

**SOS-Kinderdorf International,  
Innsbruck**

Financial Statements  
as of December 31, 2017 (Translation)

*non-binding electronic copy*

**BALANCE SHEET as of DECEMBER 31, 2017****ASSETS**

	EUR	EUR	Balances as of 31.12.2017 EUR	Balances as of 31.12.2016 EURk
<b>A. FIXED ASSETS</b>				
I. Intangible assets				
1. Rights	215.886,69			381
2. Prepayments	<u>220.731,48</u>			120
		436.618,17		<u>501</u>
II. Tangible assets				
1. Investments in third-party buildings	252.366,70			322
2. Other equipment, furniture and equipment	<u>404.883,36</u>			484
		657.250,06		<u>806</u>
III. Financial assets				
1. Investments	51.250,00			51
2. Investment securities (uncertificated securities)	<u>1.870.792,72</u>			2.123
		<u>1.922.042,72</u>		<u>2.174</u>
			3.015.910,95	<u>3.481</u>
<b>B. CURRENT ASSETS</b>				
I. Accounts receivable and other assets				
1. Receivables from membership fees	1.235.473,14			401
2. Other assets and receivables <i>thereof with a maturity of more than one year EUR 0,00 (2016 EURk 0)</i>	<u>1.380.654,65</u>			1.340
		2.616.127,79		<u>1.741</u>
II. Cash on hand, bank balances				
thereof Cash	4.243,41			6
thereof Bank deposits administration	4.818.719,15			4.418
thereof Bank deposits sponsorship money	216.020,17			16.775
thereof appropriated bank deposits for relief actions	137.676,10			11
thereof appropriated bank deposits for donation	200.771,09			124
thereof appropriated bank deposits for reserves	0,00			3
thereof appropriated bank deposits for the Gulf Area Office	566.217,84			942
thereof appropriated bank deposits for other Programme	<u>0,00</u>			888
		<u>5.943.647,76</u>		<u>23.167</u>
			8.559.775,55	<u>24.908</u>
<b>C. PREPAID EXPENSES AND DEFERRED CHARGES</b>				
			399.483,08	<u>310</u>
			<u>11.975.169,58</u>	<u>28.699</u>

## BALANCE SHEET as of DECEMBER 31, 2017

## EQUITY AND LIABILITIES

	EUR	EUR	Balances as of 31.12.2017 EUR	Balances as of 31.12.2016 EURk
<b>A. STOCKHOLDERS' EQUITY</b>				
I. Capital stock		808.131,45		786
II. Appropriated capital reserves		1.930.000,00		1.930
III. Accumulated profit		-616.211,74		22
thereof carried forward EUR 0,00 (2016 EURk 0)			2.121.919,71	2.738
<b>B. PROVISIONS AND ACCRUALS</b>				
1. Provisions for severance payments		2.150.508,60		2.013
2. Other provisions and accruals		3.451.522,87		3.241
			5.602.031,47	5.254
<b>C. LIABILITIES</b>				
1. Prepayments received for projects		1.105.845,50		1.078
<i>thereof due within one year EUR 1,105,845.50 (2016 EURk 1,078)</i>				
<i>thereof with a maturity of more than one year EUR 0,00 (2016 EURk 0)</i>				
2. Accounts payable - trade		1.354.735,52		1.141
<i>thereof due within one year EUR 1,354,735.52 (2016 EURk 1,141)</i>				
<i>thereof with a maturity of more than one year EUR 0,00 (2016 EURk 0)</i>				
3. Liabilities from sponsorship and appropriated accounts				
<i>thereof due within one year EUR 873,675.05 (2016 EURk 17,717)</i>				
<i>thereof with a maturity of more than one year EUR 0,00 (2016 EURk 0)</i>				
for sponsorship money including interest	204.071,82			16.775
for the Gulf Area Office	566.217,84			942
for other Programme	103.385,39			0
		873.675,05		17.717
4. Other liabilities				
<i>thereof due within one year EUR 263,014.36 (2016 EURk 137)</i>	263.014,36			137
<i>thereof with a maturity of more than one year EUR 0,00 (2016 EURk 0)</i>				
<i>thereof due to Taxes EUR 251,964.83 (2016 EURk 252)</i>	251.964,83			252
<i>thereof due within one year EUR 251,964.83 (2016 EURk 252)</i>				
<i>thereof with a maturity of more than one year EUR 0,00 (2016 EURk 0)</i>				
<i>thereof due to Social Security EUR 401,983.14 (2016 EURk 382)</i>	401.983,14			382
<i>thereof due within one year EUR 401,983.14 (2016 EURk 0)</i>				
<i>thereof with a maturity of more than one year EUR 0,00 (2016 EURk 0)</i>				
		916.962,33		771
Total liabilities			4.251.218,40	20.707
<i>thereof due within one year EUR 4,251,218.40 (2016 EURk 20,707)</i>				
<i>thereof with a maturity of more than one year EUR 0,00 (2016 EURk 0)</i>				
			<u>11.975.169,58</u>	<u>28.699</u>

**PROFIT AND LOSS ACCOUNTS**  
**for the FISCAL YEAR 2017**

	2017		2016	
	EUR	EUR	TEUR	TEUR
1. Membership fees		39.031.794,14		34.520
2. Donations and other sales		5.475.237,40		8.895
3. Other operating income				
a) Income from disposal and write up excluding financial assets	237,55		0	
b) Income from release of accruals	3.520,00		0	
c) Other income	<u>258.035,68</u>		<u>250</u>	
		261.793,23		250
4. Personnel expenses				
a) Salaries	16.907.664,30		15.386	
b) Social expenses	4.033.350,47		3.812	
<i>thereof expenses for pensions scheme EUR 0,00 (2016 EURk 0)</i>				
aa) Expenses for severance payments and contributions to company-sponsored employee provision funds EUR 399,401.17 (2016 EURk 389)				
bb) Expenses for statutory social security, payroll related taxes and mandatory contributions EUR 3,443,303.87 (2016 EURk 3,250)		-20.941.014,77		-19.198
5. Depreciation on intangible and tangible fixed assets		-630.295,36		-653
6. Other operating expenses				
a) Taxes, not included in fig. 14	4.349,42		5	
b) Other operating expenses	<u>23.886.435,01</u>	<u>-23.890.784,43</u>	<u>22.791</u>	<u>-22.796</u>
<b>7. Subtotal from fig. 1 to 6 (operating result)</b>		<b><u>-693.269,79</u></b>		<b><u>1.018</u></b>
8. Income from other securities and loans of financial assets		18.257,10		24
<i>thereof from affiliates EUR 0,00 (2016 EURk 0)</i>				
9. Other interest and similar income		214.226,51		116
<i>thereof from affiliates EUR 0,00 (2016 EURk 0)</i>				
10. Income from disposal of and write up of financial assets		397,00		11
11. Interest and similar expenses		-141.539,21		-207
<i>thereof from affiliates EUR 0,00 (2016 EURk 0)</i>				
<b>12. Subtotal from fig. 8 to 12 (financial result)</b>		<b><u>91.341,40</u></b>		<b><u>-56</u></b>
<b>13. Result before taxes (Subtotal from fig.7 and 12)</b>		<b><u>-601.928,39</u></b>		<b><u>962</u></b>
14. Taxes on income and profit		-14.283,35		-10
<b>15. Result after taxes</b>		<b><u>-616.211,74</u></b>		<b><u>952</u></b>
16. Allocation to allocated reserves		0,00		-930
<b>Profit for the Year</b>		<b><u>-616.211,74</u></b>		<b><u>22</u></b>
17. Profit carried forward from previous year		0,00		0
<b>18. Total profit/loss</b>		<b><u>-616.211,74</u></b>		<b><u>22</u></b>

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR 2017

### **I. GENERAL**

The financial statements of SOS-Kinderdorf International at 31 December 2017 were prepared in accordance with the provisions of the Austrian Association Law, which came into force on 1 July 2002.

#### **Structural changes within 2017**

Since 1.1.2017 sponsorship moneys, child-money-gifts and international transfers, raised by the Promoting and Supporting Associations (PSAs) and the related transfers to the National Associations (NAs) have been managed by the Shared Treasury Services (STS) department. Payments are not only done in USD anymore, but increasingly in the local currency of the receipt or in any other transport currency. The primary objective of STS is to minimise financial risks (in particular liquidity, currency and counterparty risks; including monitoring country risks) in order to safeguard the association's international funding obligations.

STS acts as a service centre for the Member Associations (MAs) and within the General Secretariat (GSC).

STS provides the following services:

- Managing banks and bank accounts for KDI and NAs
- Managing currency conversion and minimising currency risks
- Managing transfers between MAs and GSC offices
- Provision of report on transfers (Agreed-Upon Procedures) and a ISAE-3402 audit
- Treasury reporting
- Managing financial assets for KDI
- Managing treasury systems
- Managing of budget exchange rates for all MAs

It incurs financial positions and risks only as they arise from the association's international financial operations. STS endeavours to use synergies by netting financial positions and financial flows. The Shared Treasury Service Agreement, including a side letter with definitions of terms, forms the basis for the services provided by STS and the resulting risk assumption by the PSAs. This agreement also specifies that no risk can arise for SOS Children's Villages International from the transactions, because the PSAs assume the risk/opportunities from the foreign currency transactions.

STS manages a separate accounting area with a separate profit and loss statement.

This is why the bank accounts for sponsorship moneys do not appear on the balance sheet since 1.1.2017 (please refer to section III.1.9.off-balance-sheet-transactions). Although the bank accounts are in the name of SOS Children's Villages International for legal reasons, due to the Shared Treasury Service Agreements and the included side letter made with the PSAs, SOS Children's Villages International is bound by an internal arrangement to the earmarking i.e. utilisation of the money.

## II. ACCOUNTING METHODS

The financial statements of the association SOS-Kinderdorf International, Innsbruck, at 31 December 2017 were prepared with due regard for the principles of adequate and orderly accounting and the general requirement to provide as accurate a picture as possible of the association's net worth, financial position and results.

The principles of completeness and consistency were respected in drawing up these financial statements.

Valuation was performed on the assumption of a going concern.

The principle of individual evaluation was applied to the assets and liabilities.

In keeping with the principle of prudence, only earnings realised at balance sheet date were included in these financial statements. Due account was taken of all recognisable risks and uncertain liabilities arising in the 2017 fiscal year or earlier.

Recognition, valuation and reporting of the individual items of the financial statements were performed on the basis of the general provisions of § 22 of the Austrian 2002 Association Law (VerG). In accordance with § 22 (1) VerG, the provisions of § 21, §§ 190 – 193 (1) and §§ 193 (3) - 216 of the Austrian Commercial Code (UGB) were applied analogously. In accordance with § 22 VerG, the provisions of §§ 222 - 234, §§ 236 - 240, § 242 (2 and 4), § 269 (1) and §§ 272 - 276 UGB were applied analogously.

Note: Where no currency is specified, the figures quoted in the following are in Euros and Cents.

### 1. Fixed assets

#### 1.1. Intangible assets

Intangible assets are valued at the cost of acquisition or production less scheduled depreciation. Straight-line amortisation is applied for scheduled depreciation based on a useful life of 4-10 years. Non-scheduled depreciation is carried out where the loss in value is expected to be permanent.

## **1.2. Tangible assets**

Tangible assets are valued at the cost of acquisition or production less scheduled depreciation. Scheduled straight-line amortisation is applied based on the following useful lives: 10 years for leasehold improvements, 10 years for operating and office equipment, 4 years for mobile phones and webcams and computer equipment, and 8 years for vehicles. Low-value assets are reported as disposals and fully depreciated in the year of acquisition.

Non-scheduled depreciation is carried out where the loss in value is expected to be permanent.

Unchanging values pursuant to § 209 (1) UGB were not employed.

## **1.3. Financial assets**

Financial assets are valued at the cost of acquisition less non-scheduled depreciation. Non-scheduled depreciation is carried out where the loss in value is expected to be permanent.

The gilt-edged securities for the social capital serve to cover the accruals for severance payments. According to the 1994 decision of the Executive Committee, the stocks held by the funds must not exceed 30% of the total value.

## **2. Receivables and other assets**

Receivables are carried at nominal value. They are stated on the basis of the realisation and imparity principle at the lower of cost or market. In case of collection risks, write downs are made. Depreciation for future loss of value was carried out where necessary in the year under report.

## **3. Accruals and liabilities**

### **3.1. Accruals for severance payments**

Accruals for severance payments amount to € 2,150,508.60 (compared with € 2,012,976.80 in the previous year). In keeping with the decision of the Executive Committee, they were calculated on a simplified basis with 90% of theoretical entitlements at the balance sheet date.



### **3.2. Other accruals**

Anniversary bonus accruals are mandatory under Austrian labour law. The amount of the accrual was calculated using the discounted cash-flow method with a discount rate of 2.0 % (2016: 2.0 %) for a retirement age of 60 for women and 65 for men and a fluctuation rate of approx. 5 %.

### **3.3. Liabilities**

Liabilities are stated at settlement value.

### **4. Currency translation**

Receivables (liabilities) in other currencies are valued at the cost of acquisition or according to the strict lower (higher) of cost or market principle on the basis of the reference rate of the Deutsche Bank AG, Frankfurt, or Thomson Reuters Austria GmbH prevailing at the end of month (KDI accounts, see Point III.1.3) at 31 December 2017.

### III. NOTES TO THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

#### 1. Notes to the balance sheet

##### 1.1. Fixed assets

Changes in fixed asset items and the breakdown of annual depreciation by individual item are presented in Annex 1.

##### 1.1.1. Schedule of investments

	book value at SOS-KDI (in k€)	nominal capital of participating company (in k€)	share of participating company	equity of participating company (in k€)	result of last financial year (in k€)
Joint Systems Fundraising- & IT- Services GmbH, headquartered in Innsbruck	50	200	25%	479	-5

(Figures for the 2017 financial year)

## 1.2. Receivables and other assets

The receivables from membership fees comprise value adjustments amounting to

	with a residual term of up to one year €	with a residual term of more than one year €	total €
Receivables from membership fees			
Balance at 31.12.2017	1,235,473.14	0.00	1,235,473.14
Balance at 31.12.2016	401,298.00	0.00	401,298.00
Other receivables			
Balance at 31.12.2017	1,380,654.65	0.00	1,380,654.65
Balance at 31.12.2016	1,339,802.01	0.00	1,339,802.01

€ 403,602.00 (2016: € 343,748.00).

Other receivables to the amount of € 1,380,654.65 (2016: € 1,339,802.01) primarily comprise the following revenues which become cash-effective after the accounting date:

- the administration fee for the Echo Project in collaboration with the EU to the amount of € 182,000.00 (2016: € 177,035.67),
- various refunds from NAs: first for software licenses and second for various projects and marketing to the amount of € 356,605.57 (2016: € 322,045.11) and
- receivables from legacies amounting to € 805,363.94 (2016: € 800,000.00).

## 1.3. Bank deposits and liabilities from appropriated accounts

The total in bank accounts which, due to legal reasons, are in the name of SOS Children's Villages International but are not economically assigned to SOS Children's Villages International - what are known as the KDI accounts - amounts to € 16,186,436.11 (2016: € 20,531,801.07) and is made up as shown in Appendix 2.

For a breakdown of the bank balances and liabilities, you are referred to the "thereof" items stated in the balance sheet.

#### 1.4. Equity

Capital stock amounted to € 2,121,919.71 at 31.12.2017 (2016: € 2,738,131.45).

Changes in the appropriated reserves are reported as follows:

	€
Balance at 1.1.	1,930,000.00
Allocation	0.00
Balance at 31.12.	<u>1,930,000.00</u>

#### 1.5. Accruals

The following table provides a breakdown of the other accruals:

	Carry forward 01.01.2017	Disposals	Release	Additions	Balance at 31.12.2017
Anniversary bonus payments	1,134,910.00	42,631.24	68,815.76	149,626.00	1,173,089.00
Unconsumed vacations	1,229,973.20	0.00	0.00	158,649.68	1,388,622.88
Overtime	249,421.47	0.00	0.00	7,866.47	257,287.94
Audit of annual financial statements	24,840.00	3,000.00	0.00	8,160.00	30,000.00
Disability equalisation tax	38,016.00	34,496.00	3,520.00	35,000.00	35,000.00
Losses on futures/forwards	207,254.68	0.00	207,254.68	0.00	0.00
General Assembly	250,000.00	0.00	0.00	0.00	250,000.00
Forwarding appropriated funds	106,546.95	0,00	0.00	209,097.40	315,644.35
Other provisions and accruals	0.00	0.00	0.00	1,878.70	1,878.70
<b>Total</b>	<b>3,240,962.30</b>	<b>80,127.24</b>	<b>279,590.44</b>	<b>570,278.25</b>	<b>3,451,522.87</b>

The release of accruals for anniversary bonus payments is reported in the financial result under "personnel expenses - salaries".

The release of accruals for losses on futures/forwards is reported in the financial result under "other interest and similar income".

1.6. Obligations from donations not yet used in accordance with the regulations  
(liabilities and accruals from appropriated accounts)

Donations list					
	Year	Opening balance	Additions	Disposal	Closing balance
<b>Echo Support</b>					
	2013	200,342.82	1,408,900.24	1,227,948.92	381,294.14
	2014	381,294.14	1,240,984.23	1,454,659.83	167,618.54
	2015	167,618.54	951,374.73	1,117,373.71	1,619.56
	2016	1,619.56	1,560,075.06	1,550,275.21	11,419.41
	2017	11,419.41	1,145,082.22	1,153,455.53	3,046.10
<b>ADA Support</b>					
	2017	0.00	360,000.00	225,370.00	134,630.00
Appropriated and general donations					
	General donations 2013	17,301.47	356,232.41	335,123.64	38,410.24
	Appropriated donations	5,271.52	225,724.97	175,060.68	55,935.81
	General donations 2014	38,410.24	462,888.95	451,695.16	49,604.03
	Appropriated donations	55,935.81	101,158.00	101,634.48	55,459.33
	General donations 2015	49,604.03	628,856.82	607,553.16	70,907.69
	Appropriated donations	55,459.33	13,099.73	1,003.81	67,555.25
	General donations 2016	70,907.69	502,866.76	515,906.46	57,867.99
	Appropriated donations	67,555.25	61,581.80	62,598.48	66,538.57
	General donations 2017	57,867.99	11,144.53	0.00	69,012.52
	Appropriated donations	66,538.57	71,421.30	6,201.30	131,758.57
Sponsorship moneys including interest*					
	2013	7,039,019.42	223,150,061.26	223,480,338.29	6,708,742.39
	2014	6,708,742.39	208,701,965.56	207,851,673.26	7,559,034.69
	2015	7,559,034.69	203,781,976.69	203,496,896.81	7,844,114.57
	2016	7,844,114.59	305,768,189.89	296,837,687.33	16,774,617.15
	2017	67,914.53**	204,496.38	68,339.09	204,071.82

\* Foreign currency accounts were converted at the exchange rate at 31.12. Exchange rate differences and administrative costs were taken into account under "Disposal". Interest income less capital gains tax and expenses were included under "Additions".

\*\* As described in chapter "I. General - Structural changes within 2017", the sponsorship funds are now shown off-balance-sheet since 1.1.2017 (see also section" III.1.9 Off-balance-sheet transactions"). As a result, the 2017 opening balance of € 67,914.53 is not comparable with the 2016 closing balance of € 16,774,617.15. The figures in the 2017 year contain only sponsorship moneys received by SOS Children's Villages International which have not been forwarded to STS by 31.12.2017.

**1.7. Liabilities**

Schedule of liabilities:

	with a residual term of up to one year €	with a residual term of one to five years €	with a residual term of more than five years €	secured by real property €
Prepayments for projects				
Balance at 31.12.2017	1,105,845.50	0.00	0.00	0.00
Balance at 31.12.2016	1,078,168.61	0.00	0.00	0.00
Trade payables				
Balance at 31.12.2017	1,354,735.52	0.00	0.00	0.00
Balance at 31.12.2016	1,141,168.96	0.00	0.00	0.00
Liabilities from sponsorship and appropriated accounts	873,675.05	0.00	0.00	0.00
Balance at 31.12.2017	17,716,949.93	0.00	0.00	0.00
Balance at 31.12.2016				
Other liabilities				
Balance at 31.12.2017	916,962.33	0.00	0.00	0.00
Balance at 31.12.2016	771,179.62	0.00	0.00	0.00

Other liabilities include expenditures amounting to € 653,947.97 (2016: € 634,065.63), which become cash-effective after the balance sheet date. They mainly comprise liabilities for payroll taxes and social insurance.

**1.8. Contingencies, financial commitments from the use of tangible assets****1.8.1. Contingencies**

No contingencies are present in these financial statements.

**1.8.2. Commitments from rental and leasing agreements**

	2017	2016
	(Amounts in k€)	(Amounts in k€)
Commitments for the following year:	708	663
Total commitments for the following five years:	1,782	2,248

### **1.9 . Off-balance-sheet transactions**

As described in chapter "I. General - Structural changes within 2017", sponsorship moneys, child-money-gifts and international transfers have been managed by STS since 1.1.2017. These bank accounts managed by STS do not appear on the balance sheet this year for the first time.

The total credit balance of the accounts managed by STS at the accounting date 31.12.2017 is € 63,753,056.93 (2016: € 16,704,538.26). The striking increase in the final balance is primarily due to payments by the PSAs for the following year. The payments specified above were agreed with the PSAs in the PSA Transfer Schedule to guarantee liquidity of the first instalment of transfers in the following year.

## 2. Notes to the profit and loss account

### 2.1. General

The profit and loss account was prepared on the basis of the total cost method.

### 2.2. Breakdown pursuant to § 22 of the 2002 Austrian Association Law

	2017	2016
<b>A.Membership fees</b>		
Income membership fees	39,031,794.14	34,520,296.20
Assigned expenses membership fees	-40,434,025.98	-35,685,916.80
<b>B.Public subsidies</b>		
Income public subsidies	0.00	0.00
Assigned expenses public subsidies	0.00	0.00
<b>C.Donations</b>		
Income donations	3,158,245.64	4,516,695.32
Assigned expenses donation	-2,761,512.04	-3,590,618.14
<b>D.Other receipts</b>		
Income other receipts	0.00	0.00
Assigned expenses other receipts	0.00	0.00
<b>E.Other sales</b>		
Other sales	2,316,991.76	4,378,300.67
Expenses allocated to other sales	-2,422,379.10	-4,517,736.31
<b>F.Other operating income</b>		
Other operating income	494,673.84	400,754.87
Assigned expenses to other operating income	0.00	0.00

The differences between income and expenses are covered using the balances of the previous year.



In the table of section 2.2 Breakdown pursuant to § 22 of the 2002 Austrian Association Law the following adjustments in the figures of 2016 were made:

#### **A. Membership fees**

Income membership fees: Adjustment of figures of 2016 of EUR 39,514,360.02 by EUR 4,994,063.82 to EUR 34,520,296.20.

The change results in the reclassification of PSA's special financing, which consists mainly of general and appropriated donations of PSAs and the income of passed on costs for digital fundraising support, provided to MAs.

Since this isn't membership fee income, it is allocated to the corresponding other income classes.

The increase in the membership fees shown from 2016 to 2017 is on the one hand due to the adjustment of membership fees per se and the offsetting of strategic actions. In 2016, this offsetting of EUR 2,514,294.40 was in addition to the membership fees and is therefore included in the income class "other sales" in 2016. In 2017, the funding of the strategic actions was already included in the calculation of membership fees.

Assigned expenses membership fee: Adjustment of figures of 2016 of EUR 42,447,853.12 by EUR 6,761,936.32 to EUR 35,685,916.80.

The change results from the reclassification of the assigned expenses of the other income classes.

#### **C. Donations**

Income donations: Adjustment of figures of 2016 of EUR 3,042,283.90 by EUR 1,474,411.42 to EUR 4,516,695.32.

The change results from PSA's special financing that can be assigned to appropriated donations.

Assigned expenses donation: Adjustment of figures of 2016 of EUR 113,015.44 by EUR 3,477,602.70 to EUR 3,590,618.14.

The change results from the allocation of expenses for forwarding earmarked funds of EUR 1,550,298.15, as well as the allocation of expenses incurred for appropriated donations of EUR 1,927,304.55.

**E. Other sales**

Other sales: Adjustment of figures of 2016 of EUR 858,648.27 by EUR 3,519,652.40 to EUR 4,378,300.67

The change is due to the share of special financing of PSAs, which can be allocated to KDI.

Expenses allocated to other sales: Adjustment of figures of 2016 of EUR 998,083.91 by EUR 3,519,652.40 to EUR 4,517,736.31.

The change results from expenses allocated to KDI, which incurred by PSA's special financing.

**F. Other operating income**

Other operating income: The income class operating income was added to the table in order to present the profit and loss statement in a comprehensible way.

### **2.3. Membership fees**

The current method for calculating membership fees came into force in 2013.

The membership fee covers the costs of all the units of the General Secretariat (GSC). It comprises two components: a governance fee and a support fee. The governance fee covers expenses incurred in connection with the management of the association. The support fee relates to expenses incurred in the GSC in the framework of direct support measures for individual members. The two components of the fee apply to all member associations in equal measure.

The membership fees of the NAs are paid by the PSAs on behalf of the respective NAs so as to keep administrative requirements and bank charges to a minimum.

This is the indirect membership fee, which is assigned to the PSAs in keeping with their share of international transfers.

As some member associations have problems with a number of aspects relating to the way that member contributions are calculated, the Finance and Audit Committee have been discussing this since December 2016 with the aim of introducing a new calculation method. However, as it has not been possible to reach a consensus on a new calculation method, in April 2018 the Senate decided to freeze the absolute member contributions per PSA for three years. This means that all PSAs will pay the same contribution up to 2020 as they did in 2018. By 2021 it is planned to have a new calculation method in place which will make provision in particular for the strategic introduction (currently ongoing) of countries which aim to become independent of international funding.

### **2.4. Donations and other income**

This includes donations, PSA's special financing as well as income from passing on the costs for digital fundraising support for MAs, plus income from passing on the costs of a range of licenses and maintenance costs plus settlement of the Donor Service Application = DSAPP to our NAs.

### **2.5. Miscellaneous business income**

The miscellaneous income includes income from the disposal of fixed assets, income from the reversal of accruals, income from exchange profits and income from value adjustments

## 2.6. Personnel expenses

Severance payments and contributions to the employee severance fund include severance payments to the amount of € 230,174.68 (2016: € 238,988.94).

## 2.7. Other operating expenses

	2017	2016
Expenses for GSC offices	11,633,964.22	10,477,684.50
Professional services and strategy work	2,984,633.14	2,552,109.80
Additions to accruals for General Assembly 2020	0.00	250,000.00
Losses on receivables and write downs	457,392.00	780,425.19
IT operating and consulting expenses	1,606,777.75	1,505,458.84
Translations	89,016.82	96,375.09
Additions to accruals for appropriated funds	209,097.40	113,015.44
Information services for member associations	61,615.47	24,083.22
Travel expenses	1,289,464.54	1,277,068.55
Office rentals	592,040.74	558,875.77
Telecommunication and copy charges	256,684.74	279,500.30
Legal and consulting expenses	597,219.34	984,725.49
Electricity, gas, water, running costs	303,130.41	317,587.44
Auditing costs	81,761.61	47,161.00
Seminars, Trainings, Events	1,610,463.38	1,503,094.24
Transfer of appropriated funds	1,201,789.86	1,550,298.15
Other operating expenses	151,798.51	147,961.57
Contribution to other associations	96,332.33	98,387.73
Expenses projects abroad and programme expenditures	402,651.39	136,381.88
Maintenance	88,600.36	90,697.87
KDI part earmarked donations	172,001.00	0.00
<b>Total</b>	<b>23,886,435.01</b>	<b>22,790,895.07</b>

## **2.8. Derivative financial instruments**

For hedging against exchange rate risks, the STS department of SOS KDI invested in forward exchange contracts denominated in various currencies in 2017 (please see section "I. General - Structural changes within 2017". The purpose of these hedges is to maintain the value of incoming funds needed to guarantee the organisation's ability to meet its budgeted financial obligations even if the exchange rates fall below the budgeted rates. As a consequence of these hedges, no profit can be made should the exchange rates rise above the exchange rates guaranteed in the contracts.

At balance sheet date, the forward exchange contracts still open were valued as follows:

Sell	Buy	Transaction date	Due Date	Nominal	Hedge rate	Countervalue	Marketvalue
CAD	EUR	15.09.2017	22.01.2018	134,000.00	0.6841	91,664.67	-2,821.10
CAD	EUR	15.09.2017	22.02.2018	134,000.00	0.6828	91,499.49	-2,784.42
CAD	EUR	15.09.2017	22.03.2018	134,000.00	0.6817	91,346.11	-2,762.02
CAD	EUR	15.09.2017	23.04.2018	134,000.00	0.6803	91,153.73	-2,729.12
CAD	EUR	15.09.2017	22.05.2018	134,000.00	0.6790	90,982.17	-2,698.73
CAD	EUR	15.09.2017	21.06.2018	134,000.00	0.6777	90,809.10	-2,685.81
CAD	EUR	15.09.2017	23.07.2018	134,000.00	0.6762	90,613.03	-2,659.12
CAD	EUR	15.09.2017	22.08.2018	134,000.00	0.6749	90,432.63	-2,632.94
CAD	EUR	15.09.2017	27.09.2018	134,000.00	0.6725	90,112.57	-2,520.38
CAD	EUR	25.10.2017	23.10.2018	134,000.00	0.6554	87,822.72	-369.27
CHF	EUR	15.09.2017	22.01.2018	2,016,854.00	0.8718	1,758,336.36	-34,978.62
CHF	EUR	28.12.2017	22.01.2018	1,345,000.00	0.8549	1,149,804.58	527.17
CHF	EUR	15.09.2017	22.02.2018	720,000.00	0.8721	627,903.51	-12,477.29
CHF	EUR	15.09.2017	22.03.2018	720,000.00	0.8724	628,099.06	-12,481.14
CHF	EUR	15.09.2017	23.04.2018	720,000.00	0.8727	628,330.37	-12,459.19
CHF	EUR	15.09.2017	22.05.2018	1,440,000.00	0.8729	1,257,043.59	-24,872.42
CHF	EUR	15.09.2017	21.06.2018	720,000.00	0.8732	628,714.99	-12,429.69
CHF	EUR	15.09.2017	23.07.2018	720,000.00	0.8735	628,950.05	-12,419.86
CHF	EUR	15.09.2017	22.08.2018	720,000.00	0.8738	629,140.75	-12,374.11
CHF	EUR	15.09.2017	27.09.2018	720,000.00	0.8749	629,949.92	-12,978.10
CHF	EUR	25.10.2017	23.10.2018	720,000.00	0.8583	617,984.38	-826.49
GBP	EUR	15.09.2017	22.01.2018	151,319.00	1.1318	171,266.59	-1,005.28
GBP	EUR	15.09.2017	22.02.2018	151,319.00	1.1308	171,116.49	-994.25
GBP	EUR	15.09.2017	22.03.2018	151,319.00	1.1299	170,974.19	-992.25
GBP	EUR	15.09.2017	23.04.2018	151,319.00	1.1288	170,809.57	-990.39
GBP	EUR	15.09.2017	22.05.2018	151,319.00	1.1278	170,654.30	-980.45
GBP	EUR	15.09.2017	21.06.2018	151,319.00	1.1267	170,487.03	-972.35
GBP	EUR	15.09.2017	23.07.2018	151,319.00	1.1255	170,311.07	-969.37
GBP	EUR	15.09.2017	22.08.2018	151,319.00	1.1244	170,137.77	-952.17
GBP	EUR	15.09.2017	27.09.2018	151,319.00	1.1236	170,026.51	-1,034.91
GBP	EUR	25.10.2017	23.10.2018	151,319.00	1.1124	168,331.23	530.97
NOK	EUR	01.08.2017	22.01.2018	25,600,000.00	0.1067	2,731,427.10	-127,919.20
NOK	EUR	01.08.2017	22.02.2018	25,600,000.00	0.1066	2,728,346.04	-127,436.98
NOK	EUR	01.08.2017	22.03.2018	25,600,000.00	0.1065	2,725,521.46	-127,309.22
NOK	EUR	01.08.2017	23.04.2018	25,600,000.00	0.1063	2,722,028.76	-126,824.86
NOK	EUR	01.08.2017	22.05.2018	25,600,000.00	0.1062	2,719,280.50	-126,504.79
NOK	EUR	01.08.2017	21.06.2018	25,600,000.00	0.1061	2,716,561.12	-126,371.54
NOK	EUR	01.08.2017	23.07.2018	25,600,000.00	0.1060	2,713,374.30	-125,930.82
NOK	EUR	15.09.2017	22.08.2018	25,600,000.00	0.1056	2,703,009.76	-117,976.76
NOK	EUR	15.09.2017	24.09.2018	25,600,000.00	0.1054	2,699,408.52	-117,343.21
NOK	EUR	25.10.2017	23.10.2018	25,600,000.00	0.1044	2,673,429.61	-93,820.13
SEK	EUR	01.08.2017	22.02.2018	12,511,722.00	0.1047	1,310,286.56	-36,076.46
SEK	EUR	01.08.2017	22.03.2018	25,023,444.00	0.1047	2,620,699.65	-72,298.27
SEK	EUR	01.08.2017	23.04.2018	12,511,722.00	0.1047	1,310,357.79	-36,183.63
SEK	EUR	01.08.2017	22.05.2018	12,511,722.00	0.1047	1,310,347.49	-36,139.51
SEK	EUR	01.08.2017	21.06.2018	12,511,722.00	0.1047	1,310,322.24	-36,078.09
SEK	EUR	01.08.2017	22.06.2018	12,511,722.00	0.1047	1,310,236.62	-36,059.83
SEK	EUR	01.08.2017	23.07.2018	12,511,722.00	0.1047	1,310,228.25	-35,984.14
SEK	EUR	15.09.2017	22.08.2018	12,511,722.00	0.1052	1,315,859.73	-41,629.97
SEK	EUR	15.09.2017	27.09.2018	12,511,722.00	0.1052	1,315,616.77	-41,465.56
SEK	EUR	25.10.2017	23.10.2018	12,511,722.00	0.1031	1,290,102.73	-15,951.21

Sell	Buy	Transaction date	Due Date	Nominal	Hedge rate	Countervalue	Marketvalue
EUR	BRL	15.09.2017	25.01.2018	124.549,7	3.8152	475.182	5,410.26
EUR	BRL	15.09.2017	20.02.2018	123,610.76	3.8442	475,182.00	5,167.70
EUR	BRL	15.09.2017	23.03.2018	122,773.04	3.8704	475,182.00	5,027.03
EUR	BRL	15.09.2017	23.04.2018	122,144.08	3.8903	475,182.00	4,998.04
EUR	BRL	15.09.2017	23.05.2018	121,542.98	3.9096	475,182.00	5,037.93
EUR	BRL	15.09.2017	22.06.2018	120,860.40	3.9317	475,182.00	4,972.87
EUR	BRL	15.09.2017	23.07.2018	120,199.43	3.9533	475,182.00	4,923.12
EUR	BRL	15.09.2017	23.08.2018	119,426.07	3.9789	475,182.00	4,859.01
EUR	BRL	15.09.2017	21.09.2018	118,795.50	4.0000	475,182.00	4,832.92
EUR	BRL	25.10.2017	23.10.2018	116,678.37	4.0726	475,182.00	3,351.27
EUR	BRL	07.12.2017	23.11.2018	114,812.93	4.1387	475,182.00	2,112.71
EUR	BRL	15.09.2017	29.12.2018	125,143.40	3.7971	475,182.00	0.00
EUR	HRK	27.09.2017	23.01.2018	72,057.88	7.4810	539,065.00	-331.21
EUR	HRK	27.09.2017	20.02.2018	72,029.00	7.4840	539,065.00	-335.40
EUR	HRK	27.09.2017	23.03.2018	72,000.13	7.4870	539,065.00	-340.30
EUR	HRK	27.09.2017	23.04.2018	71,961.69	7.4910	539,065.00	-356.16
EUR	HRK	27.09.2017	23.05.2018	71,923.28	7.4950	539,065.00	-368.10
EUR	HRK	27.09.2017	21.06.2018	71,884.92	7.4990	539,065.00	-371.17
EUR	HRK	27.09.2017	23.07.2018	71,837.02	7.5040	539,065.00	-385.05
EUR	HRK	27.09.2017	23.08.2018	71,770.07	7.5110	539,065.00	-430.41
EUR	HRK	27.09.2017	23.08.2018	71,693.71	7.5190	539,065.00	-506.91
EUR	HRK	25.10.2017	23.10.2018	71,779.02	7.5101	539,065.00	-438.50
EUR	HRK	07.12.2017	21.11.2018	71,262.48	7.5645	539,065.00	-845.78
EUR	HUF	27.09.2017	23.01.2018	73,219.68	311.4230	22,802,291.00	-264.45
EUR	HUF	27.09.2017	20.02.2018	73,193.23	311.5355	22,802,291.00	-274.36
EUR	HUF	27.09.2017	23.03.2018	73,181.91	311.5837	22,802,291.00	-249.26
EUR	HUF	27.09.2017	23.04.2018	73,173.48	311.6196	22,802,291.00	-218.39
EUR	HUF	27.09.2017	23.05.2018	73,174.21	311.6165	22,802,291.00	-187.25
EUR	HUF	27.09.2017	22.06.2018	73,173.55	311.6193	22,802,291.00	-150.67
EUR	HUF	27.09.2017	23.07.2018	73,174.40	311.6157	22,802,291.00	-118.01
EUR	HUF	27.09.2017	23.08.2018	73,167.61	311.6446	22,802,291.00	-101.28
EUR	HUF	27.09.2017	21.09.2018	73,160.83	311.6735	22,802,291.00	-78.74
EUR	HUF	25.10.2017	24.10.2018	73,404.21	310.6401	22.802.291	187.98
EUR	HUF	07.12.2017	23.11.2018	72,400.75	314.9455	22,802,291.00	-818.63
EUR	IDR	27.09.2017	23.01.2018	114,358.10	16,024.9993	1,832,588,473.00	1,971.87
EUR	IDR	27.09.2017	20.02.2018	113,768.84	16,108.0000	1,832,588,473.00	1,762.22
EUR	IDR	27.09.2017	23.03.2018	113,206.60	16,188.0003	1,832,588,473.00	1,776.67
EUR	IDR	27.09.2017	23.04.2018	112,553.03	16,282.0003	1,832,588,473.00	1,619.27
EUR	IDR	27.09.2017	23.05.2018	111,886.47	16,378.9998	1,832,588,473.00	1,481.43
EUR	IDR	27.09.2017	22.06.2018	111,295.30	16,466.0006	1,832,588,473.00	1,542.30
EUR	IDR	27.09.2017	23.07.2018	110,543.40	16,577.9999	1,832,588,473.00	1,347.33
EUR	IDR	27.09.2017	23.08.2018	109,887.18	16,676.9997	1,832,588,473.00	1,321.01
EUR	IDR	27.09.2017	21.09.2018	109,310.38	16,764.9996	1,832,588,473.00	1,340.27
EUR	IDR	25.10.2017	23.10.2018	107,263.01	17,084.9995	1,832,588,473.00	-112.82
EUR	IDR	07.12.2017	23.11.2018	107,951.72	16,976.0007	1,832,588,473.00	1,235.47
EUR	INR	22.08.2017	23.01.2018	946,390.90	77.1200	72,985,666.00	-2,127.19
EUR	INR	22.08.2017	20.02.2018	942,358.50	77.4500	72,985,666.00	-2,035.70
EUR	INR	22.08.2017	23.03.2018	937,275.79	77.8700	72,985,666.00	-1,889.84
EUR	INR	22.08.2017	23.04.2018	932,604.98	78.2600	72,985,666.00	-1,943.46
EUR	INR	22.08.2017	23.05.2018	928,098.50	78.6400	72,985,666.00	-1,604.05
EUR	INR	22.08.2017	22.06.2018	923,168.05	79.0600	72,985,666.00	-1,027.14
EUR	INR	22.08.2017	23.07.2018	918,752.09	79.4400	72,985,666.00	-682.57
EUR	INR	18.09.2017	23.08.2018	904,766.03	80.6680	72,985,666.00	-9,378.54
EUR	INR	27.09.2017	20.09.2018	889,342.44	82.0670	72,985,666.00	-19,996.84
EUR	INR	25.10.2017	23.10.2018	898,229.84	81.2550	72,985,666.00	-6,279.81
EUR	INR	07.12.2017	22.11.2018	902,305.24	80.8880	72,985,666.00	2,981.95

Sell	Buy	Transaction date	Due Date	Nominal	Hedge rate	Countervalue	Marketvalue
EUR	MXN	15.09.2017	23.01.2018	156,029.11	21.6704	3,381,218.00	13,167.88
EUR	MXN	15.09.2017	20.02.2018	155,132.95	21.7956	3,381,218.00	13,209.80
EUR	MXN	15.09.2017	23.03.2018	154,150.43	21.9345	3,381,218.00	13,286.63
EUR	MXN	15.09.2017	23.04.2018	153,156.34	22.0769	3,381,218.00	13,356.09
EUR	MXN	15.09.2017	23.05.2018	152,222.67	22.2123	3,381,218.00	13,434.40
EUR	MXN	15.09.2017	22.06.2018	151,299.61	22.3478	3,381,218.00	13,531.66
EUR	MXN	15.09.2017	23.07.2018	150,321.22	22.4933	3,381,218.00	13,607.60
EUR	MXN	15.09.2017	23.08.2018	149,361.20	22.6379	3,381,218.00	13,689.09
EUR	MXN	15.09.2017	21.09.2018	148,450.25	22.7768	3,381,218.00	13,762.17
EUR	MXN	25.10.2017	23.10.2018	137,624.87	24.5684	3,381,218.00	3,996.79
EUR	MXN	07.12.2017	23.11.2018	140,943.16	23.9899	3,381,218.00	8,358.43
EUR	RUB	27.09.2017	23.01.2018	106,371.43	69.7766	7,422,237.00	-716.95
EUR	RUB	27.09.2017	20.02.2018	105,746.14	70.1892	7,422,237.00	-771.61
EUR	RUB	27.09.2017	23.03.2018	105,065.21	70.6441	7,422,237.00	-792.41
EUR	RUB	27.09.2017	23.04.2018	104,371.26	71.1138	7,422,237.00	-832.98
EUR	RUB	27.09.2017	23.05.2018	103,720.47	71.5600	7,422,237.00	-869.58
EUR	RUB	27.09.2017	22.06.2018	103,076.60	72.0070	7,422,237.00	-893.44
EUR	RUB	27.09.2017	23.07.2018	102,405.77	72.4787	7,422,237.00	-923.11
EUR	RUB	27.09.2017	23.08.2018	101,754.21	72.9428	7,422,237.00	-973.38
EUR	RUB	27.09.2017	21.09.2018	101,156.50	73.3738	7,422,237.00	-1,000.66
EUR	RUB	25.10.2017	23.10.2018	101,601.27	73.0526	7,422,237.00	72.51
EUR	RUB	07.12.2017	23.11.2018	99,343.98	74.7125	7,422,237.00	-1,610.58
EUR	THB	27.09.2017	23.01.2018	56,627.22	39.2255	2,221.231	-152.58
EUR	THB	27.09.2017	20.02.2018	56,584.81	39.2549	2,221.231	-159.95
EUR	THB	27.09.2017	23.03.2018	56,539.58	39.2863	2,221.231	-132.10
EUR	THB	27.09.2017	23.04.2018	56,476.47	39.3302	2,221.231	-106.12
EUR	THB	27.09.2017	23.05.2018	56,416.51	39.3720	2,221.231	-82.40
EUR	THB	27.09.2017	22.06.2018	56,379.57	39.3978	2,221.231	-35.77
EUR	THB	27.09.2017	23.07.2018	56,337.1	39.4275	2,221.231	15.95
EUR	THB	27.09.2017	23.08.2018	56,303.83	39.4508	2,221.231	81.08
EUR	THB	27.09.2017	21.09.2018	56,361.12	39.4107	2,221.231	230.56
EUR	THB	25.10.2017	24.10.2018	55,973.24	39.6838	2,221.231	-53.06
EUR	THB	07.12.2017	23.11.2018	57,071.71	38.9200	2,221,231.00	1,177.37
EUR	USD	16.08.2017	23.01.2018	1,669,343.69	1.1807	1,970,934.00	30,154.24
EUR	USD	18.08.2017	23.01.2018	1,190,828.26	1.1832	1,408,988.00	19,133.68
EUR	USD	16.08.2017	20.02.2018	1,666,768.71	1.1825	1,970,934.00	30,240.97
EUR	USD	18.08.2017	20.02.2018	1,189,019.41	1.1850	1,408,988.00	19,227.87
EUR	USD	16.08.2017	23.03.2018	1,663,898.19	1.1845	1,970,934.00	30,608.57
EUR	USD	18.08.2017	23.03.2018	1,186,816.04	1.1872	1,408,988.00	19,536.26
EUR	USD	16.08.2017	23.04.2018	1,660,726.83	1.1868	1,970,934.00	30,801.18
EUR	USD	18.08.2017	23.04.2018	1,184,720.42	1.1893	1,408,988.00	19,659.94
EUR	USD	16.08.2017	23.05.2018	1,657,891.02	1.1888	1,970,934.00	31,066.15
EUR	USD	18.08.2017	23.05.2018	1,182,731.47	1.1913	1,408,988.00	19,886.48
EUR	USD	16.08.2017	22.06.2018	1,655,016.23	1.1909	1,970,934.00	31,527.58
EUR	USD	18.08.2017	22.06.2018	1,180,551.32	1.1935	1,408,988.00	20,288.31
EUR	USD	16.08.2017	23.07.2018	1,651,845.38	1.1932	1,970,934.00	31,868.48
EUR	USD	18.08.2017	23.07.2018	1,178,379.19	1.1957	1,408,988.00	20,437.19
EUR	USD	15.09.2017	23.08.2018	1,613,467.13	1.2216	1,970,934.00	-3,187.40
EUR	USD	15.09.2017	23.08.2018	1,157,494.53	1.2173	1,408,988.00	2,095.20
EUR	USD	15.09.2017	21.09.2018	1,610,721.83	1.2236	1,970,934.00	-2,564.17
EUR	USD	15.09.2017	21.09.2018	1,155,657.38	1.2192	1,408,988.00	2,701.07
EUR	USD	25.10.2017	23.10.2018	1,636,766.78	1.2042	1,970,934.00	27,250.78
EUR	USD	25.10.2017	23.10.2018	1,171,228.60	1.2030	1,408,988.00	20,776.72
EUR	USD	07.12.2017	23.11.2018	1,633,389.22	1.2067	1,970,934.00	27,389.82
EUR	USD	07.12.2017	23.11.2018	1,169,284.65	1.2050	1,408,988.00	21,513.01



Sell	Buy	Transaction date	Due Date	Nominal	Hedge rate	Countervalue	Marketvalue
EUR	ZAR	15.09.2017	23.01.2018	256,693.07	16.1925	4,156,510.00	-21,789.01
EUR	ZAR	15.09.2017	20.02.2018	255,233.00	16.2852	4,156,510.00	-21,650.24
EUR	ZAR	15.09.2017	23.03.2018	253,611.66	16.3893	4,156,510.00	-21,494.92
EUR	ZAR	15.09.2017	23.04.2018	251,999.44	16.4941	4,156,510.00	-21,343.39
EUR	ZAR	15.09.2017	23.05.2018	250,482.69	16.5940	4,156,510.00	-21,185.27
EUR	ZAR	15.09.2017	22.06.2018	248,981.91	16.6940	4,156,510.00	-20,982.83
EUR	ZAR	15.09.2017	23.07.2018	247,428.25	16.7988	4,156,510.00	-20,786.52
EUR	ZAR	15.09.2017	23.08.2018	245,902.48	16.9031	4,156,510.00	-20,603.97
EUR	ZAR	15.09.2017	21.09.2018	244,486.80	17.0010	4,156,510.00	-20,411.16
EUR	ZAR	25.10.2017	23.10.2018	233,753.01	17.7816	4,156,510.00	-29,434.83
EUR	ZAR	07.12.2017	23.11.2018	240,784.67	17.2624	4,156,510.00	-20,727.06
<b>TOTAL</b>							<b>-1,436,210.58</b>

The calculated market value of the overall position of hedging transactions was € 1,436,210.58 (2016: € -567,497.93). This comprises transactions with a negative market value to the amount of € -661,460.28 (2016: € -657,951.37) and transactions with a positive market value to the amount of € 2,097,670.86 (2016: € 90,453.44).

Due to current accounting standards, allowance had to be made for negative market values through provision for contingent losses. However, as there was confirmation from all the Promoting and Supporting Associations at the accounting date that they would accept the impending loss in full, so that there was in fact no risk to SOS Children's Villages International, no accruals were entered directly for SOS KDI (see also explanations on Shared Treasury Services in chapter "I. General").

In line with the commercial precautionary principle, the positive market values of the hedging transactions are not taken into account. Moreover, any profits are likewise allocated to the PSAs as agreed in the STS Service agreement.

The market value of the open hedging transactions changes on the maturity dates and deviates from the valuation depending on the development of the underlying currency exchange rates.

#### IV. ADDITIONAL DISCLOSURES

##### 1. Average number of employees

The average number of employees inclusive posted employees and EU-employees during the year under report was as follows:

	2017	2016
Employees	299	287

##### 2. Audit costs for annual financial statements

Expenditure for the auditor for the 2017 financial year was € 67,200.00 (2016: € 24,840.00). This includes audit services to the amount of € 15,600.00 (2016: € 18,240.00), and other auditing services to the amount of € 51,600.00 (2016: € 6,600.00).

##### 3. Executive bodies

The executive bodies of the association in accordance with the statutes applicable on the accounting date 31.12.2017 are:

- The General Assembly (all SOS member associations worldwide)
- The International Senate (as per current list of members on the website)
- The President (Siddhartha Kaul)
- The Management Team
- The Arbitration Tribunal when convened

##### 4. Remuneration paid to the members of the executive bodies of the association:

In the year under report, the members of the executive bodies of the association received emoluments in the amount of € 542,604.78 (2016: € 519,058.76). This amount includes salaries, insurance and payments in kind.

## 5. Representation

The association is represented by the following persons:

Siddhartha Kaul (President since 22.06.2012)

Dr Brigitte Johanne Trauernicht-Jordan (Vice-President since 22.06.2012)

Norbert Joachim Meder (Chief Executive Officer since 14.10.2016, Chief Financial Officer from 24.06.2016 to 02.01.2018)

Carsten Völz (Chief Operating Officer from 24.06.2016 to 15.09.2017)

Steffen Odalf Braasch (Chief Financial Officer since 02.01.2018)

The association is represented collectively by two persons in each case.

## 6. Events after the balance sheet date

No material events occurred after the balance sheet date.

Innsbruck, June 22 2018

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Siddhartha Kaul m.p

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Norbert Joachim Meder m.p

**SCHEDULE OF FIXED ASSETS according to art. 226 (1) Austrian Commercial Code (UGB) as of December 31, 2017**

**TRANSLATION**

	Historical cost resp. Cost of production				Accumulated depreciation				Book value	Book value
	Opening balance	Additions	Disposals	Balance as of	Opening balance	Additions	Disposals	Balance as of	31.12.2017	31.12.2016
	1.1.2017			31.12.2017	1.1.2017			31.12.2017		
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
<b>FIXED ASSETS</b>										
I. Intangible assets										
1. Concessions, rights	2.310.855,30	16.370,09	28.168,56	2.299.056,83	1.930.086,54	181.252,16	28.168,56	2.083.170,14	215.886,69	380.768,76
2. Prepayments	119.998,80	100.732,68	0,00	220.731,48	0,00	0,00	0,00	0,00	220.731,48	119.998,80
	<u>2.430.854,10</u>	<u>117.102,77</u>	<u>28.168,56</u>	<u>2.519.788,31</u>	<u>1.930.086,54</u>	<u>181.252,16</u>	<u>28.168,56</u>	<u>2.083.170,14</u>	<u>436.618,17</u>	<u>500.767,56</u>
II. Tangible assets										
1. Investments in third-party buildings	3.020.578,22	6.420,02	0,00	3.026.998,24	2.698.521,02	76.110,52	0,00	2.774.631,54	252.366,70	322.057,20
2. Other equipment, furniture and equipment	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
a) Office equipment	1.886.967,74	146.530,86	131.984,77	1.901.513,83	1.407.804,24	223.412,24	131.962,32	1.499.254,16	402.259,67	479.163,50
b) Cars	40.309,30	0,00	0,00	40.309,30	35.061,91	2.623,70	0,00	37.685,61	2.623,69	5.247,39
3. Low Value Investments	0,00	146.896,74	146.896,74	0,00	0,00	146.896,74	146.896,74	0,00	0,00	0,00
	<u>4.947.855,26</u>	<u>299.847,62</u>	<u>278.881,51</u>	<u>4.968.821,37</u>	<u>4.141.387,17</u>	<u>449.043,20</u>	<u>278.859,06</u>	<u>4.311.571,31</u>	<u>657.250,06</u>	<u>806.468,09</u>
III. Financial assets										
1. Investments	51.250,00	0,00	0,00	51.250,00	0,00	0,00	0,00	0,00	51.250,00	51.250,00
2. Investment securities (uncertificated securities)	2.123.292,72	0,00	252.500,00	1.870.792,72	397,00	0,00	0,00	0,00	1.870.792,72	2.122.895,72
	<u>2.174.542,72</u>	<u>0,00</u>	<u>252.500,00</u>	<u>1.922.042,72</u>	<u>397,00</u>	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>	<u>1.922.042,72</u>	<u>2.174.145,72</u>
	<u>9.553.252,08</u>	<u>416.950,39</u>	<u>559.550,07</u>	<u>9.410.652,40</u>	<u>6.071.870,71</u>	<u>630.295,36</u>	<u>307.027,62</u>	<u>6.394.741,45</u>	<u>3.015.910,95</u>	<u>3.481.381,37</u>

## Appendix KDI accounts at 31.12.2017

appendix 2

Country	ShortName	Institution	Account number	Account balance, 31.12.2016	Currency	Account balance EUR 31.12.2016	Account balance EUR 31.12.2017	Account balance EUR 31.12.2017
IN	IO ASIA	Standard Chartered Bank	520-0-503389-2	35.933,52	INR	500,31	35.933,52	469,14
BD	NA Bangladesh	Standard Chartered Bank SCB House	01512336401	7.504,83	USD	7.101,47	118.861,30	99.067,59
KH	NA Cambodia	ANZ Royal Bank Cambodia Ltd.	1275168	51.108,51	USD	48.361,57	245.694,02	204.779,15
KH	NA Cambodia	ANZ Royal Bank Cambodia Ltd.	775513	788.223,04	USD	745.858,29	726.607,93	605.607,54
LK	NA Sri Lanka	Hatton National Bank (FCBU)	906020000018	583.761,10	USD	552.385,60	461.200,11	384.397,49
VN	NA Vietnam	Standard Chartered Bank	88000207111	3.145.832,93	USD	2.976.753,34	2.765.632,43	2.305.077,87
ZA	IB Johannesburg (ESAF)	Nedbank Randburg	037984525870	1.097.180,56	ZAR	75.691,64	1.168.251,76	78.699,83
ZA	IB Johannesburg (ESAF)	Nedbank Randburg	1984406094	598.432,48	ZAR	41.284,30	392.098,00	26.413,87
ZA	IB Johannesburg (ESAF)	Nedbank Randburg	1984629646	469.527,95	ZAR	32.391,51	130.370,09	8.782,44
KE	IB Nairobi (ESAF)	CFC Stanbic Bank Kenya Limited	100000392388	75.680,08	USD	71.612,49	71.024,89	59.197,27
KE	IB Nairobi (ESAF)	CFC Stanbic Bank Kenya Limited	100000392531	278.201,86	USD	263.249,30	118.315,78	98.612,92
KE	IB Nairobi (ESAF)	CFC Stanbic Bank Kenya Limited	100000392779	129.415,85	USD	122.460,12	298.197,34	248.539,21
KE	IB Nairobi (ESAF)	CFC Stanbic Bank Kenya Limited	100000459253	243.746,08	KES	2.247,02	179.220,58	1.447,43
KE	IB Nairobi (ESAF)	CFC Stanbic Bank Kenya Limited	100000459458	7.766.379,86	KES	71.595,77	10.495.942,86	84.767,75
ET	IO ESAF	Commercial Bank of Ethiopia	10000-009204-05	86.909,40	ETB	3.671,52	1.036.783,65	31.331,76
ET	IO ESAF	Commercial Bank of Ethiopia	1000001080807	258.372,28	USD	244.485,50	212.105,13	176.783,74
ET	IO ESAF	Commercial Bank of Ethiopia	1000074669526	67.888,05	USD	64.239,26	0,00	0,00
BI	NA Burundi	Banque de la République du Burundi	3320/277	91.902,49	EUR	91.902,49	77.602,81	77.602,81
BI	NA Burundi	Banque de la République du Burundi	3320278	138.395,46	EUR	138.395,46	463.878,36	463.878,36
DJ	NA Djibouti	CFC Stanbic Bank Kenya Limited	0100003362797	243.856,92	USD	230.750,30	166.406,96	138.695,58
ET	NA Ethiopia	Commercial Bank of Ethiopia	1000000937464	29.036,09	ETB	1.226,64	31.005,45	936,99
ET	NA Ethiopia	Commercial Bank of Ethiopia	1000001088867	371.743,21	USD	351.763,07	316.813,21	264.055,02
KE	NA Kenya	Citibank N.A.	102773004	91.376,60	USD	86.465,37	91.376,60	76.159,86
KE	NA Kenya	Citibank N.A.	5102415002	336.153,89	KES	3.098,90	336.153,89	2.714,86
KE	NA TC Karen / Kenya	CFC Stanbic Bank Kenya Limited	100000392612	60.910,84	USD	57.637,06	25.007,48	20.843,04
KE	NA TC Karen / Kenya	CFC Stanbic Bank Kenya Limited	100000459528	3.258.678,22	KES	30.040,71	1.269.994,58	10.256,78
KE	NA TC Karen / Kenya	CFC Stanbic Bank Kenya Ltd.	0100002712886	8.244,85	USD	7.801,71	70,53	58,78
NG	NA Nigeria	Citibank Nigeria	0006049048	1.311.174,99	USD	1.240.703,06	516.026,61	430.093,86
NG	NA Nigeria	Citibank Nigeria	0006049969	0,00	USD	0,00	324.858,23	270.760,32
NG	NA Nigeria	Citibank Nigeria	6049017	55.751.575,32	NGN	169.027,09	104.485.702,75	284.036,60
NG	NA Nigeria	Citibank Nigeria	6049952	469.135,95	USD	443.921,22	519.614,19	433.084,01
RW	NA Rwanda	ECOBANK	0011013800833801	11.696,61	EUR	11.696,61	1.226,31	1.226,31
RW	NA Rwanda	ECOBANK	0011013800833802	450.379,87	EUR	450.379,87	20.516,18	20.516,18
SO	NA Somalia	Citibank N.A.	0102417019	2.711,36	USD	2.565,63	501,35	417,86
SO	NA Somalia	Citibank N.A.	0102988001	160.304,88	USD	151.688,95	175.072,80	145.918,32
SO	NA Somalia	Citibank N.A.	102417011	165.230,06	USD	156.349,41	150.467,70	125.410,65

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Country	ShortName	Institution	Account number	Account	Currency	Account balance	Account balance	Account balance
				balance,		EUR	EUR	EUR
				31.12.2016		31.12.2016	31.12.2017	31.12.2017
SX	NA Somaliland	CFC Stanbic Bank Kenya Limited	0100001411971	37.787,97	USD	35.756,97	43.158,77	35.971,64
SX	NA Somaliland	CFC Stanbic Bank Kenya Limited	100000392469	373.681,12	USD	353.596,82	93.598,00	78.011,34
SX	NA Somaliland	CFC Stanbic Bank Kenya Limited	100000392857	608,38	USD	575,68	521,30	434,49
SX	NA Somaliland	CFC Stanbic Bank Kenya Limited	100000459393	819.463,67	KES	7.554,37	1.509.118,37	12.188,00
SX	NA Somaliland	CFC Stanbic Bank Kenya Ltd.	0100002957811	58,52	USD	55,37	18,44	15,37
SX	NA Somaliland	Citibank N.A.	102881001	24.077,47	USD	22.783,37	24.061,51	20.054,60
SD	NA South Sudan	CFC Stanbic Bank Kenya Limited	0100002212786	106.856,78	USD	101.113,53	246.365,29	205.338,63
SD	NA South Sudan	CFC Stanbic Bank Kenya Limited	0100002369871	915,16	USD	865,97	2.924,95	2.437,86
SD	NA South Sudan	CFC Stanbic Bank Kenya Limited	0100003235054	49.224,34	USD	46.578,67	9.126,32	7.606,53
SD	NA Sudan	Bank of Khartoum	1391512/SDG	832.226,19	SDG	121.252,14	2.543.578,43	302.087,70
TZ	NA Tanzania	Barclays Bank Tanzania Limited	4008985	1.332.448,32	TZS	578,39	4.385.512,87	1.631,79
TZ	NA Tanzania	Barclays Bank Tanzania Limited	8008602	115.739,33	USD	109.518,67	21.241,00	17.703,78
TZ	NA Tanzania	Barclays Bank Tanzania Limited	8008610	889.329,95	USD	841.530,99	300.352,72	250.335,66
UG	NA Uganda	Stanbic Bank Uganda Ltd.	9030005748347	28.407.291,00	UGX	7.456,80	27.945.291,00	6.404,33
UG	NA Uganda	Stanbic Bank Uganda Ltd.	9030008172349	82.290,05	USD	77.867,19	82.157,72	68.476,18
MZ	NA Sudan	Bank of Khartoum	1046599/EUR	480,19	EUR	480,19	480,19	480,19
MZ	NA Sudan	Bank of Khartoum	1046599/SDG	111,61	SDG	16,26	672,51	79,87
ET	NA Ethiopia	Commercial Bank of Ethiopia	1000001091283	888.585,41	USD	840.826,47	2.246.099,48	1.872.061,58
ET	NA Ethiopia	Commercial Bank of Ethiopia	1000000971417	3.087.988,64	ETB	130.453,40	5.564.138,57	168.149,12
MZ	NA Mozambique	Banco Internacional de Mocambique	54256466	1.670,93	USD	1.581,12	closed	closed
MZ	NA Mozambique	Banco Internacional de Mocambique	83742817	135.341,75	USD	128.067,52	closed	closed
MZ	NA Mozambique	Banco Internacional de Mocambique	54889488	535.418,80	USD	506.641,56	closed	closed
SD	NA Sudan	Bank of Khartoum	1391512/EUR	151.944,81	EUR	151.944,81	375.992,50	375.992,50
KE	NA Kenya	Citibank	102417003	104.421,27	USD	98.808,92	20.431,88	17.029,40
KE	NA Kenya	CFC Stanbic Bank Kenya	0100003267614	480,47	USD	454,65	436,38	363,71
TZ	NA Zanzibar	The Peoples Bank of Zanzibar	022108000015	191.490,11	USD	181.198,06	73.823,50	61.529,84
TZ	NA Zanzibar	The Peoples Bank of Zanzibar	22108000081	30,81	USD	29,15	25.466,59	21.225,70
KZ	IB Almaty (EUCB)	JSC Alтын Bank	001-005487-020	38.082,13	KZT	107,99	0,00	0,00
KZ	IB Almaty (EUCB)	JSC Alтын Bank	001-005487-030	0,00	USD	0,00	0,00	0,00
KZ	IB Almaty (EUCB)	JSC Alтын Bank	001-005487-031	0,00	EUR	0,00	0,00	0,00
KZ	IB Almaty (EUCB)	JSC Kazkommertsbank	KZ199261802164140000	243.590,45	KZT	690,77	120.916,76	302,82
MK	IB Skopje (EUCB)	Stopanska Banka a.d. Skopje	0009054134	0,46	EUR	0,46	0,46	0,46
MK	IB Skopje (EUCB)	Stopanska Banka a.d. Skopje	0009484280	31.107,91	EUR	31.107,91	22.555,64	22.555,64
MK	IB Skopje (EUCB)	Stopanska Banka a.d. Skopje	0009484337	0,00	MKD	0,00	0,00	0,00
MK	IB Skopje (EUCB)	Stopanska Banka a.d. Skopje	0016830358	0,31	USD	0,29	2.375,77	1.980,14
MK	IB Skopje (EUCB)	Stopanska Banka a.d. Skopje	200000028748852	353.373,00	MKD	5.739,23	334.441,00	5.434,97
EE	IB Tallinn (EUCB)	Swedbank AS	221018698584	37.086,88	EUR	37.086,88	52.732,18	52.732,18
EE	IB Tallinn (EUCB)	Swedbank AS	221057664223	4.276,16	EUR	4.276,16	2.568,62	2.568,62

*non-binding electronic copy*

Country	ShortName	Institution	Account number	Account	Currency	Account balance	Account balance	Account balance
				balance,		EUR	EUR	EUR
				31.12.2016		31.12.2016	31.12.2017	31.12.2017
BA	NA Bosnia and Herzegovia	Raiffeisen Bank dd Bosnia I Hercego vina	030000626-9 BAM	243.704,91	BAM	124.604,34	478.324,19	243.217,75
BA	NA Bosnia and Herzegovia	Raiffeisen Bank dd Bosnia I Hercego vina	030000626-9 EUR	1.273,41	EUR	1.273,41	48.423,23	48.423,23
BA	NA Bosnia and Herzegovia	Raiffeisen Bank dd Bosnia I Hercego vina	030000626-9 USD	305,73	USD	289,30	2.490,62	2.075,86
BA	NA Bosnia and Herzegovia	Raiffeisen Bank dd Bosnia I Hercego vina	030001358-8	0,00	BAM	0,00	0,00	0,00
KO	NA Kosovo	Raiffeisen Bank Kosovo	1501001000698977	124,36	EUR	124,36	124,36	124,36
KZ	NA Kazakhstan	JSC Kazkommertsbank	KZ83926020CN00000653	124.364,87	KZT	352,67	0,00	0,00
BO	IB La Paz (LAAM)	Banco Bisa S.A.	060803201-1	24.369,67	USD	23.059,87	0,00	0,00
CR	IB San Jose (LAAM)	Banco Nacional de Costa Rica	100-01-000-1276393	13.860.389,59	CRC	23.818,36	30.158.219,00	43.990,31
CR	IB San Jose (LAAM)	Banco Nacional de Costa Rica	100-02-080-0000136	40.215,36	USD	38.053,90	49.798,73	41.505,86
UY	IO LAAM	Banco Santander	38.03.732 USD	265.036,88	USD	250.791,90	236.915,81	197.462,75
UY	IO LAAM	Banco Santander	38.03.732 UYU	704.873,63	UYU	22.925,63	130.740,94	3.780,39
MA	IO MENA	ATTIJARIWAFI BANK	007780000300200030026050	978.158,20	MAD	91.669,39	1.640.192,85	146.193,22
MA	IO MENA	ATTIJARIWAFI BANK	007780000300500040000157	4.492.725,36	MAD	421.041,69	2.773.497,83	247.206,64
JO	NA Jordan	Arab Jordan Investment Bank	226 614385 02 545 0	0,00	USD	0,00	44,98	37,49
JO	NA Jordan	Arab Jordan Investment Bank	226 614385 2 648 0	476.941,63	USD	451.304,86	295.007,79	245.880,81
MA	NA Morocco	ATTIJARIWAFI BANK	120R300763	128.325,80	MAD	12.026,22	190.575,80	16.986,35
PS	NA Palestine	Arab Bank PLC	9050/707834/570	1.036.424,69	ILS	255.446,90	45.091,84	10.799,92
PS	NA Palestine	Arab Bank PLC	9050/707834/530	260.944,85	EUR	260.944,85	173.354,79	173.354,79
PS	NA Palestine	Arab Bank PLC	9050/707834/510	15.821,61	USD	14.971,24	699.074,00	582.658,78
JO	NA Jordan	Arab Jordan Investment Bank	2266/614385/1648/0	762.730,00	JOD	1.017.244,60	0,00	0,00
JO	NA Jordan	Arab Jordan Investment Bank	2266/614385/1645/0	18.164,00	JOD	24.225,13	25.869,31	30.347,01
GM	IB Banjul (WCAF)	ECOBANK Gambia LTD	0010014900300701	63.835,31	GMD	1.392,51	0,00	0,00
GM	IB Banjul (WCAF)	ECOBANK Gambia LTD	0010014900300702	110.618,40	USD	104.672,98	0,00	0,00
CM	IB Yaounde (WCAF)	Citibank N.A. Cameroon	005400600422	876.300,54	EUR	876.300,54	12.095,55	12.095,55
CM	IB Yaounde (WCAF)	Citibank N.A. Cameroon	005400602459	18.505.688,00	XAF	28.211,74	16.037.276,00	23.196,37
SN	IO WCAF	BICIS PRESTIGE	0952807936100096	141.596.133,00	XOF	215.861,91	183.154.770,00	266.174,64
SN	IO WCAF	BICIS PRESTIGE	0952807936100290	127.603,07	EUR	127.603,07	184.817,23	184.817,23
BF	NA Burkina Faso	Ecobank Burkina	0210181701524101	22.853.663,00	XOF	34.840,18	151.135.900,00	219.642,35
CM	NA Cameroon	Citibank N.A. Cameroon	0-054002-009	20.187.646,00	XAF	30.775,87	25.442.637,00	36.800,32
CV	NA Cape Verde	BCN - BANCO CABO-VERDIANO DE NEGOCIOS	67646 15 001	0,00	USD	0,00	170.362,22	141.992,18
CF	NA Centr. Afr. Rep.	CBCA Commercial Bank Centrafrique	37124139301-96	178.060.992,00	XAF	271.452,23	133.023.895,00	192.406,23
CF	NA Centr. Afr. Rep.	CBCA Commercial Bank Centrafrique	37124605401-51	27.063.723,00	XAF	41.258,38	26.958.408,00	38.992,74
TD	NA Chad	Ecobank Tchad SA	01805013702	-825,00	XAF	1,26	82.569.648,00	119.429,03
TD	NA Chad	Ecobank Tchad SA	60001000010180501370136	73.173,00	XAF	111,55	38.527.290,00	55.726,01
CI	NA Cote d'Ivoire	Banque Int. pour le Commerce et l'Industrie BICICI	CI0060155000775730005931	125.640.620,00	XOF	191.537,89	137.356.694,00	199.617,34
CI	NA Cote d'Ivoire	Banque Int. pour le Commerce et l'Industrie BICICI	CI0060155001171980008027	70.215.292,00	XOF	107.042,52	31.106.456,00	45.206,30
GQ	NA Equat. Guinea	Banco Nacional de Guinea Ecuatorial	50005000023710267530113	4.857.745,00	XAF	7.405,58	11.822.926,00	17.100,72
GN	NA Guinea	Banque Int. pour le Commerce et l'Ind. BICIGUI	09842 067532001 33 <i>non-binding electronic copy</i>	20.134,84	USD	19.052,65	1.258,34	1.048,79

Country	ShortName	Institution	Account number	Account balance, 31.12.2016	Currency	Account balance EUR 31.12.2016	Account balance EUR 31.12.2017	Account balance EUR 31.12.2017
GW	NA Guinea-Bissau	ECOBANK Guinea Bissau	0010141800676106	162.663.329,00	XOF	247.978,65	36.242.899,00	52.670,98
GW	NA Guinea-Bissau	ECOBANK Guinea Bissau	00101818-00637-601	38.025,00	EUR	38.025,00	66.879,33	66.879,33
GW	NA Guinea-Bissau	ECOBANK Guinea Bissau	00101818-00637-603	81.276,00	USD	76.907,65	10.639,97	8.868,12
LR	NA Liberia	INTERNATIONAL BANK (LIBERIA) Ltd	00-1219-1005-3080-101	354.534,25	LRD	3.686,76	347.834,25	2.290,27
LR	NA Liberia	INTERNATIONAL BANK (LIBERIA) Ltd	00-1219-7005-3080-202	156.980,63	USD	148.543,37	3.544,82	2.954,51
SL	NA Sierra Leone	Standard Chartered Bank Gambia Ltd.	87 00 1322 47700	376.092,12	USD	355.878,24	348.268,01	290.271,72
SL	NA Sierra Leone	Standard Chartered Bank Sierra Leon e Ltd.	8700100922300	577.672,14	USD	546.623,90	97.895,28	81.593,00
TG	NA Togo	"ECOBANK Togo, B.P. 3302"	7010181400054803	216.019.365,00	XOF	329.319,40	279.339.059,00	405.957,07
CM	NA Cameroon	Citibank N.A. Cameroon	110132628406301		XAF		2.924.779,00	4.230,41
GN	NA Guinea	Banque Int. pour le Commerce et l'Ind. BICIGUI	09842 067532001 33		EUR		201.163,45	201.163,45
TG	NA Togo	"ECOBANK Togo, B.P. 3302"	701081400054801	176.294.250,00	XOF	268.758,85	94.298.308,00	137.041,58
BF	NA Burkina Faso	Ecobank Burkina	0180181701524104	66.431.255,00	XOF	101.273,80	72.157.484,00	104.864,82
BF	NA Burkina Faso	Ecobank Burkina	0180181701524102	29.581.298,00	XOF	45.096,40	38.878.225,00	56.500,84
BF	NA Burkina Faso	Ecobank Burkina	0180181701524101	124.634.837,00	XOF	190.004,58	151.135.900,00	219.642,35
BF	NA Burkina Faso	Ecobank Burkina	0180181701524103	15.415.199,00	XOF	23.500,32	13.875.295,00	20.164,65
BJ	NA Benin	Orabank Benin	000090180139	8.434.103,00	XOF	12.857,71	41.253.072,00	59.952,15
CD	DR Congo	Banqu de Kigali	040-00200994-43 US	7.022,96	USD	6.645,50	6.974,39	5.812,96
CD	DR Congo	Banqu de Kigali	040-6049986-32	79.311,07	USD	75.048,33	9.983,00	8.320,55
CV	NA Cape Verde	BCN - BANCO CABO-VERDIANO DE NEGOCIOS	67646 15 002	87.942,91	EUR	87.942,91	77.101,31	77.101,31
GM	NA Gambia	Standard Chartered Bank Gambia Ltd.	8700130990200	91.144,02	USD	86.245,29	46,66	38,89
GM	NA Gambia	ECOBANK Gambia LTD	0011014900300701		EUR	0,00	closed	closed
						<b>20.531.801,07</b>		<b>16.186.436,11</b>



**Appendix 3: opening- and closing balance of the STS-accounts of the fiscal year 2017:**

Bank Name	Currency	As of 01.01.2017 local currency	As of 01.01.2017 Euro	As of 31.12.2017 local currency	As of 31.12.2017 Euro
IO-MA/DEUT-DE00	EUR	10,172,601.82	10,172,601.82	17,351,241.90	17,351,241.90
IO-MA/DEUT-DE17	USD	446,002.71	422,671.42	2,467,122.66	2,056,277.66
IO-MA/DEUT-DE20	DKK	13,000,000.37	1,748,695.05	41,137,142.00	5,525,623.19
IO-MA/DEUT-DE30	NOK	26,400,000.44	2,903,287.25	38,400,000.44	3,898,137.64
IO-MA/DEUT-DE40	SEK	3,600,000.03	375,760.80	27,537,879.03	2,797,931.12
IO-MA/DEUT-DE50	CHF	770,000.01	718,216.74	406,413.91	347,644.43
IO-MA/DEUT-DE60	CAD	414,793.99	291,206.12	1,076,365.75	713,202.10
IO-MA/DEUT-DE70	GBP	60,000.23	70,167.51	969,308.56	1,091,808.81
IO-MA/DEUT-DEA1	INR			0.00	0.00
IO-MA/BARC-GB01	EUR			2,457.65	2,457.65
IO-MA/BARC-GB70	GBP	-0.30	-0.35	-47.00	-52.94
IO-MA/BARC-GBG1	KES			8,554.41	69.09
IO-MA/BARC-GBU1	JOD			-3.81	-4.47
IO-MA/BARC-GBU2	TND			-33.20	-11.27
IO-MA/BARC-GBV1	LKR			-151.05	-0.82
IO-MA/BARC-GBV2	PHP			0.00	0.00
IO-MA/BARC-GBX1	GHS			500.00	91.84
IO-MA/BARC-GBX2	UGX			-3,703.00	-0.85
IO-MA/BARC-GBX3	MWK			-682.14	-0.79
IO-MA/BARC-GBX4	NGN			0.00	0.00
IO-MA/BARC-GBX5	BWP			-11.21	-0.95
IO-MA/COBA-AT00	EUR	785.49	785.49	475.49	475.49
IO-MA/TUBD-DE00	EUR	195.06	195.06	2,036,243.54	2,036,243.54
IO-MA/TUBD-DED1	MAD			0.00	0.00
IO-MA/TUBD-DEH1	ZAR			4,156,510.00	280,003.30
IO-MA/TUBD-DEU1	ILS			300,000.00	71,852.70
IO-MA/TUBD-DEV1	CNY			0.00	0.00
IO-MA/TUBD-DEV2	THB			2,221,231.00	56,859.07
IO-MA/TUBD-DEW1	HRK			539,065.00	72,549.52
IO-MA/TUBD-DEW2	HUF			22,802,291.00	73,354.97
IO-MA/TUBD-DEW3	RON			0.00	0.00
IO-MA/TUBD-DEW4	RUB			9,513,043.00	137,501.52
IO-MA/TUBD-DEZ1	MXN			3,899,586.00	165,377.54
IO-MA/UBSW-CH00	CHF	951.35	951.35	0.00	0.00
IO-MA/BKAU-AT00	EUR			26,517,146.69	26,517,146.69
IO-MA/CITI-GB00	EUR			128,080.32	128,080.32
IO-MA/UBSW-CH00	EUR			684.29	684.29
IO-MA/DEUT-DEV1	LKR			0.00	0.00
IO-MA/DEUT-DEU1	ILS			0.00	0.00
IO-MA/BKAU-AT10	USD			0.00	0.00
IO-MA/BKAU-AT01	EUR			428,514.64	428,514.64
IO-MA/DEUT-DEG1	KES			0.00	0.00
			<u>16,704,538.26</u>		<u>63,753,056.93</u>

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**TRANSLATION****AUDITOR'S REPORT <sup>\*)</sup>****Report on the Financial Statements****Audit Opinion**

We have audited the financial statements of

**SOS-Kinderdorf International, Innsbruck.**

These financial statements comprise the balance sheet as of December 31, 2017, the income statement for the fiscal year then ended and the notes.

Based on our audit the accompanying financial statements were prepared in accordance with the legal regulations and present fairly, in all material respects, the assets and the financial position of the Association as of December 31, 2017 and its financial performance for the year then ended in accordance with Austrian Generally Accepted Accounting Principles.

**Basis for Opinion**

We conducted our audit in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISA). Our responsibilities under those regulations and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Association in accordance with the Austrian General Accepted Accounting Principles and professional requirements 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.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation of the financial statements in accordance with Austrian Generally Accepted Accounting Principles, for them to present a true and fair view of the assets, the financial position and the financial performance of the Association and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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**TRANSLATION**

In preparing the financial statements, management is responsible for assessing the Association'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 Association or to cease operations, or has no realistic alternative but to do so.

**Auditor's 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 auditor's 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 Austrian Standards on Auditing, which require the application of ISA, 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 Austrian Standards on Auditing, which require the application of ISA, we exercise professional judgment and maintain professional scepticism 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 Association's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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**TRANSLATION**

- 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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Vienna, June 22, 2018

Ernst & Young  
Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Hans-Erich Sorli mp  
Wirtschaftsprüfer / Certified Public Accountant

Mag. (FH) Isabelle Vollmer mp  
Wirtschaftsprüferin / Certified Public Accountant

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\*) This report is a translation of the original report in German, which is solely valid. Publication or sharing with third parties of the financial statements together with our auditor's opinion is only allowed if the financial statements are identical with the German audited version. This audit opinion is only applicable to the German and complete financial statements with the management report. Section 281 paragraph 2 UGB (Austrian Company Code) applies to alternated versions.

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**TRANSLATION****REPORT ON THE AUDIT OF ACCOUNTS**

We conducted the audit of the accounts of

**SOS-Kinderdorf International, Innsbruck**  
(referred to as "the Association"),

for the period starting January 1, 2017 until December 31, 2017.

*Responsibilities of Management for the Financial Management*

The management body of the association is responsible for the proper financial management of the association with regard to the correctness of accounting and the proper use of funds in accordance with the Association's bylaws. The management body of the association must ensure that an accounting system in accordance with the requirements of the association is in place and that the financial situation of the association is timely and sufficiently recognizable.

*Auditor's Responsibility and Description of Kind and Scope of the Audit of Accounts*

Our responsibility is to express an opinion based on our audit procedures whether the correctness of the accounts was given in all material respects and whether the use of the funds of the association was in accordance with the Association's bylaws. Any detected flaws or threats to the existence of the association need to be revealed in our report and unusual sponsorship contributions received and disbursed, especially self-dealings, have to be discussed in detail.

In performing the audit, we adhered to the applicable legal provisions in Austria and the relevant expert opinions and standards of audits. Those standards require us to comply with our professional duties, including rules on independence, and to plan and perform the engagement with due regard to the principle of materiality so that we can provide our opinion with reasonable assurance.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the accounts, whether due to fraud or error. In making these risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the accounts in order to design audit procedures that are appropriate under the given circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Proper use of funds in accordance with the Association's bylaws is given when the funds are used to meet the objectives of the association, in particular to finance the activities envisaged for the realization of the objectives. The assessment of the economy or profitability of the management of the association is not the subject of the audit.

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**TRANSLATION**

The audit or review of the accounts, or the detection and investigation of criminal offenses, e.g. misappropriation or other infidelities and administrative offenses, is not the subject of the audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, which is based on the results of our audit, the correctness of accounts was given in all material respects and the use of funds was performed in accordance with the Association's by-laws for the period lasting from January 1, 2017 to December 31, 2017; no unusual receipts or expenses, especially self-dealings, were detected.

Vienna, June 22, 2018

Ernst & Young  
Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Hans-Erich Sorli mp  
Wirtschaftsprüfer / Certified Public Accountant

Mag. (FH) Isabelle Vollmer mp  
Wirtschaftsprüferin / Certified Public Accountant