually incurred expenditure.

The liability of Termination Gratuity entitlement for employees upon their termination not reflected in the Statement of Financial Positions has the value of a total accumulated amount of USD 35,139 at 30 June 2017 (2016: USD 47,552).

11.2 Staff savings plan

Monthly contributions from employer and employees to the staff savings plan are reserved in a dedicated bank account. The staff savings plan is implemented from 1 January 2014. The balance of saving plan reservations is presented under Accounts Payable (see Note 5). The reservations are held in a Thai Baht bank account and entitlements are defined in Thai Baht.

12 Audit fees

The annual audit fees for the financial years ended 30 June 2017 represented USD 17,042 (2016: USD 15,804).

13 Reclassification of accounts

Certain accounts in the 2016 financial statements have been reclassified to conform to the presentation in the 2017 financial statements.

		2016	
	Before		After
	reclassification	Reclassification	reclassification
		(in USD)	
Statement of revenue and expenditure			
Expenditures			
Thematic programme areas			
Sexual Exploitation of Children in			
Travel and Tourism	237,112	284,596	521,708
Network Development and Global		¥	
Partnership			
Regional Programming and Coordination			
-East Asia	4,030	55,769	59,799
-Eastern Europe and Central Asia	5,882	(5882)	-
- Western Europe	411	(411)	-
-Thailand	55,769	(55,769)	<u> </u>
-Other Regions	:=	6,293	6,293
The Code of Conduct in Travel and			
Tourism	284,596	(284,596)	-
Planning, Development and Fundraising	128,452	(128,452)	læ.
Administrative and Operational			
Expenditure	448,425	128,452	576,877
		<u> </u>	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Organisation's 2017 budget structuring.

14 Support from Swedish International Development Cooperation Agency (Sida)

In 2012, with amendments in 2013 and 2016, Swedish International Development Cooperation Agency (Sida) committed to support the work of the Organisation for the period 1 July 2012 through 30 April 2017 with a maximum financial contribution of SEK 25,500,000 for core activities, SEK 7,500,000 for Child and Youth Participation and SEK 5,000,000 for Combating Exploitation of Children Online.

For the year ended 30 June 2017 the Organisation received funds and utilised as follows:

For the year ended 30 June 20	17
(in USD)	

*	Core activities	Child and Youth Participation	Combating Exploitation of Children Online	Total
Fund balance brought forward, I July 2016 Donation income	749,262	207,660	90,073	297,733 749,262
Expenditure during the year: 1. Thematic Programme Areas 2. Network Development and Global Partnership 3. Research and Policy 4. Communication and Advocacy 5. Executive Office 6. Administrative and Operational Expenditure Total expenditures	204,987 78,092 36,356 62,287 151,387 216,153 749,262	207,660	89,073 1,000 - - - - - - 90,073	501,720 79,092 36,356 62,287 151,387 216,153 1,046,995
Fund balance carried forward, 30 June 2017		-	-	



