

# Annual Report 2017

## Highlights for 2017:

- After 10 years without any increase, the cost of sponsorship was raised on 1<sup>st</sup> October by €4 in order to ensure its ongoing effectiveness (€28 for an academic sponsorship and €43 for a student sponsorship). These four euros are donated entirely to the sponsored child and their family.
- This increase in funds has had a positive impact on spending on social missions, with the figure rising to 85.1% - the first time it has surpassed 85%.
- The total sum of funds for the financial year came to €11,270,100 with a surplus of €391,643 thanks to several generous donations and charitable bequests received throughout the course of the year. In 2018, this surplus will allow us to tackle the drop in tax deductible donations from the ISF (solidarity tax on wealth) following its replacement by the IFI (tax on real estate assets).
- The provision of volunteers is valued at €3.7 million in terms of expenditure, which just goes to show the strength of the Enfants du Mékong family.
- As of the 31<sup>st</sup> of December 2017, the number of sponsored children (21,712) remains level with the number recorded the previous year. Given the increase in sponsorship, this is a great indication of the loyalty of our sponsors. The work of our development programmes is also consistent.

- We continue to aspire to maximise our efforts to ensure our children receive comprehensive training and preparation for the workplace.
- This year, in order to improve the consistency of our operation, the Asia action service has been restructured to be organised according to country. Previously, it was organised according to the various Enfants du Mékong vocations (sponsorships and development programmes).

A huge thank you goes out to all of you: sponsors, donors, Bamboos, volunteers and permanent employees in Asia, in France and in our international offices. **We thank you for your loyalty and generosity, for coming together in pursuit of a common goal: to see our young people in Asia rise out of poverty and to help them to grow!**

The 2017 accounts were verified by our auditor and unanimously approved during the June 13<sup>th</sup> general meeting. The surplus of the financial year (€391K) was logged as retained earnings.

The full financial report is available on our website at the page 'Financial transparency' under 'Learn'.

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**59** years in existence

**60,000** children supported

**21,712** children sponsored

**887** sponsorship programmes

**151** development programmes supported  
in 2017 (3 of which in France)

**1,200** volunteers (approximate number)

**86** French delegations and international offices

**85** local employees in Asia

**55** overseas volunteers (Bamboos)

**35** permanent employees (33 in France and 2 in Asia)  
and 3 apprentices

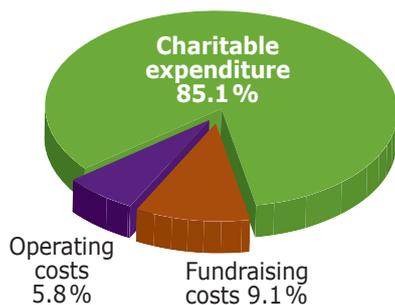
**85.1%** on spending on charitable expenditure

**9.1%** in fees for fundraising and fund management

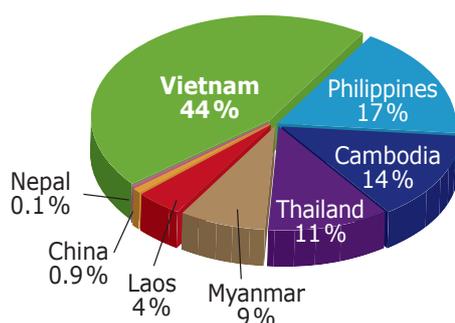
**5.8%** in operating expenses



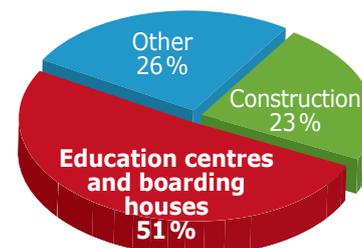
## BREAKDOWN OF EXPENDITURE



## REPARTITION OF SPONSORSHIP PER COUNTRY



## BREAKDOWN OF EXPENDITURE BY DEVELOPMENT PROGRAMME



# The Financial Year's Expenditure

The reference document for NGOs that receive financial donations from the public is the Income and Expenditure account (see opposite). **The expenditures, or expenses, are divided into 3 parts:**

**1. 1. CHARITABLE EXPENDITURE (funds directly employed towards our projects in Asia).** With €9,059K, the expenditures relating to charitable projects are at a net increase (+3.9%) compared with 2016. Charitable projects represent 85.1% of the organisation's expenses (83% in 2016).

**Sponsorships:** The main development regarding sponsorship was its increase on 1<sup>st</sup> October 2017 to €28 (€43 for student sponsorship). It had not been reassessed since 2007 and our local workers told us about their difficulties dealing with the rising cost of living. The €4 increase is entirely donated to the sponsored child and his/her family. We are well aware of the effort required and we are very moved by the commitment of our sponsors. In fact, the impact on drop-outs has been very limited, and is evaluated at 232, barely more than 1% of the total sponsorships. The number of sponsored children remains stable: 21,712 by the end of 2017, compared with 21,706 by the end of 2016. We registered 1,347 new sponsorships and 1,341 drop-outs. The two countries with the greatest changes are Myanmar (+268 sponsored children) and Vietnam (-173 sponsored children). For the eighth consecutive year, the number of sponsorship programmes increased from 842 to 887. 89% of sponsorships are

individual and 11% are collective. 1,846 sponsored children benefit from a student sponsorship, 8.5% of the overall sponsorships. The payment amount in Asia of sponsorships went up to €5,318K. This was €303K more than in 2016.

**Development Programmes:** The activity of development programmes is at a slight increase in 2017 compared with 2016, at €2,167K. **They fall into 3 categories:**

**- Construction:** 25 construction or renovation programmes have been completed (€374K). This includes the construction of schools and classrooms (5), construction or renovation of boarding houses (19) and the rebuilding of a house for a family (1).

**- Education centres and boarding houses:** 1,700 young people are accommodated in our 78 boarding houses and 9 education centres. This accommodation allows them to pursue their studies (secondary school, high school, professional training, higher studies) in the best conditions, where a number of them, coming particularly from the countryside, would have stopped their education on beginning secondary school. These boarding houses and education centres are primarily located in Cambodia and the Philippines. A third of their financing comes from sponsorship, and two-thirds comes from donations to development programmes (€834K).

**- Other projects:** These projects support sponsored children who are not in centres and homes, beyond the framework of sponsorship. They consist primarily in health projects (51), advanced training for students and integration into working life

(16), the purchase of equipment and materials for school facilities (18), food and water (3), and transport assistance (15).

**2. COMMUNICATION, RESEARCH AND FUND PROCESSING COSTS.** These expenses are lower than those of 2016 at €974K, they were 9.1% of the organisation's expenses.

**Communication & E-communication:** Our channels of communication are our magazine "Asie Reportages", daily and regional press (PQR), and digital media (French and English websites, Facebook, Twitter, Instagram, the monthly newsletter "Courier du Mekong").

**Development of our sponsorship programmes and funds:** 1,347 new sponsorships were created in 2017, through the following channels: delegate and ambassador programmes, operation "Offer a sponsorship for Christmas", involvement with *Students in Solidarity* and the project *V'Asie Roule* (6,000km on bike by two young people in the EDM programmes to strengthen ties with schools in France). The 86 delegations in France and international offices, all voluntary, actively contribute to these events. The principal means of fundraising was the development of business partnerships and foundations, the commitment of donors, the development of philanthropic legacy bequests and the development of international fundraising and of operations such as "Apéro-donatoire".

## 3. OPERATING COSTS

Operating costs are decreasing and represent just 5.8% of the organisation's overall expenses (€616K). ■

# Income and Expenditure Account 2017 - in euros

<b>FINANCIAL YEAR EXPENDITURE</b>	<b>Expenditure</b>	<b>Funds from individuals</b>
<b>1. Charitable expenditure</b>	<b>9,059,273.17</b>	<b>7,067,891.22</b>
<b>1.1. Carried out in Asia</b>	<b>9,037,229.46</b>	<b>7,067,891.22</b>
<b>Sponsorships and additional gifts</b>	<b>6,870,419.76</b>	<b>6,445,797.87</b>
Sponsorship payments	5,318,006.00	5,209,326.00
Additional payments for sponsored children	204,059.94	201,783.94
Additional payments for programmes	27,370.20	23,957.00
Running and monitoring of sponsorships	1,320,983.62	1,010,730.93
<b>Development programmes</b>	<b>2,166,809.70</b>	<b>622,093.34</b>
Construction	374,259.47	100,869.84
Centres	833,994.95	142,228.39
Other	426,103.85	147,282.35
Organisation and monitoring	532,451.43	231,712.76
<b>1.2. Carried out in France</b>	<b>22,043.71</b>	<b>0.00</b>
Activities in France	22,043.71	0.00
<b>2. Research and Fund Processing Costs</b>	<b>974,334.13</b>	<b>391,944.64</b>
<b>2.1 Fund raising costs</b>	<b>874,343.35</b>	<b>315,741.67</b>
From public generosity	774,427.57	315,741.67
From private funds	99,915.78	0.00
From public funds	0.00	0.00
<b>2.2. Cost of processing sponsorships, donations, and legacies</b>	<b>99,990.78</b>	<b>76,202.97</b>
<b>3. Operating costs and other expenses</b>	<b>615,921.98</b>	<b>469,394.14</b>
<b>I. TOTAL YEAR'S EXPENDITURE</b>	<b>10,649,529.28</b>	<b>7,929,230.00</b>
<b>II. ALLOCATION TO PROVISIONS</b>	<b>71,206.83</b>	
<b>III. COMMITMENTS TO BE CARRIED OUT ON ALLOCATED RESOURCES</b>	<b>2,130,898.31</b>	
<b>IV. EXCESS RESOURCES FOR THE FINANCIAL YEAR</b>	<b>391,643.17</b>	
<b>V. OVERALL TOTAL</b>	<b>13,243,277.59</b>	<b>7,929,230.00</b>
<b>VI. Total supported by funds from individuals</b>		<b>7,929,230.00</b>

<b>RESOURCES FOR THE FINAL YEAR</b>	<b>Expenditure</b>	<b>Funds from individuals</b>
Funds carried forward		<b>1,211,539.86</b>
<b>1. Funds from public generosity</b>	<b>8,591,064.59</b>	<b>8,591,064.59</b>
Sponsorships	6,499,931.40	6,499,931.40
Additional sponsorship payments	206,303.94	206,303.94
Additional programmes	26,356.00	26,356.00
Allocated donations – Bamboo Missions	293,396.15	293,396.15
Allocated donations – Asia Development Programme	499,483.52	499,483.52
Allocated donations – Activities in France	0.00	0.00
Other allocated donations - Services	203,089.00	203,089.00
Manually non-allocable donations	597,577.01	597,577.01
Legacies and other non-allocable donations	264,927.57	264,927.57
<b>2. Other private funds</b>	<b>2,399,349.83</b>	
Sponsorships	148,102.20	
Additional sponsorship payments	2,276.00	
Additional programmes payments	2,613.20	
Allocated donations – Bamboo Missions	214,823.44	
Allocated donations – Asia development programme	1,621,959.61	
Allocated donations – Activities in France	20,000.00	
Allocated donation services	238,558.35	
Manually non-allocable donations	151,017.03	
<b>3. Grants and other public aid</b>	<b>226,662.00</b>	
Grants - Sponsorships	334.00	
Grants – Bamboo Missions	212,566.00	
Allocated donations – Asia development programme	13,514.00	
Allocated donation services	48.00	
Manually non-allocable donations	200.00	
<b>4. Other incoming resources</b>	<b>53,023.79</b>	
Financial income	31,419.19	
Other income	18,511.56	
Various sales	3,093.04	
<b>I. TOTAL RESOURCES FOR THE FINAL YEAR</b>	<b>11,270,100.21</b>	<b>8,591,064.59</b>
<b>II. REVERSAL OF PROVISIONS</b>	<b>0.00</b>	
<b>III. TRANSFER OF UNUSED FUNDS</b>	<b>1,973,177.38</b>	
<b>IV. CHANGE OF DEDICATED FUNDS</b>		<b>-204,886.13</b>
<b>V. SHORTAGE OF FUNDS</b>	<b>0.00</b>	
<b>VI. OVERALL TOTAL</b>	<b>13,243,277.59</b>	<b>8,386,178.46</b>
<b>VII. TOTAL FROM PUBLIC FUNDS</b>		<b>7,929,230.00</b>
<b>BALANCE OF UNUSED, UNRESTRICTED FUNDS FROM THE PUBLIC AT THE END OF THE FINANCIAL YEAR</b>		<b>1,668,488.32</b>





## Estimation of voluntary contributions in kind - in euros

### EXPENDITURE

Social missions	725,714.00
Fundraising costs	2,904,816.37
Operating costs and other expenses	40,939.67
<b>TOTAL</b>	<b>3,671,470.04</b>

### FINANCIAL RESOURCES

Voluntary work	3,588,653.71
Benefits in kind	58,676.33
Gifts in kind	24,140.00
<b>TOTAL</b>	<b>3,671,470.04</b>

## Resources for the Financial Year

The resources for the financial year are increasing to €11,270K (+ €292K compared to 2016).

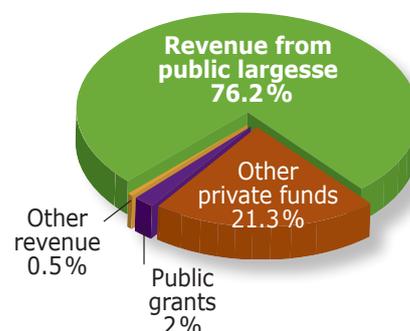
**Generous donations from the public** (€8,591K) represent 76.2% of the organisation's resources, increasing relative to 2016. They consist essentially of sponsorships (61.2% of resources). They also include unrestricted donations, donations allocated to Bamboo missions, and development programmes and legacies.

**Other private funds** are the donations made through private legal entities (foundations, schools,

businesses...). These represent 21.3% of resources. They are allocated to Bamboo missions, development programmes, or are unearmarked.

**Public grants** are almost entirely made up of one grant from the french Ministry of Foreign Affairs (€212K), by way of the « Volontaires de Solidarité Internationale » (overseas volunteers) for training, monitoring, and the Bamboos' return assistance. **Other resources** consist of financial products, resources other than donations (insurance repayments...) and some product sales. ■

### BREAKDOWN OF RESOURCES FOR THE FINANCIAL YEAR



## Summary Balance Sheet 2017 - in euros

### ASSETS

	31/12/2017
Intangible fixed assets	10,170.55
Tangible fixed assets	646,436.25
Financial fixed assets	1,023,430.90
<b>FIXED ASSETS</b>	<b>1,680,037.70</b>
Stocks	10,247.00
Advances and payments on accounts	0.00
Accounts receivable	50,964.53
Available funds	4,595,226.12
Accruals	43,266.14
<b>CURRENT ASSETS</b>	<b>4,699,703.79</b>
<b>TOTAL ASSETS</b>	<b>6,379,741.49</b>

### LIABILITIES

	31/12/2017
Associative funds without recovery fees	936,320.20
Reserves	1,713,184.83
Retained earnings	- 216,834.89
Fiscal year earnings	391,643.17
Other Associative Funds	
<b>EQUITY</b>	<b>2,824,313.31</b>
<b>DEDICATED FUNDS</b>	<b>2,130,898.31</b>
<b>PROVISIONS FOR RISKS AND CHARGES</b>	<b>617,186.63</b>
Loans and debts	0.00
Other debts	807,343.24
<b>DEBTS</b>	<b>807,343.24</b>
<b>TOTAL LIABILITIES</b>	<b>6,379,741.49</b>