Annual Financial Report 2015

Friends Global

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Acronyms & Abbreviations

3PC	Partnership Program for the Protection of Children
Adcom	Advisory Committee
Aran	Aranyaprathet
CYTI	Children and Youth Together, Innovating
DfAT	Australian Department of Foreign Affairs & Trade
EU	European Union
FACE	Fight Against Child Exploitation Foundation
FI	Friends-International
FnS	Friends 'n' Stuff
FSB	Friends Social Business
FtR	Friends the Restaurant
GFATM	Global Fund Fight Against Aids, Tuberculosis & Malaria
HBP	Home-Based Production
HQ	Headquarters
IEC	Information, Education, Communication (Materials)
MER	Monitoring, Evaluation and Research
MoSVY	Ministry of Social Affairs, Veterans and Youth Rehabilitation (Cambodia)
MS	Mith Samlanh
NCHAD	National Centre for HIV/AIDs, Dermatology, and Sexually Transmitted Diseases
NGO	Non-Governmental Organisation
SRP	Siem Reap
TREE	Training Restaurants for Employment & Entrepreneurship
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
VT	Vocational Training
WCF	World Childhood Foundation

Organisation Information

As at 31 Dec 2015

Board of Directors

Wilfried Schneider - Chairperson

Denis Marot - Secretary

Len Coster - Treasurer

Vivian Gee - Member

Birgit Aßmann – Member

Michael Gilmore – Member

Winston Mc Colgan – Honorary Member

Executive Director / Founder

Sebastien Marot

Management Team

Kanchan Kapoor – Head of Finance, Human Resources & Grants. Deputy Director

Nikolai Schwarz – Head of Social Business

Sebastien Le Mouellic – Head of Partnerships & Technical Support

Ampor Sam-Oeun – Program Director – Friends Siem Reap, Cambodia

Ari Widodo- Program Director Friends Indonesia

Ketsone Philaphandet - Program Director Friends Laos

Map Somaya – Program Director – Mith Samlanh Phnom Penh, Cambodia

Vuthaya Charoenpol - Program Director Friends, Thailand

Auditors

KPMG Cambodia Ltd

KPMG Lao Company Ltd

KPMG (Thailand) Phoomchai Audit Ltd

Hananta Budianto & Rekan - Indonesia

Registered Office

Operational Headquarters: #89B, Street 103, PO Box 597, Phnom Penh, Cambodia

Legal Headquarters: Friends-International France, 29 Rue Vaneau 75007, Paris, France

Registration

Prefecture De Police, Paris, France. 19 July 1995

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Summary of Significant Accounting Policies

Friends adopts the following accounting policies in the preparation of its financial statements.

Basis of Preparation

The financial statements are expressed in the presentational currency - the US$, and are prepared in accordance with a modified cash basis of accounting. Under this basis of accounting, income is recognized when funds are received rather than when they are 'earned' and expenditure is recognized when payments are made rather than when they are incurred, except for the following treatment:

- Advances are initially recognized as a current asset in the Balance Sheet, until liquidation with supporting documents, at which point they are recognized as expenses in the Statement of Income and Expenses.
- Deposits to suppliers, loans to staff and other advances are recorded as Accounts Receivables in the Balance Sheet until these balances are settled.
- Salary tax payable withheld from staff salaries are recorded as Income Tax Payable in the Balance Sheet until payments have been made to relevant tax authorities
- The costs of fixed assets are charged to expenses upon acquisition. For control and management purposes, a fixed asset register is maintained.
- On 31 December 2015 the capitalization decision made on 31 December 2014 of all FnS outlet business inventory was reversed, due to a lack of feasibility to implement this accounting policy accurately and efficiently. 2014 comparative figures have been restated to reflect this policy reversal. On 31 December 2014, the inventory adjustment amounted to $222,430. On 31 December 2015, the adjustment was for $364,000

Foreign Currency Translation

FI executes transactions primarily in local currency of each program office. Functional currencies are as follows:

	PRIMARY CURRENCY	SECONDARY CURRENCY
Cambodia	US$	KHR (Khmer Riel)
Laos	LAK (Lao Kip)	US$
Thailand	THB (Thai Baht)	US$ (*Aranyaprathet only*)
Indonesia	IDR (Indonesian Rupiah)	N/A

In 2015 each program office maintained its records in their primary currency. Transactions in currencies other than the primary currency are converted into the primary currency at the rate of exchange prevailing on the transaction dates. Exchange differences are recognized in the Statement of Income and Expenses.

Certification of Financial Statements

Financial statements for each Friends Program office have been independently audited by local KPMG firms in Cambodia, Laos and Thailand, with the exception of Friends Indonesia, who were audited by a local audit firm.

Friends-International Headquarters, Friends Siem Reap and Mith Samlanh were audited separately by KPMG Cambodia, resulting in 3 individual audited financial statements. MS also has its own Annual Financial Report, which can be found on the website; www.mithsamlanh.org.

Friends Laos was audited by KPMG Laos. 2014 and 2015 audited financial statements will be issued after Friends Laos obtains an exemption certificate for corporate income tax, which it is not eligible to pay. Application to the relevant Ministry has been made and certification is in process.

Friends Bangkok and Friends Aranyaprathet were audited simultaneously by KPMG Thailand. The audited financial statements present a consolidation of both offices representing Thailand; as well as presenting individual statements in annexes.

Friends Indonesia was audited by Hananta Budianto & Rekan.

The consolidated financial statements of Friends-International & Mith Samlanh were consolidated internally, and not audited after consolidation. Intra-transactions were eliminated in the consolidation, including any payable or and receivable amounts between offices; fund transfers made to Program offices; and intra sales and purchase transactions.

During 2015, FI & MS also underwent the following project audits as requested by its donors:

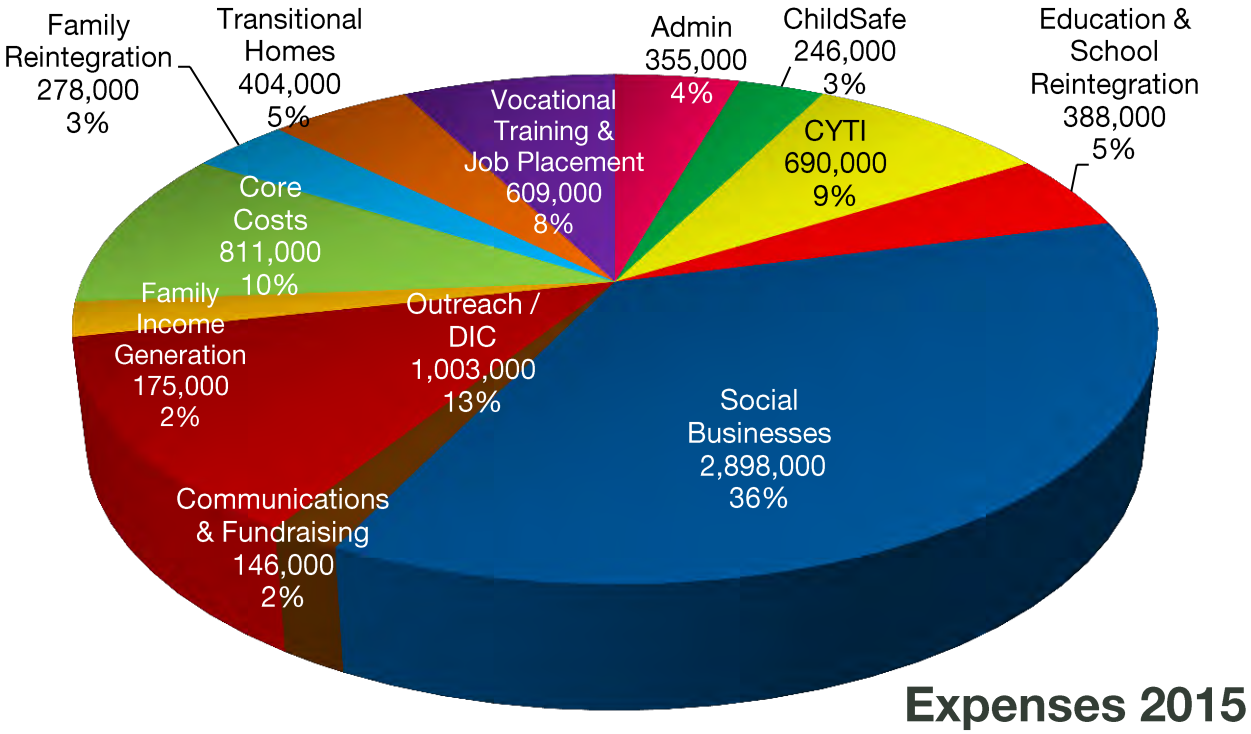
- Global Fund Against AIDS/ HIV, Tuberculosis & Malaria
- Dan Church Aid
- European Union
- USAID / World Learning
- UNICEF Cambodia and Thailand

All annual audits conducted confirmed the integrity of the financial statements and are available to download on the FI website.

Executive Summary

2015 has been a year of growth, expansion and exciting new initiatives. ChildSafe Citizens was initiated in Indonesia, Thailand and Laos. With the support of UNICEF Thailand the ChildSafe Travellers campaign was further promoted across Thailand and Child Protection Policies and Systems were launched in 8 Royal Thai Government Shelters. UNICEF Cambodia supported phase two of 3PC with new additional partners, in new provinces integrating prevention and response mechanisms for violence against children and increased focus on family and community-based reintegration of children from residential care institutions. In collaboration with UNICEF, USAID and MoSVY, Friends launched 2 new campaigns; Keeping Families Together, Don't Create More Orphans. Terre des Hommes Netherlands supported ChildSafe Passage – a Friends and CYTI partners program focusing on migration and trafficking prevention in Cambodia and Thailand. CYTI Partners and Friends were contracted to carry out a national enumeration in Cambodia of children outside of family-based care in collaboration with Columbia University. In Phnom Penh two new decentralized vocational training workshops were opened: Nailbar in Chom Chao and Kse Meth Sewing in Andong. Mith Samlanh, Friends Siem Reap and M'Lop Tapang also secured funds and initiated the Futures Employment Offices project, to be launched in 2016. Finally TREE supported the inception of 3 new restaurants; Bahir Zaf in Addis Ababa, Sanon in Bagan, and Khanun in Bangkok; all expecting to open in 2016.

With such growth and expansion increases in expenses are inevitable. Total costs increased by 9% from 2014 by $690K, predominantly in national staff salaries, direct program costs, workshop costs, marketing of national and international campaigns, and business costs. Income from sales revenues and donor funds remained steady from 2014. Friends' largest donor continues to be UNICEF (Cambodia and Thailand combined) contributing 20% of total donor grants. Two new donors also made it into the top 10; namely AGFund and Terre des Hommes Netherlands. $760K of expenses had to be supported by unrestricted funds, a large increase from 2014 ($373K). Social Service costs (Outreach, DICs, Social Reintegration and other services) comprised 39% of total costs, whereas Social Business costs amounted to 36%. Administration costs remain low at 4%.



Expenses 2015

Basic Data

	2015	2014
Number of Staff (31 Dec)	630	613
Total Income (US$)	7,484,670	7,342,828
Total Expenses (US$)	8,003,376	7,314,357
Administrative Costs	5%	4%
Social Businesses	30	29

Top 10 Donors

#	DONOR NAME	2015 INCOME	2014 INCOME
1	UNICEF	$846,675	$927,429
2	GFATM / NCHADS	$361,309	$276,966
3	USAID / World Learning	$298,774	$407,015
4	European Union	$239,652	$355,706
5	AGFund Award	$190,000	$0
6	WISE (Eric Barthelmé / Swiss Philanthropy Foundation / Race of Champions)	$164,955	$168,389
7	Aide & Action	$153,959	$126,412
8	Terre des Hommes Netherlands	$151,369	$0
9	Give2Asia	$150,000	$50,563
10	World Childhood Foundation	$125,090	$155,313

Unrestricted Funds

Friends strives to build its unrestricted funds to ensure no activities are obstructed due to lack of funding. These unrestricted funds have allowed for the below activities to continue unhindered in 2015. These funds are comprised of: private donations, social business reserves and other miscellaneous income.

PROGRAM	PROJECTS	2015 GRANTS	2014 GRANTS
FI HQ	Fundraising	$0	$55,457
FI HQ	CYTI Alliance	$13,802	$0
Friends Phnom Penh	Chom Chao Drop In Centre	$5,855	$4,063
Friends Phnom Penh	Chom Chao Outreach	$4,056	$0
Friends Phnom Penh	ChildSafe	$3,309	$0
	Sub-Total	$27,021	$59,520
Friends Siem Reap	Administration	$21,272	$217
Friends Siem Reap	ChildSafe Movement	$2,555	$0
Friends Siem Reap	Drop In Centre	$6,883	$0
Friends Siem Reap	Education	$14,398	$0
Friends Siem Reap	Family Income Generation	$3,430	$0
Friends Siem Reap	Friends Social Business	$3,144	$0
Friends Siem Reap	Outreach	$7,819	$0
Friends Siem Reap	Core Program Costs	$38,025	$0
Friends Siem Reap	Family Reintegration	$12,187	$0
Friends Siem Reap	Job Placement	$3,818	$0
Friends Siem Reap	School Reintegration	$12,307	$0
Friends Siem Reap	Transitional Homes	$9,003	$0
Friends Siem Reap	Vocational Training	$9,018	$0
	Sub-Total	$143,860	$217
Friends Laos	Makphet debt to HQ write off	$63,778	$0
Friends Laos	Administration	$2,049	$0
Friends Laos	Core Program Costs	$2,465	$1,318
Friends Laos	Transitional Homes	$0	$7,173
Friends Laos	Vocational Training	$0	$1,864
Friends Laos	Drop In Centre	$0	$600
	Sub-Total	$68,292	$10,955
Friends Thailand	Administration	$4,735	$0
Friends Thailand	ChildSafe Movement	$1,456	$0
Friends Thailand	Family Income Generation	$486	$0
Friends Thailand	Outreach	$1,960	$0
Friends Thailand	Core Program Costs	$14,223	$0
Friends Thailand	Family Reintegration	$957	$0
	Sub-Total	$23,818	$0
Friends Indonesia	Core Program Costs	$0	$31,908

PROGRAM	PROJECTS	2015 GRANTS	2014 GRANTS
Mith Samlanh	Education	$28,600	$13,216
Mith Samlanh	Culture	$24,778	$23,927
Mith Samlanh	Home Based Production	$20,858	$24,774
Mith Samlanh	Outreach	$113,227	$43,848
Mith Samlanh	Reintegration	$53,727	$9,386
Mith Samlanh	Transitional Homes	$90,163	$13,344
Mith Samlanh	Vocational Training	$38,795	$68,204
Mith Samlanh	Drugs	$55,593	$43,780
Mith Samlanh	Andong Community Work	$36,676	$19,419
Mith Samlanh	Wise Youth Centre	$23,410	$10,053
Mith Samlanh	Takhmao Community Work	$10,452	$0
	Sub-Total	$496,278	$269,952
	GRAND TOTAL	$759,270	$372,552

** Amounts above represent actual spending, not budget requested by each project*

Financial Statements

Consolidated Income Statement

For the year ending 31 Dec 2015

Friends-International & Mith Samlanh

INCOME	2015 (US$)	2014 (US$)
Sales Revenue	2,638,065	2,564,369
Donor Funding	4,306,806	4,350,724
Private Donations	333,960	297,141
Consultancy	91,403	30,529
Other Income	34,389	56,850
Franchise Revenue	80,048	43,215
TOTAL INCOME	7,484,670	7,342,828
EXPENSES	2015 (US$)	2014 (US$)
PERSONNEL		
International Staff	905,133	881,352
National Staff	2,656,342	2,269,248
Health Insurance	85,607	77,242
Consultancies/Professional fees	105,101	84,889
Overtime	60,858	56,520
Miscellaneous	25,039	19,843
	3,838,080	3,389,093
DIRECT COSTS		
Hygiene Costs	23,815	29,139
Medical Costs	149,987	91,453
IEC Materials	6,679	19,805
Clothing for beneficiaries	13,244	15,561
Non-Formal Education materials	31,724	11,479
Food/Drink for Beneficiaries	249,893	248,917
Family Support	48,326	44,427
Harm Reduction Materials	46,197	50,572
Centre Supplies	30,576	37,540
Other Activity Costs	10,073	9,786
Family Reintegration Travel	36,023	27,603
Recreational Activity Support	13,477	15,134
Outreach Materials	4,891	6,961
School Reintegration Support	61,596	62,726
Vocational Training Materials	38,070	32,533
Placement Support	79,093	54,026
ChildSafe Materials	38,360	24,339

EXPENSES	2015 (US$)	2014 (US$)
Foster Care Families	50,777	46,932
Staff Uniforms	13,158	6,649
Family Income Generation Support	54,961	60,537
	1,000,920	896,117
EQUIPMENT/ASSETS		
IT/Computers	40,866	31,810
Vehicles	46,107	68,657
Furniture/Fittings	13,213	78,723
Vocational Training Equipment	29,062	37,849
Miscellaneous	15,523	18,748
	144,771	235,786
INDIRECT COSTS		
Communications	57,001	54,913
Transport/Gasoline	158,791	172,674
Maintenance/Renovations	163,457	169,450
Office Supplies	84,406	86,591
Rent	306,474	311,651
Utilities	137,882	135,113
External Audits	59,130	24,208
Vehicle/Building Insurance	16,199	17,802
Advertising Marketing	60,696	37,604
Miscellaneous	75,707	70,144
	1,119,742	1,080,149
CAPACITY BUILDING/ MONITORING & EVALUATION/ COORDINATION		
Travel Costs	145,271	144,068
Staff Training	22,164	19,876
Workshops/ Research/Assessments	42,979	18,513
Board/Adcom Meetings/ Conferences	14,924	17,065
	225,339	199,522
OTHER BUSINESS COST		
Cost of Sales	1,099,028	968,977
Outlet Supplies	84,244	71,422
Staff Food costs	61,787	52,521
Business Uniforms	19,426	21,085
Miscellaneous	3,235	8,806
	1,267,720	1,122,810
CYTI ALLIANCE NETWORK - SUB-GRANTS		
Damnok Toek (DT)	58,370	40,388
Komar Rikreay (KMR)	81,362	102,315
Legal Aid Cambodia (LAC)	5,909	39,516
M'lop Tapang (MT)	142,003	89,498
Operations Enfants du Cambodge (OEC)	5,327	30,021

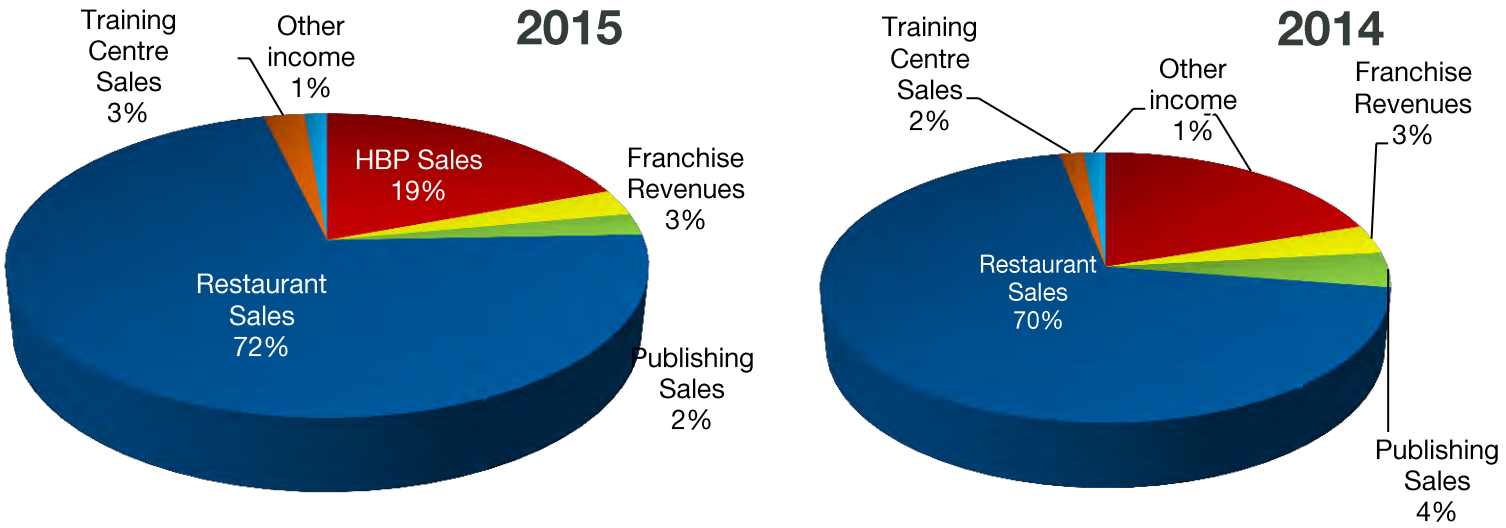
EXPENSES	2015 (US$)	2014 (US$)
Phare Ponleu Selpak (PPS)	6,498	25,015
Samathapheap Khnom Organisation (SKO)	20,924	31,365
Jom Hean Anagod (JHA)	0	22,081
Association Mondiale des Amis De l'Enfance	7,786	10,680
Transcultural Psychosocial Organisation (TPO)	18,285	0
M'lop Russey Organisation (MRO)	18,463	0
Children In Families (CIF)	14,821	0
Cambodia Children's Trust (CCT)	13,785	0
Krousar Thmey (KT)	13,268	0
	406,803	390,879
TOTAL EXPENSES	8,003,376	7,314,357
NET INCOME	-518,706	28,472
Retained funds b/f	4,600,557	4,647,924
Restated retained funds b/f	4,638,748	4,610,276
EQUITY	4,081,851	4,638,748

Consolidated Statement of Financial Position
As at 31 Dec 2015
Friends-International & Mith Samlanh

CURRENT ASSETS	2015 (US$)	2014 (US$)
Non-Current Assets		
Land & Buildings	2,826,900	2,826,900
Current Assets		
Cash & Bank	998,010	1,679,540
Project Advances	88,595	12,911
Sub-Contractee Advances	17,521	54,522
Prepayments	81,306	6,974
Accounts Receivable		
Accounts Receivables	139,815	57,939
Staff Loans	24,635	5,484
Health Insurance	8,757	1,749
Guarantee Deposit	35,939	30,393
TOTAL ASSETS	4,221,478	4,676,413
LIABILITIES		
Current Liabilities		
Funding Payables	78,297	-1,513
Tax Payable	5,664	5,708
Miscellaneous	53,518	27,094
Withholding Tax	1,331	557
Social Security Payable	817	772
Healthy Child Fund	0	5,047
TOTAL LIABILITIES	139,627	37,665
EQUITY	4,081,851	4,638,748

Social Business Results

Sales Revenue Composition



5 restaurants generated 72% of the total business income with almost $2.1m in sales. Friends the Restaurant alone contributed 35% to this success; however Khaiphaen Restaurant had the highest profit margin at 29%. Marum and Makphet made losses of $21K and $40K respectively. Makphet received an injection of funds of $64K from HQ. The TREE franchise brought in a net profit of $12K from revenues of over $276K. TREE revenues were from 5 operational TREE restaurants, including Sandan Restaurant and excluding Khaiphaen Restaurant.

	TREE	Makphet Restaurant	Khaiphaen Restaurant	Marum Restaurant	Friends The Restaurant	Romdeng Restaurant
SALES REVENUE						
Franchise Revenues	276,447	0	0	0	0	0
Publishing Sales	0	0	0	0	0	0
Restaurant Sales	0	250,905	124,022	362,666	726,767	622,784
Other income	0	494[1]	80	989	3,272	2,701
Total Revenues	276,447	215,398	124,101	363,656	730,039	625,485
EXPENSES						
Cost of Sales	0	92,290	35,973	134,563	279,695	199,222
Personnel	166,651	77,216	29,288	121,231	186,530	187,085
Running Costs	57,534	88,386	22,529	89,455	113,897	137,817
Travel Costs	38,525	0	0	0	0	0
Equipment	1,500	8,014	256	3,409	4,048	9,465
Franchise Fee	0	25,178	0	36,267	72,677	62,278
Total Expenses	264,210	291,083	88,047	384,924	656,847	595,867
NET PROFIT/(LOSS)	12,237	(39,685)	36,054	(21,268)	73,192	29,619

[1] Other Income in Makphet excludes an internal grant of $63,777 from HQ to write off an internal program loan payable to HQ

In 2015, Friends had 9 Friends 'n' Stuff retail outlets, a decrease from 11 in 2014. Closures were in Vientiane and Siem Reap. The collective Friends 'n' Stuff outlets brought in almost $400K in sales revenue and $31K in net profit; a 8% profit margin. The highest revenues and profits were generated by Friends 'n' Stuff, Street 13 in Phnom Penh.

	FnS in Vientiane	FnS in Luang Prabang	FnS in Siem Reap	FnS in Bangkok	FnS in Phnom Penh
SALES REVENUE					
HBP Sales	39,115	5,154	106,516	16,010	412,397
Publishing Sales	685	735	6,099	103	19,075
Other income	8	2	526	8	2,717
Total Revenues	39,807	5,891	113,141	16,121	434,189
EXPENSES					
Cost of Sales	44,439	7,378	94,299	12,708	259,793
Personnel	19,957	625	32,679	9,617	37,150
Running Costs	14,520	191	7,358	10,185	25,381
Equipment	134	0	602		1,232
Total Expenses	79,051	8,194	134,938	32,510	323,556
NET PROFIT	-39,243	-2,304	-21,798	-16,389	110,633

The number of decentralised Vocational Trainings increased now standing at a total of 8 workshops across 3 major cities along with 4 centralised workshops, collectively generating over $70K in sales revenue and net profit of over $18K.

	Mechanics Vientiane	Sewing Workshop Siem Reap	Phka Kravan - Beauty Salon Siem Reap	Mechanics Siem Reap	Nailbar Chom Chao	Nailbar Phnom Penh	Bousi Reakrey Mechanics Takhmao	Kse Meth Sewing Andong	Training Centre Phnom Penh
SALES REVENUE									
Training Centre Sales	8,496	19,578	4,798	11,347	243	14,550	8,711	2,149	31,362
Other income	0	704	0	0	0	0	0	0	0
Total Revenues	8,496	20,282	4,798	11,347	243	14,550	8,711	2,149	31,362
EXPENSES									
Cost of Sales	5,922	-2,393	1,358	5,542	15	3,012	6,254	712	21,173
Personnel	5,175	9,513	594	284	0	6,372	3,625	0	5,838
Running Costs	3,078	2,892	7	31	5	4,192	145	6	392
Total Expenses	14,175	10,012	1,959	5,857	20	13,577	10,023	718	27,403
NET PROFIT	-5,680	10,270	2,839	5,490	223	973	-1,313	1,431	3,959

Social Businesses by Program - Financial Reports

	FI HQ	Friends Laos	Friends Siem Reap	Friends Bangkok	Mith Samlanh	CONSOLIDATED
SALES REVENUE						
HBP Sales	193,497	44,268	106,322	16,010	406,612	560,970
Franchise Revenues	276,447	0	0	0	0	80,048
Publishing Sales	30,460	10,853	6,099	103	41,376	67,298
Restaurant Sales	0	374,926	362,666	0	1,349,551	2,087,143
Training Centre Sales	0	8,496	25,046	0	36,593	70,135
Other income	5,132	64,361	2,219	8	8,697	38,930
Total Revenues	505,536	502,903	502,352	16,121	1,842,829	2,904,524
EXPENSES						
Cost of Sales	129,944	190,613	225,118	12,708	747,548	1,078,599
Personnel	280,212	132,262	164,301	9,617	426,600	1,012,991
Running Costs	71,031	131,168	97,123	10,185	280,159	548,182
Travel Costs	41,607	0	0	0	0	41,607
Equipment	2,328	8,404	4,011	0	14,745	29,487
Franchise Fee	0	25,178	36,267	0	134,955	0
Total Expenses	525,122	487,624	526,820	32,510	1,604,007	2,710,866
NET PROFIT	-19,586	15,279	-24,468	-16,389	238,823	193,658
Program Support	-70,225	0	-1,919	0	-496,278	-568,422
Opening Balance	304,123	-2,670	-66,384	13,562	612,813	861,083
Opening Balance restated	304,123	-2,670	-66,384	12,408	612,813	860,291
NET FUND BALANCE	214,312	12,609	-92,771	-3,981	355,357	485,526

* Intra- sales and purchases have been eliminated

Consolidated Social Businesses

Income Statement
for the year ended 31 Dec 2015
Friends-International & Mith Samlanh

	2015 (US$)	2014 (US$)
REVENUES		
HBP Sales	560,970	533,583
Franchise Revenues	80,048	92,937
Publishing Sales	67,298	112,785
Restaurant Sales	2,087,143	1,872,340
Training Centre Sales	70,135	42,545
Other income	38,930	38,670
Total Revenues	2,904,524	2,692,861
EXPENSES		
Cost of Sales	1,078,599	955,365
Personnel	1,012,991	830,954
Running Costs	548,182	496,141
Travel Costs	41,607	28,422
Equipment	29,487	35,826
Total Expenses	2,710,866	2,346,707
NET PROFIT	193,658	346,154
Program Support	-568,422	-283,130
Opening Balance restated	860,291	798,060
NET FUND BALANCE	485,526	861,083

Statement of Financial Position
as at 31 Dec 2015
Friends-International & Mith Samlanh

	2015 (US$)	2014 (US$)
CURRENT ASSETS		
Cash in hand & bank	229,450	600,296
Staff Advances	1,758	406
Prepayments	77,070	1,794
Accounts Receivable	366,329	291,688
Franchise fees A/R	0	2,828
TOTAL CURRENT ASSETS	674,607	
CURRENT LIABILITIES		
Accounts Payable	142,322	35,930
Funding Payable	46,758	0
TOTAL CURRENT LIABILITIES	189,081	35,930
NET EQUITY	485,526	861,083

Financial Sustainability

Financial sustainability is the degree to which sales revenue is generated to absorb the full cost of activities, which is an important strategic objective for Friends; to meet the needs of its beneficiaries in the long-term.

		HQ		Mith Samlanh		Siem Reap		Laos		Thailand		Indonesia		Total	
Ratio Type	Explanation	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Standard Sustainability *Sales Revenue / Total Expenses*	Sales revenue available as a percentage of total expenditure	17%	*18%*	50%	*55%*	41%	*35%*	44%	*29%*	3%	*6%*	0%	*0%*	36%	*38%*
Social Business Sustainability *Sales Revenue / Business Expenses*	The sustainability of the collective businesses	96%	*140%*	115%	*119%*	95%	*97%*	90%	*75%*	50%	*136%*	0%	*0%*	107%	*115%*
Social Program Sustainability *Business Net Profit / Program Expenses*	Business net profits available to support the social services (programmatic) expenditures	-1%	*6%*	12%	*17%*	-3%	*-2%*	-10%	*-16%*	-4%	*2%*	0%	*0%*	4%	*7%*
Donor Dependency *100% - Social Program Sustainability*	Friends' dependency rate on funding sources other than its social businesses. % has been translated into the absolute $ that should have been raised based on 2015 expenses	101%	*94%*	88%	*83%*	103%	*102%*	110%	*116%*	104%	*98%*	100%	*100%*	96%	*93%*
		$3m	*$2.6m*	$3.2m	*$2.8m*	$1.3m	*$1.1m*	$1.1m	*$1.1m*	$501K	*$366K*	$138K	*$66K*	$7.7m	*$6.5m*

HQ & Friends Phnom Penh

	2015	2014
Number of Staff (31 Dec)	99	94
Total Income (US$)	3,146,167	2,925,128
Total Expenses (US$)	2,976,592	2,834,039
Administrative Costs	5%	5%
Social Businesses	5	5

- The 8% increase in income can be attributed mostly to an increase in donor funding. New donor funds included support from the Orr Family Foundation for core headquarter costs, the Swiss Philanthropy Foundation supporting new Employment offices, Terre des Hommes Netherlands for ChildSafe Passage, AGFund Award for ChildSafe, Tourism Cares for Friends activities in Myanmar, Firetree Foundation for CYTI Alliance in Thailand, India and Philippines.
- Total sub-grants were $1.2m, of which $407K were for CYTI members and $787K for Friends Programs. CYTI partner grants were supported by UNICEF Cambodia, USAID/ World Learning, GFATM/ NCHADS, Fondation Juniclair, Swiss Philanthropy Foundation, Terre des Hommes, Work Together Foundation and AMADE Monaco.
- Total expenses remained steady, and the number of staff increased by 5% as did the personnel costs. Direct costs increased by 16% predominantly in medical costs supported by GFATM / NCHADS.
- Total business sales were $224K and TREE franchise revenues $276K. However, a net loss was made in the year of $20K, predominantly from Publishing and Export sales, where the cost of sales are recognized on a cash basis only.
- 2016 budget has been forecast at a similar rate of expenses as 2015.

Financial Statements

Income Statement for the year ending 31 December 2015
Headquarters & Friends Phnom Penh, Cambodia

INCOME	2015 (US$)	2014 (US$)
Sales Revenue	223,957	239,355
Donor Funding	2,332,994	2,149,669
Earned Donor Income	*1,900,349*	*1,957,881*
Unearned Donor Income	*432,542*	*191,788*
Private Donations	136,611	109,746
Consultancy	78,556	20,873
Other Income	3,525	1,645
Internal Funding	94,077	123,363
Franchise Revenue	276,447	280,478
TOTAL INCOME	3,146,167	2,925,128
EXPENSES	2015 (US$)	2014 (US$)
PERSONNEL		
International Staff	784,875	774,701
National Staff	349,978	288,733
Health Insurance	11,095	13,334
Consultancies/Professional fees	60,605	66,070
Miscellaneous	13,195	13,618
	1,219,749	1,156,455
DIRECT COSTS		
Hygiene Costs	2,334	2,930
Medical Costs	29,709	3,869
IEC Materials	1,261	3,557
Food/Drink for Beneficiaries	2,143	2,327
ChildSafe Materials	4,068	17,337
Miscellaneous	3,140	6,871
	42,655	36,896
EQUIPMENT/ASSETS		
IT/Computers	21,108	9,550
Vehicles	1,100	3,570
Miscellaneous	1,150	3,296
	23,358	16,416
INDIRECT COSTS		
Communications	17,626	19,066
Transport/Gasoline	13,215	12,654
Maintenance/Renovations	3,529	11,829
Office Supplies	17,030	19,195

EXPENSES	2015 (US$)	2014 (US$)
Rent & Utilities	31,885	30,637
External Audits	18,476	2,411
Advertising/Marketing	50,782	17,646
Miscellaneous	16,898	18,736
	169,441	132,173
CAPACITY BUILDING / MONITORING & EVALUATION / COORDINATION		
Travel Costs	119,488	107,023
Staff Training	6,267	7,618
Workshops/ Research/Assessments	17,368	10,959
Board/Adcom Meetings/ Conferences	11,890	15,627
	155,013	141,227
OTHER BUSINESS COSTS		
Cost of Sales	131,015	107,431
Bad Debts	41,486	0
Miscellaneous	245	1,600
	172,746	109,032
PROGRAM SUPPORT		
Peuan Mit (Laos)	22,575	0
Kaliyan Mith (Siem Reap)	264,115	233,839
Teman Baik (Indonesia)	3,800	18,000
Peuan Peuan (Thailand)	36,868	0
Mith Samlanh (Phnom Penh)	459,470	657,853
	786,828	909,692
CYTI ALLIANCE - SUB-GRANTS		
Damnok Toek (DT)	58,370	40,388
Komar Rikreay (KMR)	81,362	102,315
Legal Aid Cambodia (LAC)	5,909	39,516
M'lop Tapang (MT)	142,003	89,498
Operations Enfants du Cambodge (OEC)	5,327	30,021
Phare Ponleu Selpak (PPS)	6,498	25,015
Samathapheap Khnom Organisation (SKO)	20,924	31,365
Jom Hean Anagod (JHA)	0	22,081
Association Mondiale des Amis De l'Enfance	7,786	10,680
Transcultural Psychosocial Organisation (TPO)	18,285	0
M'lop Russey Organisation (MRO)	18,463	0
Children In Families (CIF)	14,821	0
Cambodia Children's Trust (CCT)	13,785	0
Krousar Thmey (KT)	13,268	0
	406,803	390,879
TOTAL EXPENSES	2,976,592	2,892,770
NET INCOME	169,575	32,359
Retained funds b/f	633,999	601,640
EQUITY	803,574	633,999

Statement of Financial Position as at 31 Dec 2015
Headquarters & Friends Phnom Penh, Cambodia

CURRENT ASSETS	2015 (US$)	2014 (US$)
Current Assets		
Cash & Bank	345,719	313,775
Project Advances	85,039	7,031
Sub-Contractee Advances	193,980	93,073
Prepayments	3,000	3,000
Accounts Receivable		
Program Loans	147,133	132,575
Funding Receivables	38,873	10,357
Business Receivables	115,011	80,018
Staff Loans	19,232	2,638
Health Insurance	2,394	1,749
Guarantee Deposit	700	700
Miscellaneous	30,928	14,434
TOTAL ASSETS	982,010	659,350
LIABILITIES		
Current Liabilities		
Funding Payables	119,312	4,275
Business Payables	97	104
Tax Payable	1,359	1,253
Miscellaneous	57,068	17,614
Withholding Tax	600	450
Social Security Payable	0	0
Healthy Child Fund	0	1,654
TOTAL LIABILITIES	178,436	25,350
EQUITY	803,574	633,999

Statement of Changes in Equity as at 31 Dec 2015

Headquarters & Friends Phnom Penh, Cambodia

#	FUND ACCOUNT	TYPE	OPENING	INCOME	EXPENSES	SUB CONTRACTS	CLOSING
1	FSB Publishing	*Business*	51,625	30,460	46,375	47,650	-11,941
2	FI Workshop	*Business*	-45,426	117,606	107,381	0	-35,201
3	FI Exports	*Business*	-10,125	79,364	106,223	0	-36,984
4	TREE Alliance	*Business*	305,335	276,447	264,210	22,575	294,997
5	FSB Consulting	*Business*	2,714	1,658	933	0	3,440
6	CYTI Reserves	*Consultancy*	52,739	1,793	14,799	0	39,733
7	Mith Samlanh	*Consultancy*	0	137,742	153,824	0	-16,082
8	ADM Capital Foundation	*Donor*	18,873	0	18,873	0	0
9	AGFund Award	*Donor*	-6,943	190,000	91,126	0	91,930
10	AMADE Monaco	*Donor*	79	7,321	89	7,786	-475
11	UK Foundation	*Donor*	8,182	0	8,182	0	0
12	Columbia University	*Consultancy*	0	73,927	93,374	0	-19,447
13	Cosmoqueen	*Donor*	480	0	0	0	480
14	Gisela Foundation	*Donor*	903	0	903	0	0
15	Firetree Foundation	*Donor*	0	14,973	7,398	0	7,575
16	Fondation de l'Orangerie	*Donor*	0	24,528	24,528	0	0
17	Fossil Foundation	*Donor*	0	0	8,856	0	-8,856
18	NCHADS/ GFATM	*Donor*	6,605	361,644	101,098	124,014	143,137
19	Give2Asia	*Donor*	0	120,000	120,000	0	0
20	HAARP/ DfAT	*Donor*	114	-114	0	0	0
21	Fondation Juniclair	*Donor*	0	30,638	0	30,638	0
22	Orr Family Foundation	*Donor*	0	100,000	0	0	100,000
23	Swiss Philanthropy Foundation	*Donor*	0	103,934	11,194	86,738	6,002

#	FUND ACCOUNT	TYPE	OPENING	INCOME	EXPENSES	SUB CONTRACTS	CLOSING
24	Terre des Hommes Netherlands	*Donor*	0	151,369	29,574	63,259	58,536
25	Tourism Cares	*Donor*	0	18,275	9,302	0	8,973
26	UNICEF Cambodia	*Donor*	153,895	732,519	310,339	559,796	16,280
27	USAID / World Learning	*Donor*	3,049	298,774	163,102	167,382	-28,661
28	Work Together Foundation	*Donor*	1,070	30,000	1,361	29,600	109
29	World Education	*Donor*	-1,165	3,848	897	1,786	0
30	FI General Reserves	*Private*	91,996	228,660	78,845	52,407	189,404
31	One Plantation	*Private*	0	10,800	10,174	0	626
			633,999.59	3,146,167	1,782,962	1,193,631	803,574

Mith Samlanh

	2015	2014
Number of Staff (31 Dec)	283	282
Total Income (US$)	3,495,010	3,538,882
Total Expenses (US$)	3,649,545	3,649,545
Administrative Costs	3%	3%
Social Businesses	11	7

- Donor grants increased by $75K to $1.6m, of which approximately 23% was acquired through new donor grants.
- Staff salaries costs increased the most in absolute value by $142K and number of staff increased by 6%. With the financial support of Fondation Juniclair the MS cultural and recreational centre, Club Friends, was repaired and renovated costing $37K.
- Social business supported the funding gaps for 11 projects with $496K (2014: $270K). Largest funding gaps were for Outreach, Transitional Homes and Drugs Outreach and Detoxification, totalling $259K.
- Social Businesses generated total sales revenues of $1.8m, and a net profit of $251K, retaining 14% of sales. Sales revenue contributes to 46% of total income.
- MS now has 4 decentralised Vocational Training workshops in Phnom Penh, Andong, Chom Chao and Takhmao. These workshops generated sales of $26K.
- The 2 restaurants generated sales of $1.4m (74% of total sales) and net profit $115K (46% of total profit). Friends 'n' Stuff Street 13 outlet is the most successful of all the outlets and generated sales of $356K and net profit $102K.
- The social businesses reduced their net value to $355K or by 42%, after internal grants for social services.
- In 2016, Mith Samlanh forecasts a 12% increase in budget needs to $4,075,000. $2.5m for program activities, of which approximately 40% has been secured.
- With the support of the Swiss Philanthropy Foundation and Fossil Foundation, MS will be opening 2 new community Employment Offices in early 2016 as part of the new project "Futures – improved access to gainful and dignified employment for marginalised youth in Cambodia"

Financial Statements

Income Statement for the year ended 31 Dec 2015

Mith Samlanh, Phnom Penh, Cambodia

INCOME	2015 (US$)	2014 (US$)
Sales Revenue	1,834,132	1,845,681
Donor Funding	1,620,520	1,545,531
Earned Donor Income	*1,306,759*	*1,399,228*
Unearned Donor Income	*313,761*	*146,303*
Private Donations	14,490	95,544
Consultancy	6,730	6,797
Other Income	19,138	45,330
TOTAL INCOME	3,495,010	3,538,882
EXPENSES	2015 (US$)	2014 (US$)
PERSONNEL		
National Staff	1,271,561	1,134,388
Health Insurance	35,082	33,800
Consultancies/Professional fees	179,711	170,236
Miscellaneous	38,219	37,792
	1,524,572	1,376,216
DIRECT COSTS		
Hygiene Costs	7,562	8,752
Medical Costs	102,767	71,026
IEC Materials	1,188	12,830
Clothing for Beneficiaries	10,368	10,320
Non-Formal Education materials	28,544	7,654
Food/Drink for Beneficiaries	148,150	151,572
Family Support	37,318	32,550
Harm Reduction Materials	45,752	48,919
Centre Supplies	19,296	29,137
Other Activity Costs	0	1,206
Family Reintegration Travel	21,567	16,199
Recreational Activity Support	6,435	7,818
Outreach Materials	2,212	4,927
School Reintegration Support	29,824	24,700
Vocational Training Materials	27,914	18,428
Placement Support	52,367	34,032
Foster Care Families	26,737	25,776
Staff Uniforms	2,675	2,880
Family Income Generation Support	42,040	43,124
	612,719	551,851

EXPENSES	2015 (US$)	2014 (US$)
EQUIPMENT/ ASSETS		
IT/ Computers	9,795	9,240
Vehicles	43,927	38,610
Furniture/ Fittings	2,598	48,635
Vocational Training Equipment	18,138	19,777
Miscellaneous	8,241	9,989
	82,699	126,251
INDIRECT COSTS		
Communications	17,042	16,137
Transport/Gasoline	71,393	78,703
Maintenance/Renovations	96,474	66,365
Office Supplies	50,902	50,367
Rent & Utilities	197,922	213,894
External Audits	12,280	8,140
Advertising/Marketing	1,875	7,800
Miscellaneous	39,974	37,894
	487,861	479,299
CAPACITY BUILDING/ MONITORING & EVALUATION/ COORDINATION		
Staff Training	9,825	6,862
Board/Adcom Meetings/ Conferences	127	21
	9,952	6,883
OTHER BUSINESS COST		
Cost of Sales	747,548	739,884
Outlet Supplies	21,911	11,546
Franchise Fees	134,955	143,386
Staff Food costs	18,497	24,643
Business Uniforms	8,831	8,729
	931,742	928,188
TOTAL EXPENSES	3,649,545	3,468,687
NET INCOME	-154,535	70,195
Retained funds b/f	3,304,136	3,233,940
EQUITY	3,149,600	3,304,136

Statement of Financial Position as at 31 Dec 2015
Mith Samlanh, Phnom Penh, Cambodia

NON-CURRENT ASSETS	2015 (US$)	2014 (US$)
Land & Buildings	2,826,900	2,826,900
CURRENT ASSETS		
Current Assets		
Cash & Bank	291,066	497,743
Project Advances	631	406
Prepayments	2,196	17
Accounts Receivable		
Funding Receivables	58,929	3,076
Business Receivables	18,475	10,535
Staff Loans	2,661	0
Guarantee Deposit	5,550	5,550
TOTAL ASSETS	3,206,409	3,344,226
LIABILITIES		
Current Liabilities		
Tax Payable	3,291	3,334
Miscellaneous	53,518	34,891
Healthy Child Fund	0	1,866
TOTAL LIABILITIES	56,809	40,091
EQUITY	3,149,600	3,304,135

Statement of Changes in Equity as at 31 Dec 2015

Mith Samlanh, Phnom Penh, Cambodia

#	FUND ACCOUNT	TYPE	OPENING	INCOME	EXPENSES	TRANSFER	CLOSING
1	Best of Friends Cook Book	*Business*	21,549	22,307	2,200	-24,499	17,157
2	Friends 'n' Stuff Toul Tom Poung	*Business*	38,896	13,771	21,638	-20,253	10,775
3	Friends 'n' Stuff Romdeng	*Business*	17,626	64,835	47,847	-20,379	14,236
4	Friends 'n' Stuff St.13	*Business*	137,209	349,799	248,744	-192,235	46,028
5	Friends the Restaurant	*Business*	286,049	730,039	642,781	-188,788	184,518
6	Romdeng Restaurant	*Business*	93,861	625,485	594,234	-55,642	69,470
7	Training Centre	*Business*	17,624	36,593	34,561	-6,482	13,174
8	Aide et Action	*Donor*	8,858	86,933	95,791	0	0
9	Caritas France	*Donor*	0	31,860	31,860	0	0
10	Comic Relief	*Donor*	30,063	73,940	94,296	0	9,707
11	Cosmoqueen	*Donor*	10,828	0	8,733	0	2,095
12	Dan Church Aid	*Donor*	0	56,000	56,000	0	0
13	Dan Church Aid / Salling	*Donor*	3,571	0	3,571	0	0
14	DFAT / AusAID	*Donor*	9,708	20,979	27,391	0	3,297
15	European Union	*Donor*	-12,408	180,997	230,207	0	-61,618
16	FI / UNICEF	*Donor*	27,192	134,756	161,948	0	0
17	FI / World Learning / USAID	*Donor*	-9,146	78,187	69,041	0	0
18	FI/ HAARP/ DFAT	*Donor*	103	-103	0	0	0
19	FI/ NCHADS / GFATM	*Donor*	4,039	261,623	124,014	0	141,648
20	Fondation Juniclair	*Donor*	41,223	120,080	133,602	0	27,701
21	Fossil Foundation	*Donor*	0	80,000	8,597	0	71,403
22	Friends Deutschland (Frankfurt Opera/ JUVE Award)	*Donor*	0	51,856	11,785	0	40,071
23	Gisela Foundation	*Donor*	0	85,000	85,000	0	0
24	La Chaine de l'Espoir	*Donor*	14,402	13,611	17,643	0	10,370

#	FUND ACCOUNT	TYPE	OPENING	INCOME	EXPENSES	TRANSFER	CLOSING
25	Planet Wheeler Foundation	*Donor*	72,523	0	72,523	0	0
26	Riverview Children's Foundation	*Donor*	18,434	17,700	28,384	0	7,750
27	Save The Children	*Donor*	0	46,365	45,818	0	547
28	Tesco	*Donor*	0	18,336	18,218	0	118
29	The Mercury Phoenix Trust	*Donor*	0	14,790	6,055	0	8,735
30	WISE / Eric Barthelmé	*Donor*	0	61,020	55,555	0	5,465
31	WISE / Swiss Philanthropy Foundation	*Donor*	0	43,369	3,028	0	40,341
32	Work Together Foundation	*Donor*	0	29,615	29,615	0	0
33	World Childhood Foundation	*Donor*	0	37,484	37,484	0	0
34	World Education	*Donor*	-324	1,184	860	0	0
35	Adecco Management & Consulting	*Donor*	0	75,000	75,000	0	0
36	Harvey World Travel	*Private*	2,630	0	2,630	0	0
37	MS Land Funds	*Private*	2,399,686	795	0	0	2,400,481
38	General Reserves	*Reserves*	69,940	30,804	522,891	508,278	86,132
	TOTAL		3,304,136	3,495,010	3,649,545	0	3,149,601

Friends Siem Reap

	2015	2014
Number of Staff (31 Dec)	130	128
Total Income (US$)	1,170,020	1,095,063
Total Expenses (US$)	1,234,789	1,149,051
Administrative Costs	2%	3%
Social Businesses	6	8

- Friends Siem Reap struggled financially in 2015, with a reduction in donor funds by 12% from 2014, and only 2 new donors (Victoria Hwang and CLSA Chairman's Trust). This resulted in $144K spending from unrestricted funds, which were granted mostly from HQ and FSB reserves. The funding gaps amounted to 12% of total expenses.
- Social Business sales revenue had a healthy increase of 30%, though the net loss of $24K was more than double that of 2014. The 3 vocational training businesses (Mechanics, Phka Kravan Beauty and Sewing), collectively generated sales of $26K and due to donor financial support secured net profit of $19K. Marum Restaurant's increased sales by 50% resulted in a 56% reduction in the net loss, moving closer towards its sustainability
- Total costs increased only by 7%, and generally decreasing in all areas, except cost of sales and franchise fees.
- In 2016, Friends Siem Reap expects to remain relatively steady in their budget needs, with a 6% increase to $1.3m. An approximate 35% funding gaps remains as at report writing, amounting to $455K.

Financial Statements

Income Statement for the year ending 31 December 2015
Friends Siem Reap, Cambodia

INCOME	2015 (US$)	2014 (US$)
Sales	487,980	379,774
Donor Funding	574,043	653,169
Earned Donor Income	*523,105*	*597,124*
Unearned Donor Income	*50,938*	*56,045*
Private Donations	8,270	53,717
Consultancy	5,760	0
Other Income	2,188	8,404
Internal Funding	91,779	0
TOTAL INCOME	1,170,020	1,095,063
EXPENSES	2014 (US$)	2014 (US$)
PERSONNEL		
International Staff	67,427	63,485
National Staff	445,663	395,446
Health Insurance	17,697	15,120
Miscellaneous	9,672	11,057
	540,460	485,109
DIRECT COSTS		
Hygiene Costs	7,374	12,057
Medical Costs	5,582	6,926
IEC Materials	258	2,730
Clothing for Beneficiaries	1,139	2,700
Non-Formal Education materials	1,532	2,595
Food/Drink for Beneficiaries	52,481	58,291
Family Support	5,181	8,556
Harm Reduction Materials	123	0
Centre Supplies	1,247	4,111
Other Activity Costs	185	256
Family Reintegration Travel	4,044	3,414
Recreational Activity Support	2,034	3,235
Outreach Materials	314	817
School Reintegration Support	12,033	19,677
Vocational Training Materials	4,629	8,220
Placement Support	22,056	17,095
ChildSafe Materials	6,821	5,385
Foster Care Families	23,831	21,178
Staff Uniforms	2,560	952
Family Income Generation Support	3,790	4,206

EXPENSES	2014 (US$)	2014 (US$)
	157,214	182,400
EQUIPMENT/ASSETS		
IT/Computers	2,554	3,567
Vehicles	1,080	2,900
Furniture/ Fittings	1,404	7,880
Vocational Training Equipment	3,374	210
Miscellaneous	1,370	2,607
	9,782	17,163
INDIRECT COSTS		
Communications	6,403	6,010
Transport/Gasoline	48,469	57,383
Maintenance/Renovations	14,178	22,766
Office Supplies	6,268	8,015
Rent & Utilities	81,118	81,542
External Audits	9,689	2,179
Advertising/ Marketing	5,115	5,957
Miscellaneous	11,883	9,755
	183,123	193,606
CAPACITY BUILDING/ MONITORING & EVALUATION/ COORDINATION		
Travel Costs	892	3,302
Staff Training	861	1,520
Workshops/ Research/ Assessments	618	6,558
	2,371	11,380
OTHER BUSINESS COST		
Cost of Sales	229,621	162,732
Outlet Supplies	32,855	29,842
Franchise Fees	36,267	24,386
Staff Food costs	20,969	12,088
Business Uniforms	1,704	1,658
Miscellaneous	605	801
	322,021	231,507
PROGRAM SUPPORT		
Headquarter Support Costs	19,818	27,886
	19,818	27,886
TOTAL EXPENSES	1,234,789	1,149,051
NET INCOME	-64,769	-53,988
Retained funds b/f	120,433	174,421
EQUITY	55,665	120,433

Statement of Financial Position as at 31 Dec 2015
Friends Siem Reap, Cambodia

CURRENT ASSETS	2015 (US$)	2014 (US$)
Current Assets		
Cash & Bank	91,229	214,673
Project Advances	1,290	3,481
Accounts Receivable		
Funding Receivables	25,441	383
Staff Loans	2,050	730
Guarantee Deposit	16,310	16,730
Miscellaneous	6,621	4,505
TOTAL ASSETS	142,942	240,501
LIABILITIES		
Current Liabilities		
Funding Payables	37	0
Business Payables	0	4,276
Tax Payable	636	827
Miscellaneous	13,121	3,439
Withholding Tax Payable	150	0
Program Loans	73,333	110,000
Healthy Child Fund	0	1,527
TOTAL LIABILITIES	87,277	120,068
EQUITY	55,665	120,433

Statement of Changes in Equity as at 31 Dec 2015 - Friends Siem Reap

#	FUND ACCOUNT	OPENING	INCOME	EXPENSES	TRANSFER	CLOSING
1	Friends ‘n’ Stuff Central	-9,437	42,102	88,173	4,455	-51,053
2	Friends ‘n’ Stuff Art Centre	17,817	0	0	0	17,817
3	Friends ‘n’ Stuff Marum	11,130	63,562	37,753	-7,910	29,028
4	Sewing Training Workshop	3,328	9,999	10,557	10,828	13,598
5	Marum Restaurant	-98,097	363,656	384,438	-485	-119,365
6	Phka Kravan Beauty Training Workshop	4,286	4,798	1,959	0	7,125
7	Mechanics Training Workshop	4,589	6,070	5,857	5,277	10,079
8	Victoria Hwang/ Direct Connect Services	0	37,252	48,861	-140	-11,750
9	Aide & Action	4,037	29,876	33,088	-825	0
10	Amadeus Asia	3,484	0	3,484	0	0
11	CLSA Chairman's Trust	0	80,000	27,153	-190	52,657
12	Comic Relief	27,966	45,842	58,356	-165	15,287
13	Dana Asia Foundation	30,309	0	30,253	-56	0
14	Deutsche Bank	12,730	0	12,637	-92	0
15	DfAT/ AusAID	11,081	24,632	27,363	-498	7,852
16	Fondation de l'Orangerie	0	13,481	13,170	-311	0
17	Fossil Foundation	0	0	12,064	-110	-12,174
18	Friends Deutschland	0	50,571	33,621	-420	16,529
19	GFATM / NCAHDS / FI	335	-335	0	0	0
20	Gisela Foundation	0	20,000	19,448	-552	0
21	Give2Asia	14,373	30,000	43,920	-453	0
22	Fondation RAJA	5,347	0	5,303	-45	0
23	Terre des Hommes Netherlands / FI	0	6,743	4,090	-256	2,397

#	FUND ACCOUNT	OPENING	INCOME	EXPENSES	TRANSFER	CLOSING
24	UNICEF Cambodia	19,503	130,366	116,703	-752	32,414
25	USAID/ World Learning/ FI	-2,600	56,607	53,773	-234	0
26	World Childhood Foundation	0	47,680	47,353	-327	0
27	World Education	-402	1,328	926	0	0
28	Christa Radermacher	182	0	182	0	0
29	Cosmoqueen	3,586	0	3,586	0	0
30	Dorette	0	162	162	0	0
31	Kamille Muller	0	450	0	-450	0
32	Kerri & Grame Jolly	0	350	350	0	0
33	Larrikins Limited	715	0	715	0	0
34	Paul Newfield	37,728	0	0	0	37,728
35	Teresa Orr	1,740	0	1,740	0	0
36	General Reserves	16,704	14,900	-351	-16,620	15,335
37	Internal Grants	0	89,929	108,100	10,331	-7,840
	TOTAL	120,433	1,170,020	1,234,789	0	55,665

Friends Laos

	2015	2014
Number of Staff (31 Dec)	80	77
Total Income (US$)	918,914	802,806
Total Expenses (US$)	1,000,944	948,705
Administrative Costs	3%	3%
Social Businesses	6	7

- In 2015, Friends Laos acquired 4 new donor contracts: Kadoorie Foundation, Australian Embassy, Pacific Asia Travel Association and the Claridon Group Ltd amounting to $60K.
- Donors renewing their support included Aide et Action, Caritas Australia, Friends France, Gisela Foundation, Small Steps Project, US Embassy, Amadeus Asia, Intrepid Foundation, amounting to $257K.
- Total expenses and number of staff stabilized after a large increase in 2014 due to investment costs in Luang Prabang. However, Personnel Costs increased for national staff due to salary increases throughout the year. Direct Costs increased by 38% or $35K, across all expense categories. Equipment and Assets saw a big reduction after large investment costs in 2014
- Sales Revenue increased by a record 65% or $169K, attributed to an increase in Makphet Restaurant sales by almost $60K and a full year of Khaiphaen sales amounting to $124,022. However, collectively the social businesses made a net loss of $49K (down from a loss of $90K in 2014). Due to the impact of losses on cashflow, HQ TREE wrote off franchise fee and loan debts to Makphet amounting to $64K during the year.
- Friends Laos 2016 budget will see a small increase in expenses by 7%, taking the annual budget needs to over $1m. As at reporting time, a gap of 22% remained amounting to $238K

Financial Statements

Income Statement for the year ending 31 Dec 2015

Friends Vientiane & Luang Prabang, Laos

INCOME	2015 (US$)	2014 (US$)	2015 (₭IP)	2014 (₭IP)
Sales Revenue	303,214[2]	258,497	2,425,710,299	2,067,975,972
Donor Funding	408,473	524,670	3,267,783,648	4,197,359,967
Earned Donor Income	*371,698*	*456,546*	*2,973,583,034*	*3,652,370,403*
Unearned Donor Income	*36,775*	*99,735*	*294,200,614*	*797,883,604*
Private Donations	142,847[3]	19,279	1,142,773,358	154,233,047
Consultancy	0	360	0	2,879,546
Other Income	603	0	4,823,082	0
Internal Funding	63,778	0	510,221,550	0
TOTAL INCOME	918,914	802,806	7,351,311,936	6,422,448,532
EXPENSES	2015 (US$)	2014 (US$)	2015 (₭IP)	2014 (₭IP)
PERSONNEL				
International Staff	25,819	39,885	206,554,135	319,076,257
National Staff	337,930	267,076	2,703,441,139	2,136,611,570
Health Insurance	12,132	8,055	97,053,497	64,438,835
Miscellaneous	12,970	6,656	103,756,507	53,245,891
	388,851	321,672	3,110,805,278	2,573,372,552
DIRECT COSTS				
Hygiene costs	5,059	4,126	40,474,000	33,004,500
Medical costs	8,354	6,050	66,834,000	48,398,500
IEC Material	764	102	6,112,000	819,000
Clothing for Beneficiaries	1,709	1,576	13,669,000	12,610,000
Non-Formal Education materials	803	502	6,421,000	4,014,500
Food/Drink for Beneficiaries	43,736	34,805	349,885,500	278,436,000
Family/Support	4,658	1,076	37,264,500	8,611,000
Harm Reduction Materials	321	1,653	2,570,000	13,220,000
Centre Supplies	9,773	6,083	78,180,000	48,666,000
Other Activity Costs	7,616	5,073	60,926,500	40,583,000
Family Reintegration Travel	6,779	4,140	54,231,000	33,120,500
Recreational Activity Support	3,794	1,564	30,354,500	12,512,000
Outreach Materials	178	385	1,425,000	3,080,000
School Reintegration Support	11,189	9,580	89,512,000	76,641,000
Vocational Training Materials	4,411	4,178	35,284,101	33,422,000
Placement Support	2,581	2,368	20,651,000	18,947,000

[2] Excludes $124,022 of Khaiphaen restaurant sales revenue. Actual Sales: $427,236
[3] Includes $124,022 of Khaiphaen restaurant sales revenue. Actual Private Donations: $18,825

EXPENSES	2015 (US$)	2014 (US$)	2015 (₭IP)	2014 (₭IP)
ChildSafe Materials	5,342	152	42,736,000	1,217,000
Foster Care Families	208	0	1,665,000	0
Staff Uniforms	5,656	0	45,250,000	0
Family Income Generation Support	1,600	6,563	12,797,000	52,500,000
	124,530	89,975	996,242,101	719,802,000
EQUIPMENT/ASSETS				
IT/Computers	2,519	4,504	20,150,000	36,031,800
Vehicles	0	23,802	0	190,419,500
Furniture/ Fittings	8,737	20,771	69,895,500	166,171,500
Vocational Training Equipment	7,380	15,551	59,041,500	124,410,100
Miscellaneous	4,181	3,997	33,451,500	31,973,420
	22,817	68,626	182,538,500	549,006,320
INDIRECT COSTS				
Communications	10,108	8,711	80,864,500	69,685,500
Transport / Gasoline	11,596	12,185	92,765,000	97,480,053
Maintenance/Renovations	13,003	66,780	104,025,000	534,238,845
Office Supplies	4,079	4,335	32,632,000	34,679,696
Rent & Utilities	65,294	81,829	522,353,400	654,635,489
External Audits	12,001	7,801	96,007,605	62,406,156
Advertising/Marketing	2,265	4,770	18,123,600	38,159,326
Miscellaneous	16,155	11,708	129,243,206	93,665,616
	134,502	198,119	1,076,014,311	1,584,950,680
CAPACITY BUILDING / MONITORING & EVALUATION / COORDINATION				
Travel Costs	7,197	21,728	57,573,747	173,820,290
Staff Training	1,856	3,151	14,846,500	25,210,000
Workshops/ Research/ Assessments	2,236	987	17,888,000	7,897,000
	11,289	25,866	90,308,247	206,927,290
OTHER BUSINESS COST				
Cost of Sales	205,603	128,052	1,644,820,079	1,024,415,213
Outlet Supplies	29,192	31,300	233,536,793	250,402,419
Franchise Fees	25,178	44,286	201,422,018	354,291,249
Staff Food costs	22,322	15,789	178,573,000	126,315,000
Business Uniforms	8,882	10,819	71,054,500	86,550,065
Miscellaneous	2,138	4,349	17,104,880	34,788,587
	293,314	234,595	2,346,511,270	1,876,762,534
PROGRAM SUPPORT				
Headquarter Support Costs	25,642	30,536	205,132,464	244,285,079
	25,642	30,536	205,132,464	244,285,079
TOTAL EXPENSES	1,000,944	969,388	8,007,552,172	7,755,106,455
NET INCOME	-82,030	-166,582	-656,240,236	-1,332,657,923
Retained funds b/f	163,853	330,435	1,310,820,764	2,643,478,687
EQUITY	81,823	163,853	654,580,528	1,310,820,764

Statement of Financial Position as at 31 Dec 2015
Friends Vientiane & Luang Prabang, Laos

CURRENT ASSETS	2015 (US$)	2014 (US$)	2015 (₭IP)	2014 (₭IP)
Current Assets				
Cash & Bank	104,434	206,886	835,472,179	1,655,089,695
Prepayments	76,110	1,794	608,880,000	14,355,000
Accounts Receivable				
Funding Receivables	22,962	10	183,697,358	81,930
Business Receivables	47,821	12,487	382,570,292	99,899,972
Staff Loans	19	1,850	150,000	14,800,000
Miscellaneous	6,363	3,650	50,900,556	29,196,360
TOTAL ASSETS	257,709	226,678	2,061,670,385	1,813,422,957
LIABILITIES				
Current Liabilities				
Funding Payables	25,817	176	206,537,564	1,405,100
Business Payables	44,451	16,628	355,606,119	133,022,600
Tax Payable	0	0	0	0
Miscellaneous	11,076	23,447	88,611,495	187,574,493
Program Loans	94,542	22,575	756,334,679	180,600,000
TOTAL LIABILITIES	175,886	62,825	1,407,089,857	502,602,193
EQUITY	81,823	163,853	654,580,528	1,310,820,765

Statement of Changes in Equity as at 31 Dec 2015

Friends Vientiane & Luang Prabang, Laos

#	FUND ACCOUNT (₭IP)	TYPE	OPENING	INCOME	EXPENSES	TRANSFER	CLOSING
1	Friends 'n' Stuff Khaiphaen	*Business*	-19,554,000	47,126,500	65,554,840	0	-37,982,340
2	Friends 'n' Stuff Makphet	*Business*	367,991,173	260,361,870	527,957,544	21,381,000	121,776,499
3	Friends 'n' Stuff Norkeokoumman	*Business*	-21,670,684	31,553,000	99,286,004	0	-89,403,688
4	Khaiphaen Restaurant	*Business*	70,996,000	992,810,500	704,376,726	0	359,429,774
5	From Honeybees to Pepperwood	*Business*	134,177,505	75,460,000	56,587,000	0	153,050,505
6	Makphet Restaurant	*Business*	-529,704,329	2,487,967,061	2,322,852,473	27,625,000	-336,964,741
7	Mechanics Training Workshop	*Business*	-23,597,432	37,490,000	113,402,956	30,476,000	-69,034,388
8	Aide et Action	*Donor*	0	482,948,735	479,083,772	-3,864,963	0
9	Australian Embassy	*Donor*	0	73,610,480	73,610,500	20	0
10	Caritas Australia	*Donor*	-107,333,217	1,001,730,000	760,925,817	-4,858,162	128,612,805
11	Claridon Group Limited	*Donor*	0	49,373,400	49,373,400	0	0
12	European Union	*Donor*	667,170,932	762,515,781	928,275,416	-40,762,000	460,649,298
13	Foundation de l'Orangerie	*Donor*	334,445,139	0	334,445,149	11	0
14	Friends France	*Donor*	-47,639,500	182,641,809	133,110,341	-1,891,967	0
15	Gisela Foundation	*Donor*	27,154,489	121,485,000	142,099,018	-1,270,363	5,270,108
16	Kadoorie Foundation	*Donor*	0	315,594,171	412,815,527	-22,417,000	-119,638,356
17	Luang Prabang Marathon Fundraiser	*Donor*	153,565,548	0	153,565,548	0	0
18	Pacific Asia Travel Association	*Donor*	0	45,160,720	45,161,000	280	0
19	Small Steps Project	*Donor*	149,892,362	0	149,017,355	-875,007	0
20	US Embassy	*Donor*	116,780,000	202,765,000	261,956,580	-2,428,865	55,159,555
21	Amadeus Asia	*Private*	0	36,328,500	32,851,500	0	3,477,000
22	General Reserves	*Private*	29,796,381	26,599,308	36,235,861	18,669	20,178,497
23	Intrepid Foundation	*Private*	8,350,397	29,958,552	37,884,045	-424,904	0
24	Team Dai	*Private*	0	87,831,550	87,123,800	-707,750	0
	TOTAL		1,310,820,764	7,351,311,936	8,007,552,172	0	654,580,528

#	FUND ACCOUNT (US$)	TYPE	OPENING	INCOME	EXPENSES	TRANSFER	CLOSING
1	Friends 'n' Stuff Khaiphaen	*Business*	-2,444	5,891	8,194	0	-4,748
2	Friends 'n' Stuff Makphet	*Business*	45,999	32,545	65,995	2,673	15,222
3	Friends 'n' Stuff Norkeokoumman	*Business*	-2,709	3,944	12,411	0	-11,175
4	Khaiphaen Restaurant	*Business*	8,875	124,101	88,047	0	44,929
5	From Honeybees to Pepperwood	*Business*	16,772	9,433	7,073	0	19,131
6	Makphet Restaurant	*Business*	-66,213	310,996	290,357	3,453	-42,121
7	Mechanics Training Workshop	*Business*	-2,950	4,686	14,175	3,810	-8,629
8	Aide et Action	*Donor*	0	60,369	59,885	-483	0
9	Australian Embassy	*Donor*	0	9,201	9,201	0	0
10	Caritas Australia	*Donor*	-13,417	125,216	95,116	-607	16,077
11	Claridon Group Limited	*Donor*	0	6,172	6,172	0	0
12	European Union	*Donor*	83,396	95,314	116,034	-5,095	57,581
13	Foundation de l'Orangerie	*Donor*	41,806	0	41,806	0	0
14	Friends France	*Donor*	-5,955	22,830	16,639	-236	0
15	Gisela Foundation	*Donor*	3,394	15,186	17,762	-159	659
16	Kadoorie Foundation	*Donor*	0	39,449	51,602	-2,802	-14,955
17	Luang Prabang Marathon Fundraiser	*Donor*	19,196	0	19,196	0	0
18	Pacific Asia Travel Association	*Donor*	0	5,645	5,645	0	0
19	Small Steps Project	*Donor*	18,737	0	18,627	-109	0
20	US Embassy	*Donor*	14,598	25,346	32,745	-304	6,895
21	Amadeus Asia	*Private*	0	4,541	4,106	0	435
22	General Reserves	*Private*	3,725	3,325	4,529	2	2,522
23	Intrepid Foundation	*Private*	1,044	3,745	4,736	-53	0
24	Team Dai	*Private*	0	10,979	10,890	-88	0
	TOTAL		163,853	918,914	1,000,944	0	81,823

Friends Thailand

	2015	2014
Number of Staff (31 Dec)	26	24
Total Income (US$)	265,785	498,096
Total Expenses (US$)	483,098	372,051
Administrative Costs	7%	6%
Social Businesses	2	2

- Even though total donor grants reduced by 48% (or $200K) Friends Thailand acquired 3 new grants from Terre des Hommes Netherlands via FI HQ multi sub-grant for ChildSafe Passage, Fight Against Child Exploitation (FACE) Foundation, and via Friends Switzerland a private donation from Kuoni, total amounting to $45K.
- The apparent reduction in donor grants is explained by unearned revenues in 2014; from IKANO, Bank of America Merrill Lynch, WISE/ Race of Champions etc that have been utilized in 2015. Friends Thailand continues to receive support from: UNICEF Thailand, World Childhood Foundation, Fondation de l'Orangerie, Gisela Foundation and Visa. The only contract that was not renewed was ADM Capital Foundation.
- The 42% expenses increase can predominantly be explained by: Technical Advisor reinforcements in Friends Thailand for the overall core program and ChildSafe; the progression and advancement of the ChildSafe program funded by UNICEF Thailand and FACE; a large increase in Workshop costs for the Child Protection Workshops across 8 national Government Shelters, also funded by UNICEF Thailand, and finally the rent and renovations of the upcoming Khanun Vocational Training Restaurant.
- In 2015 Friends Thailand had funding gaps of $23K mostly in its core program costs supported by unrestricted funds,
- The 2016 annual budget needs are an increase of 89%, due to the expected opening of Khanun Restaurant; the additional staff and associated costs. There is a financial gap for the whole program of 39% amounting to approximately $361K

Financial Statements

Income Statement for the year ending 31 Dec 2015

Friends Bangkok & Aranyaprathet, Thailand

INCOME	2015 (US$)	2014 (US$)	2015 (TH฿)	2014 (TH฿)
Sales Revenue	16,113	21,709	563,959	694,704
Donor Funding	215,946	456,104	7,558,125	14,595,321
Earned Donor Income	*190,251*	*341,062*	*6,658,798*	*10,913,941*
Unearned Donor Income	*25,695*	*115,043*	*899,328*	*3,681,379*
Private Donations	23,523	18,850	823,321	603,204
Consultancy	357	150	12,488	4,800
Other Income	929	1,283	32,530	41,053
Internal Funding	8,916	0	312,056	0
TOTAL INCOME	265,785	498,096	9,302,479	15,939,082
EXPENSES	2015 (US$)	2014 (US$)	2015 (TH฿)	2014 (TH฿)
PERSONNEL				
International Staff	27,011	3,281	945,393	105,000
National Staff	198,102	155,064	6,933,560	4,962,037
Health Insurance	5,673	4,787	198,539	153,176
Overtime	5,623	6,618	196,790	211,770
Miscellaneous	8,633	2,120	302,148	67,827
	245,041	171,869	8,576,431	5,499,810
DIRECT COSTS				
Hygiene costs	1,319	854	46,176	27,333
Medical costs	1,812	3,230	63,404	103,353
IEC Material	3,143	529	110,020	16,918
Clothing for Beneficiaries	0	593	0	18,982
Non-Formal Education materials	845	538	29,579	17,201
Food/Drink for Beneficiaries	2,033	1,703	71,161	54,486
Family/Support	437	1,631	15,285	52,191
Centre Supplies	260	359	9,098	11,475
Other Activity Costs	597	940	20,910	30,092
Family Reintegration Travel	2,565	2,382	89,774	76,213
Recreational Activity Support	698	1,704	24,413	54,513
Outreach Materials	1,594	679	55,789	21,722
School Reintegration Support	6,831	5,850	239,092	187,209
Vocational Training Materials	636	1,275	22,256	40,805
Placement Support	1,496	523	52,353	16,725
ChildSafe Materials	21,937	1,109	767,800	35,484
Staff Uniforms	602	1,147	21,063	36,693

EXPENSES	2015 (US$)	2014 (US$)	2015 (TH฿)	2014 (TH฿)
Family Income Generation Support	5,272	5,899	184,512	188,773
	52,077	30,943	1,822,684	990,166
EQUIPMENT/ASSETS				
IT/Computers	3,904	4,739	136,630	151,659
Furniture/ Fittings	109	627	3,800	20,051
Miscellaneous	918	690	32,118	22,082
	4,930	6,056	172,548	193,791
INDIRECT COSTS				
Communications	4,098	4,005	143,415	128,156
Transport/Gasoline	11,336	10,102	396,754	323,266
Maintenance/ Renovations	34,423	1,402	1,204,819	44,869
Office Supplies	4,034	3,396	141,173	108,681
Rent & Utilities	59,397	36,961	2,078,887	1,182,742
External Audits	4,286	2,531	150,000	81,000
Advertising/ Marketing	659	1,431	23,071	45,803
Miscellaneous	4,556	6,633	159,443	212,257
	122,787	66,462	4,297,560	2,126,772
CAPACITY BUILDING / MONITORING & EVALUATION / COORDINATION				
Travel Costs	10,922	8,052	382,257	257,660
Staff Training	1,704	81	59,637	2,604
Workshops/ Research/ Assessments	22,642	631	792,461	20,189
	35,267	8,764	1,234,354	280,452
OTHER BUSINESS COST				
Cost of Sales	12,572	11,644	440,021	372,607
Outlet Supplies	286	622	10,001	19,915
Franchise Fees	0	25,750	0	824,000
Business Uniforms	9	0	305	0
Miscellaneous	247	169	8,639	5,405
	13,113	38,185	458,967	1,221,926
PROGRAM SUPPORT				
Headquarter Support Costs	9,883	49,772	345,888	1,592,701
	9,883	49,772	345,888	1,592,701
TOTAL EXPENSES	483,098	372,051	16,908,433	11,905,618
NET INCOME	-217,313	126,046	-7,605,954	4,033,464
Restated fund b/f (US$)	397,995	271,949	12,735,832	8,702,369
Retained funds b/f	363,881		12,735,832	
EQUITY	146,568	397,995	5,129,879	12,735,832

Statement of Financial Position as at 31 Dec 2015
Friends Bangkok & Aranyaprathet, Thailand

CURRENT ASSETS	2015 (US$)	2014 (US$)	2015 (TH฿)	2014 (TH฿)
Current Assets				
Cash & Bank	145,797	392,332	5,102,887	12,554,625
Project Advances	273	1,578	9,544	50,480
Accounts Receivable				
Funding Receivables	10,116	770	354,044	24,628
Business Receivables	1,985	1,060	69,475	33,914
Guarantee Deposits	13,149	7,163	460,200	229,200
Miscellaneous	550	0	19,249	0
TOTAL ASSETS	171,869	402,901	6,015,399	12,892,847
LIABILITIES				
Current Liabilities				
Funding Payables	18,637	314	652,299	10,042
Business Payables	4,964	3,166	173,752	101,323
Tax Payable	301	272	10,527	8,717
Miscellaneous	0	275	0	8,800
Withholding Tax	581	107	20,342	3,428
Social Security Payable	817	772	28,600	24,704
TOTAL LIABILITIES	25,301	4,907	885,520	157,015
EQUITY	146,568	397,995	5,129,879	12,735,832

Statement of Changes in Equity as at 31 Dec 2015
Friends Bangkok & Aranyaprathet, Thailand

#	FUND ACCOUNT	TYPE	OPENING (THB)	INCOME (THB)	EXPENSES (THB)	TRANSFER (THB)	CLOSING (THB)
1	Friends 'n' Stuff Aran	*Business*	-43,153	0	0	0	-43,153
2	Friends 'n' Stuff Phra Athit	*Business*	0	54,480	66,866	47,479	35,092
3	Friends 'n' Stuff Sukhumvit Soi 49	*Business*	249,225	640,224	442,783	-47,479	399,187
4	ADM Capital Foundation	*Donor*	0	1,604,926	1,186,558	0	418,369
5	ANZ Women's Group	*Donor*	137,774	0	29,888	0	107,886
6	Deutsche Bank	*Donor*	1,261,500	0	297,464	0	964,036
7	Gisela Foundation	*Donor*	46,823	966,000	590,225	0	422,598
8	Give2 Asia / Bank of America Merrill Lynch	*Donor*	1,450,610	1,618,014	1,689,465	0	1,379,160
9	IKANO	*Donor*	4,078,865	3,375,500	1,626,124	0	5,828,241
10	UNICEF Thailand	*Donor*	0	1,649,915	789,163	-11,540	849,211
11	WISE / Race of Champions	*Donor*	1,058,415	3,788,450	3,511,371	0	1,335,494
12	World Childhood Foundation	*Donor*	69,450	1,592,515	1,607,105	0	54,860
13	World Vision Thailand	*Donor*	12,028	0	12,028	0	0
14	General Reserves	*Reserves*	374,036	168,807	5,474	11,540	548,908
15	Harvey World Travel	*Private*	6,796	0	6,944	0	-148
16	VISA	*Private*	0	480,250	44,159	0	436,091
	TOTAL		8,702,369	15,939,082	11,905,618	0	12,735,833

#	FUND ACCOUNT	TYPE	OPENING (US$)	INCOME (US$)	EXPENSES (US$)	TRANSFER (US$)	CLOSING (US$)
1	Friends ‘n’ Stuff Aran	*Business*	-1,349	0	0	0	-1,349
2	Friends ‘n’ Stuff Phra Athit	*Business*	0	1,703	2,090	1,484	1,097
3	Friends ‘n’ Stuff Sukhumvit Soi 49	*Business*	7,788	20,007	13,837	-1,484	12,475
4	ADM Capital Foundation	*Donor*	0	50,154	37,080	0	13,074
5	ANZ Women's Group	*Donor*	4,305	0	934	0	3,371
6	Deutsche Bank	*Donor*	39,422	0	9,296	0	30,126
7	Gisela Foundation	*Donor*	1,463	30,188	18,445	0	13,206
8	Give2 Asia / Bank of America Merrill Lynch	*Donor*	45,332	50,563	52,796	0	43,099
9	IKANO	*Donor*	127,465	105,484	50,816	0	182,133
10	UNICEF Thailand	*Donor*	0	51,560	24,661	-361	26,538
11	WISE / Race of Champions	*Donor*	33,075	118,389	109,730	0	41,734
12	World Childhood Foundation	*Donor*	2,170	49,766	50,222	0	1,714
13	World Vision Thailand	*Donor*	376	0	376	0	0
14	General Reserves	*Reserves*	11,689	5,275	171	361	17,153
15	Harvey World Travel	*Private*	212	0	217	0	-5
16	VISA	*Private*	0	15,008	1,380	0	13,628
	TOTAL		271,949	498,096	372,051	0	397,995

Friends Indonesia

	2015	2014
Number of Staff (31 Dec)	12	8
Total Income (US$)	107,001	103,495
Total Expenses (US$)	138,176	65,986
Administrative Costs	5%	9%
Social Businesses	0	0

- For Friends Indonesia, 2015 was a year of healthy and comfortable growth, both in activities and financially. The growth and expansion in ChildSafe, Youth Employment, and Family Income Generation and Support activities was supported by a range of donors; Symphasis Foundation, HSBC, Geneva Canton via Friends Switzerland, Friends Deutschland, and Gunung Sewa Kencana.
- Expenses more than doubled in Friends Indonesia across all categories. Additional staff were invested in in Job Placement, Family Economic Support Officer, a medic, and a ChildSafe Manager. Costs in these activities also increased
- The annual budget for 2016 will see an increase of 73% to almost $240K, for further expansion of services across the city, namely a drop-in-centre strategically located; increased impact of existing services offered and continued growth of the ChildSafe program
- There is an approximate 30% funding gap of $70K remaining for 2016

Financial Statements

Income Statement for the year ending 31 Dec 2015

Friends Jakarta, Indonesia

INCOME	2015 (US$)	2014 (US$)	2015 (IDR)	2014 (IDR)
Donor Funding	94,677	83,391	1,230,800,175	1,000,691,073
Earned Donor Income	*58,511*	*11,396*	*760,641,672*	*136,755,602*
Unearned Donor Income	*36,166*	*71,995*	*470,158,503*	*863,935,471*
Private Donations	8,218	6	106,838,458	67,000
Consultancy	0	2,349	0	28,189,140
Other Income	598	189	7,775,517	2,267,345
Internal Funding	3,507	17,560	45,595,440	210,720,925
TOTAL INCOME	107,001	103,495	1,391,009,590	1,241,935,483
EXPENSES	2015 (US$)	2014 (US$)	2015 (IDR)	2014 (IDR)
PERSONNEL				
Staff Salaries	53,107	28,771	690,389,454	345,253,737
Health Insurance	3,929	2,146	51,071,661	25,755,822
Miscellaneous	114	225	1,485,000	2,700,000
	57,150	31,142	742,946,115	373,709,559
DIRECT COSTS				
Hygiene costs	166	60	2,163,391	724,500
Medical costs	1,763	449	22,920,785	5,392,900
IEC Material	65	56	840,000	670,500
Clothing for Beneficiaries	20	0	264,900	0
Non-Formal Education materials	0	323	0	3,872,600
Food/Drink for Beneficiaries	1,350	197	17,549,870	2,361,800
Family Support	237	111	3,076,240	1,332,500
Other Activity Costs	1,039	83	13,509,050	998,300
Family Reintegration Travel	1,068	446	13,877,500	5,348,500
Recreational Activity Support	122	709	1,584,000	8,510,000
Outreach Materials	497	107	6,462,500	1,286,000
School Reintegration Support	1,718	2,251	22,340,200	27,012,200
Vocational Training Support	481	0	6,255,000	0
Placement Support	592	1	7,701,600	12,000
ChildSafe Materials	192	333	2,502,430	4,000,000
Staff Uniforms	155	40	2,010,000	480,000
Family Income Generation Support	2,259	850	29,365,250	10,203,700
	11,725	6,017	152,422,716	72,205,500
EQUIPMENT/ASSETS				
IT/Computers	986	100	12,820,000	1,200,000
Vehicles	0	675	0	8,100,000

EXPENSES	2015 (US$)	2014 (US$)	2015 (IDR)	2014 (IDR)
Miscellaneous	199	98	2,590,000	1,170,000
	1,185	873	15,410,000	10,470,000
INDIRECT COSTS				
Communications	1,724	1,005	22,410,071	12,056,702
Transport/Gasoline	2,782	1,797	36,171,900	21,561,500
Maintenance/Renovations	1,850	308	24,047,200	3,697,000
Office Supplies	2,094	543	27,221,568	6,520,600
Rent & Utilities	8,740	1,751	113,623,033	21,009,267
External Audits	2,398	1,146	31,177,200	13,750,000
Miscellaneous	1,696	3,047	22,052,812	36,558,132
	21,285	9,596	276,703,784	115,153,200
CAPACITY BUILDING/ MONITORING & EVALUATION/ COORDINATION				
Travel Costs	6,773	5,023	88,048,767	60,277,150
	0	0	0	0
PROGRAM SUPPORT				
Headquarter Support Costs	35,383	13,318	459,974,469	159,819,208
	35,383	13,318	459,974,469	159,819,208
TOTAL EXPENSES	138,176	65,986	1,796,284,503	791,834,617
NET INCOME	-31,175	37,508	-405,274,913	450,100,866
Retained funds b/f restated	57,206	19,698	686,473,518	236,372,652
Retained funds b/f	52,806			
EQUITY	21,631	57,206	281,198,605	686,473,518

Statement of Financial Position as at 31 Dec 2015
Friends Jakarta, Indonesia

CURRENT ASSETS	2015 (US$)	2014 (US$)	2015 (IDR)	2014 (IDR)
Current Assets				
Cash & Bank	19,764	54,131	256,936,843	649,569,822
Prepayments	0	2,163	0	25,958,333
Project Advances	1,363	417	17,720,000	5,000,000
Accounts Receivable				
Funding Receivables	92	0	1,200,000	0
Staff Loan Receivables	673	267	8,749,400	3,200,000
Guarantee Deposits	231	250	3,000,000	3,000,000
TOTAL ASSETS	22,124	57,227	287,606,243	686,728,155
LIABILITIES				
Current Liabilities				
Funding Payables	126	0	1,635,630	0
Tax Payable	77	21	1,003,898	254,637
Social Security Payable	290	0	3,768,109	0
TOTAL LIABILITIES	493	21	6,407,637	254,637
EQUITY	21,631	57,206	281,198,606	686,473,518

Statement Changes in Equity as at 31 Dec 2015

Friends Jakarta, Indonesia

#	FUND ACCOUNT	TYPE	OPENING (IDR)	INCOME (IDR)	EXPENSES (IDR)	TRANSFER (IDR)	CLOSING (IDR)
1	ADM Capital Foundation	*Donor*	12,017,758	0	12,017,758	0	0
2	Friends Deutschland	*Donor*	195,351,000	0	195,351,000	0	0
3	Friends Switzerland	*Donor*	0	500,770,195	383,180,827	0	117,589,368
4	HSBC Bank	*Donor*	0	143,000,000	24,395,242	0	118,604,758
5	PT. Gunung Sewu Kencana	*Donor*	0	250,000,000	16,035,623	0	233,964,377
6	Symphasis Foundation	*Donor*	619,009,282	275,524,811	1,112,313,936	0	-217,779,842
7	Tan Chin Tuan Foundation	*Donor*	-59,212,988	61,505,169	2,297,009	4,828	0
8	General Reserves	*Private*	1,234,342	12,246,064	10,146,019	-4,828	3,329,559
9	Internal HQ Grant	*Private*	-45,595,440	45,595,440	0	0	0
10	Skoll Challenge	*Private*	-36,330,437	102,367,911	40,547,088	0	25,490,386
	TOTAL		686,473,518	1,391,009,590	1,796,284,503	0	281,198,606

#	FUND ACCOUNT	TYPE	OPENING (US$)	INCOME (US$)	EXPENSES (US$)	TRANSFER (US$)	CLOSING (US$)
1	ADM Capital Foundation	*Donor*	924	0	924	0	0
2	Friends Deutschland	*Donor*	15,027	0	15,027	0	0
3	Friends Switzerland	*Donor*	0	38,521	29,475	0	9,045
4	HSBC Bank	*Donor*	0	11,000	1,877	0	9,123
5	PT. Gunung Sewu Kencana	*Donor*	0	19,231	1,234	0	17,997
6	Symphasis Foundation	*Donor*	47,616	21,194	85,563	0	-16,752
7	Tan Chin Tuan Foundation	*Donor*	-4,555	4,731	177	0	0
8	General Reserves	*Private*	95	942	780	0	256
9	Internal HQ Grant	*Private*	-3,507	3,507	0	0	0
10	Skoll Challenge	*Private*	-2,795	7,874	3,119	0	1,961
	TOTAL		52,806	107,001	138,176	0	21,631

Annual Budgets 2016

	HQ & Friends Phnom Penh	Friends Siem Reap	Friends Thailand	Friends Laos	Friends Indonesia	Mith Samlanh
Personnel Costs	$1,304,039	$618,075	$405,120	$520,989	$88,746	$1,623,728
Direct Costs	$139,288	$368,884	$260,130	$211,499	$72,304	$948,256
Assets/Equipment	$118,092	$15,900	$118,176	$8,407	$2,192	$39,703
Indirect Costs	$14,664	$40,157	$49,926	$62,453	$19,215	$544,145
Travel & Capacity Building	$117,900	$15,661	$18,376	$16,650	$7,385	$31,200
Direct Business Costs	$148,143	$190,124	$30,175	$219,692	$0	$699,920
Partner Sub-Grants	$1,000,000	$0	$0	$0	$0	$0
Headquarter Support	0	$65,130	$33,124	$31,603	$48,984	$188,579
GRAND TOTAL	$2,842,126	$1,313,930	$915,026	$1,071,293	$238,826	$4,075,531