



Annual Account 2007



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Balance sheet as per 31 december 2007
(after proposed destination of results in euros)

	31 Dec 07	31 Dec 06
	EUR	EUR
Assets		
Tangible fixed assets		
2.1 Property, Plant and Equipment	136,109	30,942
	136,109	30,942
Current assets		
2.2 Accounts receivable	754,128	812,756
2.3 Cash and cash equivalents	5,654,592	3,627,271
	6,408,720	4,440,027
Total Assets	6,544,829	4,470,969
Liabilities		
Equity		
2.4.1 Freely disposable capital		
• Continuity reserve	4,000,000	3,750,000
• Freely disposable on behalf of the objective	643,116	91,083
2.4.2 Tied-up capital	-	-
2.4.3 Earmarked funds	89,403	-
2.4.4 Fund tangible fixed assets	136,109	30,942
	4,868,628	3,872,025
2.5 Short-term debts		
2.5.1 Project obligations	12,170	218,528
Accounts payable	185,796	136,719
2.5.2 Tax and social security payments	224,137	75,764
2.5.3 Other debts, accruals and deferred income	1,254,098	167,933
	1,676,201	598,944
Total Liabilities	6,544,829	4,470,969



Statement of income and expenses in 2007 (in euro)

	Realisation 2007	Budget 2007	Realisation 2006
Fundraising			
Income own fundraising			
Donations, gifts, grants	6,859,712	5,645,000	5,279,698
	6,859,712	5,645,000	5,279,698
Expenditure own fundraising			
3.3 Direct costs	(605,512)	(456,400)	(420,293)
3.5 Support costs in the Netherlands	(439,503)	(409,664)	(355,303)
	(1,045,015)	(866,064)	(775,596)
(in % of income own fundraising)	15,2%	15,3%	14,7%
Netto income own fundraising	5,814,697	4,778,936	4,504,102
Share in activities of third parties			
National Postal Code Lottery	1,000,000	1,000,000	1,000,000
Available from fundraising	6,814,697	5,778,936	5,504,102
Grants governments and others			
PSO	223,365	340,000	347,954
TMF/MFS	1,868,400	1,868,400	1,450,000
War Child Canada	(14,897)	137,399	155,571
Other	348,096	1,589,395	257,157
Other financial income and expenses	90,222	100,000	106,674
Total available on behalf of the objective	9,329,883	9,814,130	7,821,458



Expenditure on behalf of the objective

	Realisation 2007	Budget 2007	Realisation 2006
Communication & Awareness raising			
3.4 Direct campaign costs	212,219	244,900	157,137
3.5 Support costs in the Netherlands	558,934	535,168	456,817
	771,153	780,068	613,954
Preparation & Coordination from the Netherlands			
3.1 Direct costs	189,939	531,805	343,684
3.5 Support costs in the Netherlands	501,607	516,224	427,215
	691,546	1,048,029	770,899
Project activities			
3.2 Direct costs	5,982,020	7,132,771	5,957,539
3.5 Support costs in the Netherlands	888,561	906,944	875,569
	6,870,581	8,039,715	6,833,108
Expenditure on behalf of the objective	8,333,280	9,867,814	8,217,961
Surplus / (Deficit)	996,603	(53,684)	(396,503)



The destination of results is as follows:

	2007	2006
Result	996,603	(396,503)
(Addition) / Withdrawal:		
Continuity reserve	(250,000)	250,000
Freely disposable on behalf of the objective	(552,033)	146,721
Earmarked funds project activities	(89,403)	-
Fund assets operational management	(105,167)	(218)
Balance at the end of the fiscal year	-	-

The cash flow overview is as follows:

	2007	2006
Cash flow from operational activities		
Result	996,603	(396,503)
Adaptions concerning:		
• Debits tangible fixed assets	71,372	34,904
Gross cash flow from operational activities	1,067,975	(361,599)
Mutation in accounts receivable	58,628	(327,825)
Mutation short-term debts	1,077,257	329,507
Netto cash flow		
from operational activities (A)	2,203,860	(359,917)
Cash flow from investment activities		
Investments in tangible fixed assets	(176,539)	(35,122)
Cash flow from investment activities (B)	(176,539)	(35,122)
Cash flow from financing activities (C)		
	-	-
Mutation cash and cash equivalents (A + B + C)	2,027,321	(395,039)
Cash and cash equivalents as per 1 january	3,627,271	4,022,310
Cash and cash equivalents as per 31 december	5,654,592	3,627,271
Mutation cash and cash equivalents	2,027,321	(395,039)



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Explanation of the Balance sheet and the Statement of income and expenses

1. Principles of valuation and determination of results

1.1 General

The report is drawn up following the principles of the historical costs. Unless indicated otherwise, assets and liabilities have been admitted against no-par value. The report is arranged according to "Directive 650 Fundraising Institutions". The objective of this directive is to give insight into the costs of the organisation and expenditure of the resources in relation to the objective for which these funds were brought together.

1.2 Change in accounting policies

The War Child Foundation draws up the annual accounts according to the so-called "accrual based" valuation principles. Until 2006, the programme countries accounted for the expenditure on a cash basis. In the annual accounts of 2007, for the first time, the programme countries have included the overflowing posts, so as to maintain unambiguous systematics. The comparative figures of 2006 have been adjusted.

Free disposable capital

	2006 (old)	Change in accounting policies	2006 (new)
	EUR	EUR	EUR
Balance at the start of the fiscal year	4,237,804	-	4,237,804
Addition/(withdrawal) fiscal year	(471,677)	75,174	(396,503)
Withdrawal/(addition) tied-up capital	(218)	-	(218)
Balance at the end of the fiscal year	3,765,909	75,174	3,841,083

1.3 Tangible fixed assets

Tangible fixed assets are valued by their purchased value by deduction of a debit which is determined on the basis of estimations of the economic life span. Tangible fixed assets which are applied as part of the objective are suddenly written off of the result. In the explanation of the tangible fixed assets this is, as far as relevant, additionally clarified. For the value of the assets on behalf of



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the operational management, a Fund assets operational management will be retained at the end of the fiscal year at the expense of the Freely disposable capital.

1.4 Equity

The capital of the foundation is applied as part of the foundation's objective. As far as the equity is not presented as Continuity reserve or as tied-up capital on behalf of the objective, this is presented as Freely disposable capital on behalf of the objective.

1.5 Tied-up capital

Under tied-up capital the part of the capital is presented which is earmarked by third parties for the specific use on behalf of the objective. The expenditure is further specified under projects.

1.6 Other assets and liabilities

The other assets and liabilities are valued against no-par value. The valuation of accounts receivable is made by deduction of a provision because of irrecoverability based on the individual valuation of the accounts receivable.

1.7 Foreign currency

Transactions in foreign currency are converted to euro at the price of the transaction date. At the end of the fiscal year all accounts receivable and debts in foreign currency are converted to euro on the basis of the price as per balance date. Price results have been admitted into the statement of assets and liabilities.

1.8 Contributions, donations and grants

The income consists of the proceeds from contributions, donations, grants, and other income which are ascribed to the fiscal year concerned. Donations are accounted for in the year in which these were attributed. Losses are taken into account if they originate in the fiscal year in question and as soon as these are anticipated. Grants are accounted for in the year of receipt.

1.9 On-charged expenses

Within the organisation four main activities can be distinguished: Fundraising, Communication & Awareness raising, Preparation and Coordination and Project activities. In support of these activities the organisation has support costs. These costs are ascribed to the year concerned and are on-charged to afore-mentioned activities according to a fixed distribution key per staff member. Direct costs on behalf of Fundraising and Communication and Awareness raising are also attributed to the year concerned.



1.10 Costs Project activities/Project obligations

See 1.2 Change in accounting policies: As per 2007, the projects have transferred to accrual based accounting. The comparative figures have been adjusted. Attributed funds to local partners are accounted for as liabilities in the year of attribution.



2. Explanation of the Balance sheet as per 31 December 2007 (in euro)

2.1 Property, Plant and Equipment

Computer and office equipment are applied on behalf of operational management.

The value course of the property, plant and equipment is as follows:

	Capital assests EUR	Project goods EUR	Total EUR
Purchase value assests	44,822	7,940	52,762
Cumulative debits	(21,820)	-	(21,820)
Value at start of fiscal year	23,002	7,940	30,942
Investments during the fiscal year	150,656	25,883	176,539
Debits during fiscal year	(45,957)	-	(45,957)
Directly charged to project	-	(25,415)	(25,415)
Value as per 31 December 2007	127,702	8,407	136,109
Cumulative purchase value assests	195,478	57,412	252,890
Cumulative debits	67,777	-	67,777
Directly charged to project	-	49,004	49,004
	127,702	8,407	136,109
Debit percentages	33,33%	0,00%	

The debit costs are accounted for in two places on the statement of profit and loss. The debit costs for the Management Information System, as far as these refer to the programmes, are accounted for under Preparation & Coordination (€ 29,000). Debit costs for the Headquarters under Support Costs (€ 17,000).

The value of the project goods as per 31 december 2007 concerns purchased laptops of which the costs are charged to the project after placing it at the disposal of the project. Other goods on behalf of the projects are entirely written off during the fiscal year (value € 203,337 in 2007, € 261,255 in 2006).



2.2 Accounts receivable

The accounts receivable can be specified as follows:

	31 Dec 07	31 Dec 06
	EUR	EUR
Donations due	97,000	100,500
Subsidy Accounts Receivable (PSO)	344,730	466,562
Interest internet savings account	32,496	-
Advances	1,132	1,643
Deposits	12,639	12,639
Accounts receivable General	-	24,442
Prepaid in project countries	116,278	118,323
Other accounts receivable	149,853	88,647
	754,128	812,756

2.3 Cash and cash equivalents

The cash and cash equivalents can be specified as follows:

	31 Dec 07	31 Dec 06
	EUR	EUR
ABN AMRO Savings account	4,650,000	3,200,000
ABN AMRO Payment account	109,554	24,284
ING Bank	297,958	126,492
Postbank	147,725	135,132
Cash	406	5,907
Cash/Bank projects	448,949	135,456
	5,654,592	3,627,271

All cash and cash equivalents which are not directly necessary for operational management are transferred to a savings account and are directly claimable. Starting point is the preservation of the value of the principal money.



2.4 Equity

The policy of the foundation is aimed at spending the capital in concordance with the designated purpose. In view of a correct justification of the tied-up capital, already at the receipt of gifts, donations and grants specific mention of the projects of War Child are taken into account. To ensure that the foundation will also be able to fulfill her obligations in the future, the foundation finds it desirable to reserve a part of the Freely disposable income as Continuity reserve. For the determination of the size of the Continuity reserve, War Child follows the guideline of the Dutch Fundraising Institutions Association (VFI). The guideline allows a maximum reservation of 1,5 times the costs of the operational organisation. The operational organisation is defined according to the VFI-code as: "Costs own staff (for the recruitment as well as the execution of the objective), housing costs, office and administrative costs on behalf of the own organisation, management costs, costs for fundraising, as well as the costs of outsourced services concerning the above-mentioned posts".

In 2005, the board decided on the basis of the strategic plan 2006-2010 to establish the continuity reserve at a maximum of € 4,000,000 over the years to come. For the calculation of this reserve, the following costs of the operational organisation were taken into account:

	2007
Direct costs fundraising (100%)	€ 605,512
Support costs (100%)	€ 2,369,753
Costs of Project activities - execution own organisation (50%)	€ 2,313,821
Costs of Project activities - execution local partners (25%)	€ 338,595
Costs Own Operational Organisation	€ 5,627,681

Thus, the current Continuity reserve of € 4,000,000 comes down to 0,71 times the costs of the operational organisation.

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- Juntos la mujer y el hombre se preocupan por el bienestar de los hijos.
- Mientras más se le da gusto a los hijos y a los papás, más se cuidan y más se les ama.
- Hay la mujer que dice que los hombres son los que más se preocupan por el bienestar de los hijos.
- Diferencia: si el hombre se preocupa por los hijos, él también se preocupa por el bienestar de los papás.
- Los hombres se preocupan por el bienestar de los hijos y los papás.
- La mujer que dice que los hombres son los que más se preocupan por el bienestar de los hijos.



2.4.1 Freely disposable income

	2007	2006
	EUR	EUR
Balance at the start of the fiscal year	3,841,083	4,237,804
Addition/(withdrawal) fiscal year	907,200	(396,503)
Withdrawal/(addition) tied-up capital	(105,167)	(218)
Balance at the end of the fiscal year	4,643,116	3,841,083

The compilation of the Freely disposable income is as follows:

	2007
	EUR
Continuity reserve:	
Balance as per 1 january	3,750,000
Plus: of destination of result	250,000
Minus: of destination of result	-
Balance as per 31 December	4,000,000

Freely disposable on behalf of the objective:

Balance as per 1 january	91,083
Minus: addition to Fund assets operational management	(105,167)
Plus: of destination of result	657,200
Balance as per 31 december	643,116
Total freely disposable income:	4,643,116

2.4.2 Tied-up capital

The tied-up capital increases per balance with € 194,570.

The course of the tied-up capital is as follows:

	2007	2006
	EUR	EUR
Balance at the start of the fiscal year	30,942	30,724
Addition/(withdrawal) fiscal year	89,403	-
Withdrawal/(addition) tied-up capital	105,167	218
Saldo bij einde van het boekjaar	225,512	30,942



2.4.3 Earmarked funds of Project activities

The destination of the tied-up capital at the end of the fiscal year is as follows:

	Balance 1-1-2007	Income	Expenditure	Balance 31-12-2007
	EUR	EUR	EUR	EUR
Afghanistan	-	9,254	9,254	-
Colombia	-	98,789	98,789	-
Democratic Republic of Congo	-	813	813	-
Israel / Occupied Palestinian areas	-	20,800	20,800	-
Sierra Leone	-	316,178	316,178	-
Sudan	-	3,306	3,306	-
Uganda	-	351,369	287,966	63,403
The Netherlands	-	32,596	6,596	26,000
	-	833,105	743,702	89,403

2.4.4 Fund assets operational management

	2007	2006
	EUR	EUR
Balance as per 1 january	30,942	30,724
Plus: of Freely disposable income	105,167	218
Balance as per 31 december	136,109	30,942

2.5 Short-term debts

2.5.1 Project obligations

	31-12-2007	31-12-2006
	EUR	EUR
Project countries:		
Israel and the Occupied Palestinian Territories	-	90,000
Afghanistan	-	18,241
Uganda	-	72,902
Colombia	12,170	37,385
	12,170	218,528



2.5.2 Taxes and social security payments

	31-12-2007	31-12-2006
	EUR	EUR
To be transferred income tax- HQ	42,036	34,919
To be transferred		
National Insurance contributions - HQ	21,707	20,912
To be transferred gift tax - HQ	19,933	19,933
To be transferred income tax - Field	140,460	-
	224,137	75,764

2.5.3 Other debts, accruals and deferred income

	31-12-2007	31-12-2006
	EUR	EUR
Provision holiday allowance and holidays	183,686	144,106
Transistoria Credit - HQ	1,030,377	23,826
Provisions staff - Field	39,488	-
Advances Projects	546	-
	1,254,098	167,932



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2.6 Rights and obligations not included in the balance

2.6.1 Long-term financial obligations

In 2008 War Child will move to a new location. In 2007, a rental obligation was engaged for five years for a total amount of € 999,000, of which € 199,800 will expire within a year. With the board's approval of the budget of 2008, a full obligation has been entered into with local partners for the amount of € 1,540,742 (2006: € 2,527,578). The contracts were not signed until 2008.

In 2007, the obligations towards local partners in own projects were part of this amount.

2.6.2 Long-term financial rights

In 2006, War Child was promised an amount of € 7,8 million for four years in relation to the Co-Financing System. The remainder for 2008 until 2010 amounts to € 6,0 million.



3. Explanation of the Statement of income and expenses in 2007

3.1 Preparation & Coordination (in euro)

The costs for Preparation & Coordination are as follows:

	2007	2006
	EUR	EUR
Methodology development	49,232	13,825
Management & Methodology week	-	75,549
Recruitment, training and preparation field staff	43,096	83,001
Management Information System	47,573	71,482
General costs Preparation & Coordination	50,038	99,827
	189,939	343,684

3.2 Project activities (in euro)

The expenditure on the objective of the project activities is specified per country as follows:

Own Projects*:

	2007	2006
	EUR	EUR
Afghanistan	769,218	802,191
Bosnia-Herzegovina	-	-
Democratic Republic of Congo (DRC)	437,304	318,789
Colombia	121,220	91,687
Kosovo	15,295	-
Georgia	-	-
Israel and the Occupied Palestinian Territories	128,899	95,356
Sri Lanka	-	-
The Netherlands	-	-
Chechnya and Ingushetia	374	-
Sudan	747,840	1,081,584
Sierra Leone	860,534	923,922
Uganda	1,249,639	933,852
Projects General	297,317	104,350
	4,627,641	4,351,731

* The part within Own Projects which is carried out by Local Partners is also accounted for under Local Partners. In 2006, these were accounted for under Own Projects. The comparative figures have been adjusted.

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	2007	2006
	EUR	EUR
Local Partners:		
Afghanistan	-	85,258
Bosnia-Herzegovina	-	68,202
Democratic Republic of Congo (DRC)	61,036	46,202
Colombia	491,498	388,662
Kosovo	143,286	193,118
Georgia	-	139,820
Israel and the Occupied Palestinian Territories	262,573	370,268
Sri Lanka	-	21,600
The Netherlands	100,000	100,000
Chechnya and Ingushetia	103,087	33,401
Sudan	81,454	35,076
Sierra Leone	29,062	24,150
Uganda	82,383	100,049
Projects General	-	-
	1,354,379	1,605,808
Total	5,982,020	5,957,539

3.3 Expenditure own fundraising (in euro)

The costs of own fundraising are as follows:

	2007	2006
	EUR	EUR
Recruitments Friends	594,851	394,236
Travel and accomodation costs	-	1,448
Adverts	-	202
Structural improvement of quality	-	20,508
Other recruitment costs	10,661	3,899
	605,512	420,293

3.4 Costs Communication & Awareness raising (in euro)

The costs Communication & Awareness raising are as follows:

	2007 EUR	2006 EUR
General-interest education	39,803	30,861
News bulletin	107,114	71,716
Theme campaign	21,631	29,939
Advert	3,691	4,529
Photografy	2,114	3,954
Translation	3,423	2,474
Field visits	20,989	9,718
Website	4,743	1,758
Material General	1,485	39
Other costs C&Ar	7,225	2,149
	212,219	157,137

3.5 Distribution of support costs according to destination (in euro)

	Fundraising	Communication & Awareness raising	Preparation & Coordination	Projects activities	Total	Budget 2007	Total 2006
SALARIES AND NATIONAL INSURANCE CONTRIBUTION	339,779	432,112	387,790	686,943	1,846,623	1,822,000	1,620,807
OTHER STAFF COSTS	35,160	44,715	40,128	71,085	191,088	198,000	199,920
BOARD/MT-COSTS	758	963	865	1,532	4,119	8,000	8,313
HOUSING COSTS	28,089	35,722	32,058	56,789	152,659	167,500	159,065
OFFICE COSTS	11,826	14,785	13,288	23,504	63,183	62,000	61,911
OTHER GENERAL COSTS	24,092	30,636	27,498	48,707	130,933	110,500	64,888
	439,503	558,934	501,607	888,561	2,388,605	2,368,000	2,114,904
BUDGET 2007	409,664	535,168	516,224	906,944		2,368,000	



GOATS

ATTITUDE

EDUCATION

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dropout
rate

Early
Marriage

CORE
PROBLEM

Polygamy

3.6 Specification of the support costs (in euro)

	2007	2006
	EUR	EUR
Salaries and National Insurance contributions		
Gross wages	1,549,100	1,363,532
Contribution Healthcare	-	-
National Insurance contributions	227,929	202,093
Provision Holiday allowance	69,594	55,182
	1,846,623	1,620,807

Other staff costs		
Pension Premiums	114,183	92,982
Educational costs	8,756	6,989
Health and Safety Executive	5,246	2,137
Canteen costs	5,024	8,592
Absence insurance	13,637	20,294
Recruitment and Selection Office staff	6,713	6,812
Travel Costs Living/Work	29,075	31,795
Contribution Child care	-	12,677
Other staff costs	8,454	17,642
Payment Health Law Insurance	-	-
	191,088	199,920

	2007	2006
	EUR	EUR
Board/MT-costs		
Lunch and diner costs management	65	455
Travel and accomodation costs management	115	454
Field visits MT & Board	3,939	7,404
	4,119	8,313

Housing costs		
Rent	138,712	135,549
Gas, water and electricity	6,984	8,060
Other housing costs	6,963	15,456
	152,659	159,065



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	2007	2006
	EUR	EUR
Office costs		
Office supplies	6,324	8,320
Communication costs	11,404	19,813
Porti	32,548	22,328
Computer costs	2,093	1,840
Travel and accomodation costs	2,699	2,050
Representation costs	561	1,013
Memberships/Subscription	7,555	6,547
	63,183	61,911
Other general costs		
Car costs	7,551	6,641
Administration costs	30,240	8,539
Advice costs	48,731	2,249
Assurance costs	8,507	6,498
Costs money transfers	24,189	24,236
Subsequent proceeds/costs	(5,433)	5,410
Debit costs	17,140	11,315
Differences accounts	8	-
	130,933	64,888
	2,388,605	2,114,904



4. Other information

4.1 Employees

The number of fulltime positions (on average in 2007) at the Amsterdam Headquarters amounted to 41,7 (budgeted was 40,85). In 2006 there were 37,4 positions (budgeted was 39,7).

Reward Board members

No remuneration was offered to members of management and no loans, advances or guarantees were given.

Reward managers

The reward of War Child's managers in 2007 was as follows:

	Gross Annual Income	Pension/National Insurance Contribution	Total	Parttime %
Executive Director until August	33,300	7,400	40,700	60%
Executive Director as from August	26,900	6,300	33,200	100%
Director External Affairs	23,800	6,000	29,800	60%

4.2 Gifts in kind

For an important part, gifts in kind contribute to the non-personnel costs remaining relatively low in 2007. In 2007, the gifts in kind -approximately- amounted to € 1,188,000. This primarily concerns product and service support for Headquarters and support of educational activities in the Netherlands (without taking media activities into account). The costs of the organisation of the Friends for War Child Concert were completely sustained by third parties. In 2006, the gifts in kind amounted to approximately € 1,157,000, including support of educational activities.



4.3 War Child International

War Child is part of an international network of independent organisations with the same name and logo which are all committed to improving of the well-being of children affected by war. The organisations collaborate as equal partners with the same objective, but they are independent in legal, financial and administrative terms. In 2007 War Child International consisted of two independent foundations: War Child Holland and War Child Canada. In 2007, the cooperation resulted in a collective programme in Sudan (coordinated by War Child Holland: costs of project activities € 69,870. In 2006, this was € 71,415. In Sri Lanka in 2006, too, both organisations collaborated, whereby the costs amounted to € 21,600). No financial transactions were carried out with War Child International in 2007.



5. Analyses of differences of annual accounts 2007 versus budget 2007

5.1 Development in income

In 2007, the income of 'total available for the objective' rose by € 1,5 million (19%) with regard to 2006. With that, the budget of 2007 is almost accounted for (5% under budget). The arrangement of the income, however, does show a larger fluctuation.

Own fundraising

The income from own fundraising rose from € 5,3 million in 2006 to € 6,9 million in 2007 (an increase of 22%). An amount of € 5,7 million was budgeted. Both the income from Friends (regular donors), actions and corporate sponsoring have risen (see section 6.8 of the annual report for a description of these activities).

Government grants and others

The category 'Government grants and others' shows a growth of 10% with regard to 2006, but remained 38% behind on budget. For all planned financing proposals with institutional donors a too high success rate and too short a decision path was considered. As a result, both the income 'Government grants and others' and the costs of project activities are behind on budget (€ 1,5 million and € 1,1 million respectively), because the Country directors knew that the expenditure was not acceptable without being assured of the income. However, in 2007 many contacts were made with institutional donors and already some contracts were closed that started in 2007, but for the larger part will be continued in 2008. War Child received € 223,365 from the Dutch umbrella organisation for building the capacity of civil society organisations in developing countries (PSO), with which, among other things, the dispatching of expats was financed. The Ministry of Foreign Affairs' MFS has supported War Child with € 7,8 million, to be distributed over the period 2007-2010. In 2007, War child received an MFS grant of € 1,868,400. From other institutions and governments War Child received a total amount of € 333,200 (in particular from UNICEF) in 2007.



5.2 Development of expenditure

The expenditure on behalf of the objective slightly rose with regard to 2007 (1%) to € 8,3 million. With regard to the budget there is an under spending of 16%.

Costs Own Fundraising

The percentage of costs own fundraising amounts to 15.2% and, thereby, is according to budget.

Costs Communication & Awareness raising

The total costs of Communication & Awareness raising are according to the expected growth with regard to 2006 (26%) and in line with the budget. The growth mainly involves the postage charges of the news bulletin.

Costs Preparation & Coordination

The costs of Preparation & Coordination (€ 691,546) are 34% under budget. This under spending primarily concerns the direct costs as a result of activating the software of the Management Information System, which means that the costs will be debited in three years. Each year, War Child organises a Management & Methodology week, a week in which Country directors come to the Netherlands to exchange knowledge and methods of project activities. The accompanying costs have been classified under 'Costs of Project activities' (and not under Preparation & Coordination, as in 2006). In 2006, the focus was more on the location of the activity (the Netherlands), whereas in 2007 the contents of the activity (project activity) were modifying. This shift in focus explains part of the under spending in the category Preparation & Coordination.

Costs Project activities

The costs of Project activities show an underspending of 15%. As stated before under 'Government grants and others', this under spending mainly concerns the not taking into account of the success rate of financing proposals with institutional donors. In 2007, the cooperation with War Child Canada resulted in a collective programme in Sudan (coordinated by War Child Holland) and a cooperative programme in Sri Lanka (coordinated by War Child Canada).

Support costs

The support costs are 1% over budget. This is primarily caused by a rise in higher advice costs for, among other things, the Management Information System and for advice on the restructuring of the programme department.



6. Budget 2008 (in euro)

Fundraising

	Budget 2008	Realisation 2007
Income from own fundraising		
Donations, gifts and grants	8,002,800	6,859,712
Gifts in kind	-	-
	8,002,800	6,859,712
Expenditure own fundraising		
Direct costs	(699,105)	(605,512)
Support costs in the Netherlands	(527,340)	(439,503)
	(1,226,445)	(1,045,015)
(in % of income from own fundraising)	15%	15%
Netto income own fundraising	6,776,335	5,814,697
Share in activities of third parties		
National Postal Code Lottery	1,000,000	1,000,000
Other actions	-	-
Available from fundraising	7,776,335	6,814,697
Government grants and others		
PSO	200,000	223,365
TMF / MFS	2,022,281	1,868,400
War Child Canada	-	(14,897)
Other	1,304,284	348,096
Other financial income and expenditure	120,000	90,221
Total available on behalf of the objective	11,422,920	9,329,883



Expenditure on behalf of the objective

	Budget 2008	Realisation 2007
Communication & Awareness raising		
Direct campaign costs	406,525	212,219
Support costs in the Netherlands	685,260	558,934
	1,091,785	771,153
Preparation & Coordination from the Netherlands		
Direct costs	382,459	189,939
Support costs in the Netherlands	648,600	501,607
	1,031,059	691,546
Project activities		
Direct costs	8,346,932	5,982,020
Support costs in the Netherlands	958,800	888,561
	9,305,732	6,870,581
Expenditure on behalf of the objective	11,428,576	8,333,280
Surplus / (Deficit)	(5,656)	996,603



7. Long-term budget 2008 - 2010 (x 1 million €)

Fundraising

	2008	2009	2010
Income own fundraising			
Donations, gifts and grants	8,00	8,80	9,68
Gift tax	-	-	-
	8,00	8,80	9,68
Expenditure own fundraising	(1,23)	(1,41)	(1,48)
(in % of income from own fundraising)	15%	16%	15%
Netto income own fundraising	6,78	7,39	8,20
Share in activities of third parties	1,00	1,50	2,00
Available from fundraising	7,78	8,89	10,20
Government grants and others	3,65	4,33	4,55
Total available on behalf of the objective	11,42	13,22	14,75

Expenditure on behalf of the objective

Communication & Awareness raising

Direct campaign costs	0,40	0,28	0,30
Support costs in the Netherlands	0,69	0,72	0,76
	1,09	0,99	1,05

Preparation & Coordination from the Netherlands

Direct costs	0,38	0,38	0,40
Support costs in the Netherlands	0,65	0,68	0,72
	1,03	1,06	1,11

Project activities

Direct costs	8,35	10,25	10,96
Support costs in the Netherlands	0,96	1,01	1,06
	9,31	11,26	12,02

Expenditure on behalf of the objective	11,43	13,31	14,18
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Surplus / (Deficit)	(0,01)	(0,09)	0,56
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