

STICHTING ECPAT INTERNATIONAL

# FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021



## INCLUDED

Board of trustees report

Independent Auditors' Report

Financial Statements  
year ended 30 June 2021

# Board of Trustees Report

## Operating and financial review

For the year ended 30 June 2021 the ECPAT financial statements show income of US\$ 3,586,966 (compared to US\$ 4,236,174 in previous year) and expenditure of US\$ 4,088,270 (compared to US\$ 3,131,821 in previous year). The high income in previous year related to fund disbursements received in advance for activities and projects going over the financial year.

In the previous year the Covid-19 pandemic required substantial changes to project planning and negotiations with donors, causing a slowdown in project implementation. With the expenditure levels this year about 30% higher compared to previous year is the result of the successful re-organisation of activities and their implementation in the ongoing Covid-19 situation.

The year-end shows an increase in unrestricted reserves from US\$ 538,564 to US\$ 618,293. Unrestricted income received this year was allocated in full to the reserves. 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 (US\$ 1,772,603) presents grant disbursements received in advance for programme implementation in the coming year. About 38% of this amount relates to one single grant for a project that will end in the second quarter of 2022.

## International Assembly

The Covid 19 pandemic caused ECPAT to adjust in many ways particularly in the introduction of virtual communication. The first virtual International Assembly was held in May 2021 with 272 participants attending from 93 countries. The feedback from the membership was overwhelmingly positive and encourages new and cost-efficient ways of communication and consultation. The digital options offer opportunity for more frequent consultation and more diversity in participation compared to in-person meetings.

The major item for decision was the Strategic Framework where it was agreed that during the next 2021-2025 Strategic Framework period four network-wide influencing strategies will be implemented aimed at achieving a total of six objectives under two strategic goals: Systemic Change and Social Change:

## Evaluation of effectiveness, impact and sustainability

In 2020 ECPAT commissioned an external evaluation to assess the effectiveness, impact, relevance and sustainability of ECPAT's core activities. ECPAT (both Network and Secretariat) were assessed as highly effective, contributing to substantial and myriad outcomes within their

areas of focus. However, whilst it was difficult to establish specific impact, 261 results were cited from both the Secretariat and the Network.

Relevance of the organization is broadly well aligned to achieving its desired aims in the fight against SEC. The activities undertaken, and the interventions on which it focuses, are achieving broad and impressive results, though there were some areas for improvement identified.

The sustainability of some outcomes and results, especially those at the country and even individual child level, were difficult to establish, not least because of challenges in outcome documentation and institutional learning. However, other outcomes and results, primarily those linking to international systems and mechanisms, will very clearly be sustained for some time. Similarly, ECPAT's various research products have been cited as highly influential, and resources which continue to be used and referenced well after their publication. The evaluation report concluded with 17 recommendations and suggestions for the short, medium, and long term which were used for the development of the new Strategic Framework.

### Research

In this period major initiatives on research and evidence generation were implemented for which final outputs are currently being disseminated. Projects include Disrupting Harm, the Global Boys Initiative and the Voices of Survivors project, all coordinated by the Secretariat and implemented with member organisations across all regions. The evidence and recommendations from the final country, regional and global reports will guide the organization in the coming years in advocacy priorities and programming.

### Annual Audit

The annual audit carried out by KPMG Thailand for this financial year concluded for the sixth consecutive year that there were no instances noted of control weaknesses and non-compliances with established 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 and within the global context of transparency and accountability.

### The future

In 2020 the Board commenced a review of ECPAT's governance structure, which is still mostly based on the initial structure from its inception. First findings of this exercise indeed confirmed the need for change and streamlining of processes, though more work and consultation is still needed to define the new structure which is fit for purpose for the ECPAT Network to achieve its goals.

The generous support to the organization from the Swedish International Development Cooperation Agency (Sida) through core funding grants will continue for the next four years. ECPAT successfully secured a renewal of funding support starting from July 2021.

The organisation's heavy reliance on grant income remains a major concern for the Board. Diversification of funding streams remains key to long term sustainability of income sources. Due to the good funding coverage for programming in the next year, the Board expects that unrestricted income can be mostly dedicated to further building the unrestricted reserves to targeted levels and increase sustainability on the longer term.

Covid 19 made it difficult to fully implement the new Fundraising Strategy which focused on growing and diversifying income from new donors (High Net-worth Individuals, trusts and foundations, private sector and other income channels based on opportunity and resources) and deepen engagement with existing/past donors. This will be a focus in the coming year.

### Board of Trustees

Members of the Board of Trustees during this financial year

#### **Position**

Chair	Carol Bellamy
Vice-Chair	Dorothea Czarnecki (Maya Rusakova from January 2021)
Treasurer	Ann Byrne

#### *Regional Representatives:*

East Asia	Bernard Kao
Eastern Europe/ Central Asia	Maya Rusakova
Western/ Central Africa	Barima Akwasi Amankwaah
Latin America	Luz Stella Cárdenas
North America	Lori Cohen
Pacific	Sandy Thompson
South Asia	Mohammed Mahuruf
Western Europe	Erika Georg- Monney
Eastern/ Southern Africa	Justa Mwaituka
Middle East/ North Africa	Hoda Hamwiah Kara

Due to the Covid pandemic the Board has not been able to meet in person this year. It is hoped that an in-person meeting will be held in 2022.

Board Meetings held this year:

- 12 November 2020, Conference call
- 11 February 2021, Conference call
- 12 May 2021, Conference call

A new Board will be elected by the Network in December 2021.

Detailed information on activities and impact can be found in ECPAT's Annual Report 2020-2021, on our website: <http://www.ecpat.org/>

# **ECPAT International**

Financial statements for the year ended  
30 June 2021  
and  
Independent Auditors' Report

## **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 2021, the statements of revenue and expenditures and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the Organisation for the year ended 30 June 2021 are prepared, in all material respects, in accordance with the Organisation's accounting policies as described in Note 2.

#### *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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Distribution and Use*

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements have been prepared to assist the Organisation to report to the 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 used by or distributed to other parties. 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 Organisation's accounting policies as described in Note 2, 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 auditors' 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 auditors' 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.

KPMG Phoomchai Audit Ltd.

KPMG Phoomchai Audit Ltd.  
Bangkok  
24 September 2021

**ECPAT International**  
**Statement of financial position**

<b>Assets</b>	<i>Note</i>	30 June	
		2021	2020
		<i>(in USD)</i>	
<b><i>Current assets</i></b>			
Cash and cash equivalents	3	2,763,121	3,173,487
Donation receivables		122,852	34,262
Other receivables	4	2,127	8,356
Prepayments		43,884	55,194
<b>Total current assets</b>		<b>2,931,984</b>	<b>3,271,299</b>
<b><i>Non-current asset</i></b>			
Deposit		9,340	9,149
<b>Total non-current asset</b>		<b>9,340</b>	<b>9,149</b>
<b>Total assets</b>		<b>2,941,324</b>	<b>3,280,448</b>
<b>Liabilities and fund balances</b>			
<b><i>Current liabilities</i></b>			
Accounts payable	5	527,191	358,219
Accrued expenses		23,237	30,029
<b>Total current liabilities</b>		<b>550,428</b>	<b>388,248</b>
<b><i>Fund balances</i></b>			
Restricted funds	6, 7	1,772,603	2,353,636
Unrestricted funds	6	618,293	538,564
<b>Total fund balances</b>		<b>2,390,896</b>	<b>2,892,200</b>
<b>Total liabilities and fund balances</b>		<b>2,941,324</b>	<b>3,280,448</b>

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

# ECPAT International

## Statement of revenue and expenditures

		For the year ended	
		30 June	
	<i>Note</i>	2021	2020
		<i>(in USD)</i>	
<b>Revenue</b>			
Donation income	7	3,586,462	4,231,609
Other income		504	4,565
<b>Total revenue</b>		<b>3,586,966</b>	<b>4,236,174</b>
<b>Expenditures</b>			
<b>Thematic programme areas</b>			
Sexual Exploitation of Children Online		898,740	549,751
Sexual Exploitation in Travel and Tourism		365,754	410,320
Legal Programme		50,913	136,811
Child Participation and Survivors Voices		138,715	28,941
Trafficking of Children for Sexual Purposes		283,514	135,846
<b>Total thematic programme areas</b>		<b>1,737,636</b>	<b>1,261,669</b>
<b>Network development and global partnership</b>			
Global Strategies and Coordination		317,272	165,961
Regional Programming and Coordination			
- Africa		95,374	175,687
- South Asia		84,472	92,855
- East Asia		124,666	107,732
- Eastern Europe and Central Asia		35,294	73,849
- Middle East and North Africa		20,902	25,795
<b>Total network development and global partnership</b>		<b>677,980</b>	<b>641,879</b>

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

# **ECPAT International**

## **Statement of revenue and expenditures**

	For the year ended	
	30 June	
	2021	2020
	<i>(in USD)</i>	
<b>Research and Policy</b>	<b>568,868</b>	<b>210,638</b>
<b>Communication and Advocacy</b>	<b>174,583</b>	<b>156,946</b>
<b>Executive Office and Strategic Development</b>	<b>353,982</b>	<b>318,887</b>
<b>Administrative and Operational Expenditure</b>	<b>575,221</b>	<b>541,802</b>
<b>Total expenditures</b>	<b><u>4,088,270</u></b>	<b><u>3,131,821</u></b>
<b>Excess of revenue over expenditures</b>	<b>(501,304)</b>	<b>1,104,353</b>
Fund balances, beginning of year	<u>2,892,200</u>	<u>1,787,847</u>
<b>Fund balances, end of year</b>	<b><u><u>2,390,896</u></u></b>	<b><u><u>2,892,200</u></u></b>

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

**ECPAT International**  
**Statement of cash flows**

	For the year ended	
	30 June	
	2021	2020
	<i>(in USD)</i>	
<b>Cash: Brought forward, 1 July 2020 / 1 July 2019</b>		
Cash and deposits at financial institutions	3,173,487	1,926,550
<b>Addition:</b>		
<b>Revenue</b>		
Income receipts during the year	3,586,966	4,236,174
<b>Non-cash receipts/payments:</b>		
Advance to staff for work purposes closing balance	(2,127)	(2,428)
Receivables from ECPAT member organisations and partners closing balance	-	(3,497)
Other receivables closing balance	-	(2,431)
Accounts payable closing balance	527,191	358,219
Accrued expenses closing balance	23,237	30,029
	<b>548,301</b>	<b>379,892</b>
<b>Deductions:</b>		
Disbursements for various projects	(4,088,270)	(3,131,821)
Change in prepayments and deposits	11,119	14,473
Advance to staff for work purposes opening balance	2,428	2,222
Receivables from ECPAT member organisations and partners opening balance	3,497	29,360
Other receivables opening balance	2,431	5,436
Accounts payable opening balance	(358,219)	(318,091)
Accrued expenses opening balance	(30,029)	(20,505)
Change in donation receivables	(88,590)	49,797
	<b>(4,545,633)</b>	<b>(3,369,129)</b>
<b>Cash: Carried forward, 30 June 2021 / 30 June 2020</b>		
Cash and deposits at the financial institutions	<b>2,763,121</b>	<b>3,173,487</b>

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

**ECPAT International**  
**Notes to the financial statements**  
**For the year ended 30 June 2021**

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# **ECPAT International**

## **Notes to the financial statements**

### **For the year ended 30 June 2021**

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Acting Executive Director on 24 September 2021.

## **1 General information of the Organisation**

ECPAT International (the “Organisation”) was established in May 1990 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 100 independent member organisations located in over 100 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 expenditures**

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.

Expenditures are recognised as incurred on an accrual basis.

**ECPAT International**  
**Notes to the financial statements**  
**For the year ended 30 June 2021**

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 2021, the equipment acquisitions amounted to USD 31,418 (2020: USD 7,621).

**(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 expenditures as incurred.

**(e) Interest income**

Interest income generated on bank accounts is accounted for as other income under revenue and considered unrestricted income. Unrestricted funds can be allocated towards any purpose within the organisation’s overall objectives and statutory mission statement. Where donor or grant agreements include specific conditions for use of interest income, these conditions shall be adhered to.

**(f) 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**

	2021	2020
	<i>(in USD)</i>	
Cash on hand	5,802	4,112
Cash at banks - current accounts	2,385,172	2,913,145
Cash at banks - saving accounts	372,147	256,230
<b>Total</b>	<b><u>2,763,121</u></b>	<b><u>3,173,487</u></b>



**ECPAT International**  
**Notes to the financial statements**  
**For the year ended 30 June 2021**

**4 Other receivables**

	2021	2020
	<i>(in USD)</i>	
Receivables from ECPAT Member Organisations and Partners	-	3,497
Other receivables	-	2,431
Advances to staff for work purposes	2,127	2,428
<b>Total</b>	<b>2,127</b>	<b>8,356</b>

Receivables from ECPAT Member Organisations and Partners are unspent project funds advanced to partners.

**5 Accounts payable**

	<i>Note</i>	2021	2020
		<i>(in USD)</i>	
Other accounts payable		205,964	148,002
Staff savings plan	<i>11.2</i>	321,227	210,217
<b>Total</b>		<b>527,191</b>	<b>358,219</b>

**6 Fund balances**

	<i>Note</i>	Restricted funds	Unrestricted funds <i>(in USD)</i>	Total
Fund balances as at 1 July 2020		2,353,636	538,564	2,892,200
Donation income	<i>7</i>	3,506,475	79,987	3,586,462
Other income		26	478	504
Total funds balances		5,860,137	619,029	6,479,166
Utilisation of funds	<i>7</i>	4,087,534	736	4,088,270
<b>Fund balances as at 30 June 2021</b>		<b>1,772,603</b>	<b>618,293</b>	<b>2,390,896</b>

*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 2021 is USD 618,293. 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.

**ECPAT International**  
**Notes to the financial statements**  
**For the year ended 30 June 2021**

**7 Donation income**

	For the year ended 30 June 2021		
	Restricted Donations	Unrestricted Donations <i>(in USD)</i>	Total
Brot für die Welt	32,873	-	32,873
Carlson Family Foundation	(31,351)	31,351	-
Conrad N. Hilton Foundation	100,000	-	100,000
DCI / ECPAT Netherlands	353,318	-	353,318
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH	29,091	-	29,091
ECPAT Germany	5,933	-	5,933
Fund to End Violence Against Children	245,592	-	245,592
GlobalGiving Foundation	12,000	-	12,000
Irish Aid	93,089	-	93,089
New Venture Fund	765,749	-	765,749
Oak Foundation	350,000	-	350,000
Sundry donations	-	48,636	48,636
Swedish International Development Cooperation Agency (Sida)	1,126,754	-	1,126,754
Terre des Hommes Netherlands	56,506	-	56,506
The Code of Conduct in Travel and Tourism (TheCode.org)	86,723	-	86,723
UBS Optimus Foundation	108,972	-	108,972
WePROTECT Global Alliance	171,226	-	171,226
<b>Total</b>	<b>3,506,475</b>	<b>79,987</b>	<b>3,586,462</b>

	For the year ended 30 June 2020		
	Restricted Donations	Unrestricted Donations <i>(in USD)</i>	Total
Accor Asia	-	1,802	1,802
Carlson Family Foundation	300,000	-	300,000
DCI / ECPAT Netherlands	312,079	-	312,079
ECPAT France	22,343	-	22,343
ECPAT Sweden	2,750	-	2,750
Fund to End Violence Against Children	1,219,123	-	1,219,123
Global Impact	6,250	-	6,250
Irish Aid	106,470	-	106,470
New Venture Fund	619,718	-	619,718
Oak Foundation	100,000	-	100,000
Sundry donations	-	23,833	23,833
Swedish International Development Cooperation Agency (Sida)	1,140,977	-	1,140,977
Taiwan Foundation for Democracy	5,430	-	5,430
Terre des Hommes Netherlands	139,647	-	139,647
Thailand Institute of Justice	97,561	-	97,561
The Code of Conduct in Travel and Tourism (TheCode.org)	55,780	-	55,780
United Kingdom Home Office	62,846	-	62,846
United Nations Children's Fund	15,000	-	15,000
<b>Total</b>	<b>4,205,974</b>	<b>25,635</b>	<b>4,231,609</b>

**ECPAT International**  
**Notes to the financial statements**  
**For the year ended 30 June 2021**

*Additional Information:*

The following information lists the specifics of each restricted donation and the remaining funds for the years ended 30 June 2021 and 2020.

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

Donor and Project	Remaining Funds 30 June 2020	Income Financial Year 2020/2021	Expenditures Financial Year 2020/2021	Remaining Funds 30 June 2021
		<i>(in USD)</i>		
<b>Brot für die Welt</b>				
<i>Empowering CSOs to Lead Victim-Centered Advocacy Efforts Towards Ending the Sexual Exploitation of Children</i>	(3,300)	32,873	(23,819)	5,754
<b>Carlson Family Foundation (through ECPAT USA)</b>				
<i>Protecting Children from Sexual Exploitation in Travel and Tourism</i>	204,996	(31,351)	(173,645)	-
<b>Conrad N. Hilton Foundation</b>				
<i>Support Ending Child Sexual Exploitation</i>	-	100,000	(18,373)	81,627
<b>DCI / ECPAT Netherlands</b>				
<i>Down to Zero- Fighting Sexual Exploitation of Children</i>	5,097	43,308	(48,405)	-
<i>Down to Zero - Voice for Change</i>	(12,620)	232,677	(246,693)	(26,636)
<i>Girls Advocacy Alliance</i>	45,138	12,014	(57,152)	-
<i>She Leads</i>	-	35,707	(20,888)	14,819
<i>Together for the Protection &amp; Empowerment of Youth in Thailand (FBK II)</i>	-	29,612	(18,989)	10,623
<b>Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH</b>				
<i>Prioritizing Child Protection as Part of Sustainable and Responsible Travel and Tourism Recovery</i>	-	29,091	(21,143)	7,948
<b>ECPAT Germany</b>				
<i>Boys' Initiative Programme</i>	-	5,933	(215)	5,718

**ECPAT International**  
**Notes to the financial statements**  
**For the year ended 30 June 2021**

Donor and Project	Remaining Funds 30 June 2020	Income Financial Year 2020/2021	Expenditures Financial Year 2020/2021	Remaining Funds 30 June 2021
		<i>(in USD)</i>		
<b>Fund to End Violence Against Children</b>				
<i>OCSEA National Assessments - Contextual Research</i>	1,530,631	243,482	(1,099,569)	674,544
<i>Developing a digital learning tool (through University of Kent)</i>	-	2,110	(2,110)	-
<b>GlobalGiving Foundation</b>				
<i>Facebook's Trusted Partner Programme</i>	-	12,000	(37)	11,963
<b>Irish Aid</b>				
<i>Empowering Civil Society to End Child Sexual Exploitation</i>	72,932	(27,811)	(45,121)	-
<i>Empowering CSOs to Lead Victim-Centered Advocacy Efforts towards the Sexual Exploitation of Children</i>	-	120,900	(6,391)	114,509
<b>New Venture Fund</b>				
<i>Core funds 2019 – 2022 (Ignite Philanthropy- Inspiring the end to violence against girls and boys)</i>	60,242	695,000	(443,203)	312,039
<i>Using the Power of Evidence to Enhance Advocacy on SEC I</i>	8,252	-	(8,252)	-
<i>Using the Power of Evidence to Enhance Advocacy on SEC II</i>	-	70,749	(4,028)	66,721
<b>Oak Foundation</b>				
<i>Ending Online Child Sexual Abuse and Exploitation of Children – EU</i>	100,000	-	(84,339)	15,661
<i>Electronic Communications Code and Digital Services Act, EU</i>	-	250,000	(15,079)	234,921
<i>Child Safety-Related Technical Review Project (through Tides Foundation)</i>	-	100,000	(45,125)	54,875
<b>Swedish International Development Cooperation Agency (Sida)</b>				
<i>Core funds 2017 - 2021</i>	234,878	1,126,754	(1,361,632)	-

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Donor and Project	Remaining Funds 30 June 2020	Income Financial Year 2020/2021	Expenditures Financial Year 2020/2021	Remaining Funds 30 June 2021
		<i>(in USD)</i>		
<b>Terre des Hommes Netherlands</b> <i>Girls Advocacy Alliance (Asia)</i>	41,111	56,506	(97,617)	-
<b>Thailand Institute of Justice</b> <i>A Global Initiative to Explore the Sexual Exploitation of Boys: The Thailand Reports</i>	21,345	-	(21,345)	-
<b>The Code of Conduct in Travel and Tourism (TheCode.org)</b> <i>Operational Support The Code Programme</i>	44,934	86,749	(34,447)	97,236
<b>UBS Optimus Foundation</b> <i>Ending Trafficking and Sexual Exploitation of Children in Travel and Tourism</i>	-	108,972	(30,025)	78,947
<b>WePROTECT Global Alliance</b> <i>Mobilising the Voices and Perspectives of Victims and Survivors of Online Child Sexual Exploitation</i>	-	171,226	(159,892)	11,334
<b>Total</b>	<b>2,353,636</b>	<b>3,506,501</b>	<b>(4,087,534)</b>	<b>1,772,603</b>

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

Carlson Family Foundation: an unspent balance at the end of the project grant period has been added to unrestricted reserves after explicit agreement for this use of unspent balance from the donor.

## **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 175,149 were paid as salary, living allowance and other remuneration to the Executive Director of the Organisation during the year ended 30 June 2021 (2020: USD 166,199).

## **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 2021 amount to USD 1,988,968 (2020: USD 1,950,088).

# ECPAT International

## Notes to the financial statements

### For the year ended 30 June 2021

These amounts include the sums paid to the Executive Director shown under Note 9 above and the sums paid to the interns of USD 1,094 (2020: USD 34,471).

Staff size averaged 22 and 22 during the financial years ended 30 June 2021 and 2020, respectively, and there were 21 and 22 staff members at the end of the financial years then ended.

During fiscal year 2019-2020 the Organisation received substantial support from interns who contribute to the different programmes and projects of the organisation. During that year interns supported the Organisation with a total of 69 months of work. The interns receive a very modest stipend for their contribution, though the actual value of their work during that fiscal year not presented in the accounts was estimated at USD 77,245. In fiscal year 2020-2021 the internship programme was on hold due to Covid-19 travel restrictions.

#### *Overview of employee's emoluments*

Annual emoluments per employee ( <i>in USD</i> )	2020/2021 Number of employees
Less than 20,000	-
20,000 to 39,999	3
40,000 to 59,999	4
60,000 to 79,999	5
80,000 to 99,999	1
100,000 to 119,999	5
120,000 and more	4

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 51,282 at 30 June 2021 (2020: USD 47,096).

### *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.

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**12 Audit fees**

The annual audit fees for the financial years ended 30 June 2021 represented USD 20,833 (2020: USD 20,408).



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