

ANNUAL REPORT 2017

DRC DANISH
REFUGEE
COUNCIL



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Annual Council Meeting:	The Annual Council Meeting will be held on 17 May 2018

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THESE 29 ORGANISATIONS ARE CURRENTLY MEMBERS OF THE DANISH REFUGEE COUNCIL:

ADRA	DanChurchAid
Amnesty International	FTF
CARE Denmark	HK
The Confederation of Danish Employers	Churches' Integration Service
The Confederation of Danish Enterprise	Women's Council in Denmark
Danish People's Aid	LGBT, Denmark
The Danish Adult Education Association	The Danish Confederation of Trade Unions
Danish Authors' Society	MS ActionAid Denmark
Council of Danish Artists	Save the Children, Denmark
Danish Youth Council	Sct. Georgs Gilderne in Denmark
The Danish Union of Teachers	The Inter-Cultural Christian Centre
The Danish Musicians Union	Oxfam IBIS
The Jewish Community in Denmark	The Danish Association of Youth Clubs
FOA	UNICEF Denmark
Danish United Nations Association	

DEVELOPMENT IN THE DANISH REFUGEE COUNCIL IN 2013 - 2017

DKK million	2017	2016	2015	2014	2013
Collected funds/private contributions					
Income	128	116	102	66	63
Collected funds utilised	123	105	75	63	72
Result for collected funds/private contributions	5	11	27	3	-9
Own income					
Income, language centres	323	424	371	302	288
Income, integration etc.	182	182	150	97	87
Other income	0	29	8	47	6
Expenditure, language centres	278	360	322	245	243
Expenditure, integration etc.	185	189	142	89	81
Other expenditure	66	10	12	39	15
Net income/expenditure	-24	76	53	73	42
Donor funds/Earmarked collection funds and foundation grants					
Income/grants for international project aid utilised	2,447	2,049	1,915	1,691	1,719
Income/grants for other projects, pool funds, etc. utilised	8	8	11	10	12
Government allocations etc.					
Income/utilised, all activities	38	45	47	39	32
Danish Refugee Council's total income	3,126	2,853	2,604	2,252	2,208
Danish Refugee Council's total expenditure/consumption	3,145	2,766	2,524	2,176	2,175
Danish Refugee Council's surplus/deficit for the year	-19	87	80	76	33
Balance sheet items					
Total assets	1,267	1,105	1,019	842	810
Equity	446	465	408	329	253
Average no. of FTEs					
HQ, Copenhagen	289	263	245	225	197
Lærdansk language centres	396	492	398	324	338
Regional employees, Integrationsnet and Frivillignet	310	299	215	127	132
Expats in international projects	502	460	398	353	283
Local staff in international projects	6,107	5,355	4,743	4,665	4,300
DRC Roster expats	88	102	83	96	76
Volunteers in Denmark	8,062	8,316	7,129	5,169	5,100
DKK '000					
Administrative expenses	156,414	144,023	123,284	114,766	104,487
Capacity-building investments and strategic initiatives	51,005	22,685	27,682	21,650	11,127
Total	207,419	166,708	150,966	136,416	115,614
Administrative expense ratio	6.6%	5.8%	5.8%	6.1%	5.2%

Administrative expenses

The Danish Refugee Council states the administrative expense ratio as total HQ expenditure plus the year's capacity-building investments and strategic initiatives relative to total income.

MANAGEMENT'S REVIEW 2017

FINANCIAL REVIEW

In 2017, the Danish Refugee Council achieved a new income record of DKK 3.1 billion, while income in 2016 totalled almost DKK 2.9 billion. This is equivalent to growth of almost 10% in 2017.

The many emergency humanitarian crises and conflicts around the world in 2017 are directly reflected in the Danish Refugee Council's financial statements, and the international activities now account for close to DKK 2.5 billion. The development in the refugee area in Denmark is also reflected in the figures for the year, but with the opposite effect: fewer refugees sought asylum and achieved residence permits in Denmark. Combined with changes in legislation, this reduced income for the Danish Refugee Council's national activities by 17%, while international activities increased by 19%.

The year closed with a deficit of DKK 19 million. The result is DKK 106 million lower than in 2016, when there was a record-high surplus of DKK 87 million.

The deficit accounts for around 6 per mille of our income and in particular reflects how in 2017 we invested more than DKK 100 million in the Danish Refugee Council's future. This is around DKK 35 million more than in 2016. These investments will enhance the effectiveness and quality of our work and increase future income from private donors in particular. In 2017, the Danish Refugee Council achieved the following:

- Invested around DKK 15 million in our fundraising activities. This investment will be by and large repaid by the end of 2018.
- Commenced the implementation of a new global ERP system, to combine our financial management, procurement and HR administration in one overall IT system. This project will continue into 2019, at an overall cost to the Danish Refugee Council close to DKK 100 million. The new system will increase the quality of our emergency relief activities by providing a better information level. It will also facilitate economies, strengthen our financial reporting to donors, and support the administration of our over 7,000 employees.

Other investments were made to ensure appropriate national and international capacity and influence. This increased investment rate entails a slightly increased administrative expense ratio. The Danish Refugee Council has the objective of a total administrative expense ratio below 7%, and this was achieved once again in 2017.

In addition to the planned investments, other events also affected the income for the year. In overall terms, the foreign exchange result was a loss of DKK 25 million. The development in the USD rate is the primary reason for this foreign exchange loss. The Danish Refugee Council receives a large proportion of its funds in USD. This currency depreciated strongly in 2017, leading to a foreign exchange loss. Furthermore, the weakening of the currency in South Sudan during 2017 entailed negative foreign exchange adjustment of DKK 7 million. For comparison, in 2016 there was a gain of almost DKK 29 million. In Note 2: Financial risks, further account is given of the currency risk for the Danish Refugee Council.

Finally, there was an increase in losses/provisions, amounting to DKK 17 million, concerning the international work that is not covered by donor funds. The primary reason for this increase is that several of the countries in which we operate are introducing taxation of humanitarian work – such as taxation of our employees' salaries, and taxation of the materials used in these activities. This entails a particular risk when taxes are levied with retroactive effect, or when the legislation in the relevant country is unclear. It is important that donors exert pressure on the local authorities in order to exempt humanitarian organisations' employees from tax, since in the longer term these costs can only be paid by the individual donors, and not the relevant humanitarian organisation. As previously described, in 2017 this led to increases in losses and provisions concerning our international work.

In recent years, we have continuously strengthened our equity, which stood at DKK 446 million at the beginning of 2018. This equity has made the year's investments possible – in order to equip the Danish Refugee Council for future new tasks and challenges.

EXPECTATIONS FOR 2018

We expect that the trends we saw in 2017, with growth in the international area and declining income in the national area, will continue. The new Danish tax agreement from 2018, introducing user payments for language lessons, will augment the decline in the national area. We have focus on this development, and are continuously adjusting the organisation to match our tasks.

In 2018, we will continue to invest in ERP, our international organisation, capacity building in Denmark, and in the fundraising area.

The UN Sustainable Development Goals are becoming an increasingly important aspect of the Danish Refugee Council's work, both internationally and in Denmark. The 17 Sustainable Development Goals do not include a goal that focuses specifically on refugees and displaced persons, yet most of the goals are nonetheless of direct relevance to our work. As from 2018, we will

therefore strengthen our efforts to incorporate the Sustainable Development Goals in our strategies and concrete initiatives.



2017 was also the year that the Danish Refugee Council gained a new secretary general. After 20 years in the post and 38 years in the organisation, Andreas Kamm passed on the baton to Christian Friis Bach. PHOTO: AGNETE SCHLICHTKRULL.

INTERNATIONAL WORK

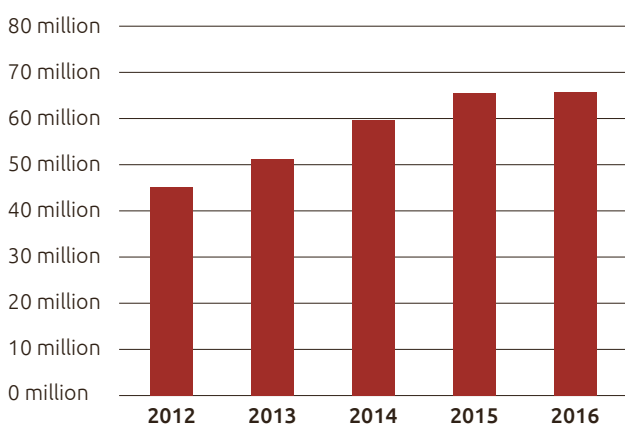
The Danish Refugee Council's international relief work includes emergency aid, as well as long-term programmes for refugees, internally displaced persons and host communities. We distribute water, food, hygiene sets, etc., ensure protection and fight for the rights of the displaced. In the longer term, we contribute to sustainable solutions for both refugees and the host communities.

During the current strategy period (up to 2020) one of the Danish Refugee Council's key objectives is to contribute to solutions to displacement crises. This concerns planning and executing initiatives to meet the current global challenges, as well as contributing to preventing new waves of refugees. We also have focus on "secondary displacement", whereby people who are already refugees are displaced from the area where they have sought asylum. Our initiatives concern direct intervention, as well as advocacy activities. Finally, we have a strong focus on collecting evidence, in particular as documentation of the effects of our activities.

A key aspect of the strategy is to focus on refugees themselves: We will continue to work to ensure their co-influence on our relief work, strengthen communication with refugees, and seek to provide help that fulfils the highest quality standards.

NUMBER OF DISPLACED PERSONS DURING THE LAST FIVE YEARS

INCLUDING THE INTERNALLY DISPLACED



Source: UNHCR Global Report, June 2017

The lack of political solutions to wars and conflicts means that refugees and displaced persons spend many years in exile. The Danish Refugee Council therefore has focus on strengthening the rights of displaced persons and their opportunities to earn a living, both while they are in exile and after they return home.

Finally, our long-term efforts and longstanding presence will contribute to developing host communities, in order to ensure that the willingness and capacity to house displaced persons is maintained.

The Core Humanitarian Standards

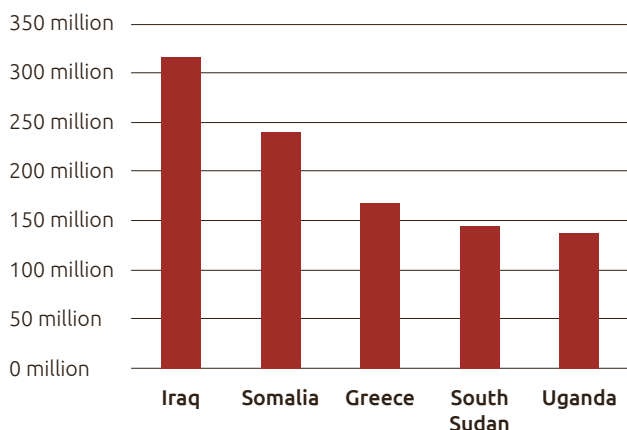
In 2017, the international work was assessed in an external audit against nine internationally recognised standards for quality, responsibility and effective assistance in humanitarian work (the Core Humanitarian Standards). In July, we received the official four-year certification, on the basis of a positive audit. Relevant programming and coordination with other operators were emphasised in particular. The certification emphasises the Danish Refugee Council's focus on improving the quality and transparency of our work, as well as responsibility in performance, including by strengthening refugees' access to complain about any offensive behaviour by the Danish Refugee Council's employees or cooperation partners.

The CHS certification replaces the previous Humanitarian Accountability Partnership (HAP) certification, which the Danish Refugee Council achieved for the first time in 2007.

NGO ADVISOR TOP-500 LIST

In 2017, the Danish Refugee Council maintained its 4th place in the NGO Advisor top-500 ranking of the world's best humanitarian organisations. NGO Advisor is a non-profit organisation in Geneva that combines qualitative and quantitative methods to assess non-governmental operators. In 2017, organisations were measured by such factors as their results and ability to achieve concrete change in accordance with their objectives.

FIVE LARGEST COUNTRY OPERATIONS



IRAQ AFTER MOSUL

The Danish Refugee Council has worked in Iraq since 2003, and since 2016 the military combat around Mosul has displaced more than 1 million civilians in urgent need of humanitarian assistance. Again in 2017, Iraq was the Danish Refugee Council's largest country operation, and we are present in 11 out of the country's 18 governorates, with activities ranging from humanitarian aid to civil society rebuilding programmes and the reintegration of internally displaced persons. The Danish Refugee Council is one of the largest providers of protection in the country.

In economic terms, the activities in the Middle East accounted for 30% of the international work, making this the Danish Refugee Council's largest regional initiative in 2017.

FOOD CRISIS IN YEMEN AND AFRICA

Famine disasters in many African countries and in Yemen have required massive humanitarian efforts in 2017, which are reflected in the year's activities. In Yemen, the consequences of the civil war and the blockade by Saudi Arabia made 20 million people dependent on emergency relief. Seven million people are affected by famine.

In March 2017, the Danish Refugee Council mobilised a "corporate emergency" directed at the famine and drought in central and eastern Africa. This only takes place in particularly complex emergency crises requiring a combined effort across the entire organisation. Extra capacity, leadership and resources were mobilised, in order to respond quickly and effectively.

In concrete terms, the exacerbated humanitarian crisis in the area means that our activities in eastern Africa and Yemen have increased around threefold, from approximately DKK 500 million in 2016, to just over DKK 650 million in 2017. We expect a further increase by almost 20% in 2018.

DANISH REFUGEE COUNCIL IN COX'S BAZAR, BANGLADESH

In late summer 2017, a conflict erupted in Myanmar, leading to one of the year's most rapidly evolving crises. It is estimated that up to December 2017, nearly 700,000 refugees arrived in Bangladesh – in particular in Cox's Bazar – with an acute need for emergency aid and protection. The crisis in Myanmar and Bangladesh was a major priority area for international relief work during the autumn of 2017, and this will continue in 2018. Since these efforts began in the second half of 2017, the extent of the operation will only be apparent from the Danish Refugee Council's income as from 2018.

ASIA AND AFGHANISTAN

In 2017, there was renewed international and political focus on the situation in Afghanistan. This enabled the Danish Refugee Council to help more refugees and internally displaced persons than in 2016. European and Danish donors in particular have engaged in cooperation on initiatives in Afghanistan, resulting in one of the largest donor contracts established in 2017, for an amount of DKK 97 million. These funds have been granted by the European Commission to a consortium in which the Danish Refugee Council is the lead partner in improving living conditions and re-integration in Afghanistan.

CASH AND CONSORTIA – NEW TRENDS IN THE HUMANITARIAN SECTOR

CASH programmes (i.e. humanitarian aid based on cash payments) have been a key element for the Danish Refugee Council and our partners in the humanitarian response across the many areas of the international work

There was a continuation of the trend from 2016 whereby donors make funds available via consortium structures, and thereby subject to the condition

that the work is performed in partnership with other organisations. The trend is moving from bilateral towards multilateral contracts with several implementing partners. This means that projects are larger, but also involve more extensive and complex measures, setting new requirements for coordination and administration of funding. In 2017, the Danish Refugee Council was the lead partner for consortium projects totalling DKK 250 million. This represents an increase of more than DKK 100 million from 2016.

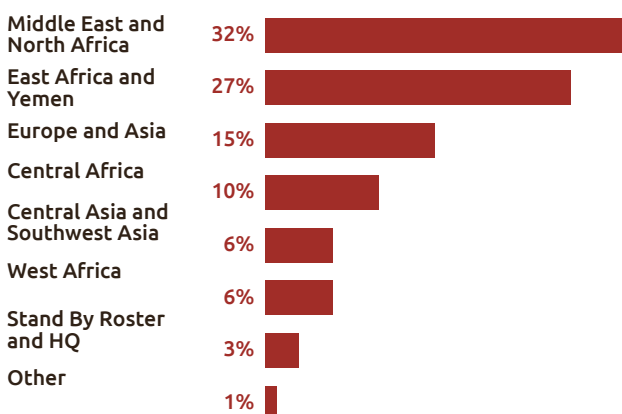
CASH

Cash concerns the distribution of cash, food coupons, mobile money transfers or credit cards. Via cash, crisis-stricken population groups achieve co-determination and can fulfil their minimum requirements for e.g. food and medicine. The local market economy is also stimulated.

All recipients of cash payments are registered, and the amount is matched to the context.

Today, organisations and donors regard cash as more effective than distributing food and other items.

ACTIVITIES IN GEOGRAPHICAL AREAS



ACTIVITIES BY SECTOR



INTEGRATION

For more than 60 years, the Danish Refugee Council has contributed to the integration of refugees in Denmark. Our key tasks in this area include language courses for refugees and other recent arrivals to Denmark, interpreting, employment initiatives and social support for families, unaccompanied minors and young people.

2017 was characterised in particular by how a much smaller number of refugees were granted residence permits in Denmark than in previous years. This has led to a reduction in the number of course attendees for **Lærdansk** (DRC's language schools), just as fewer of them have been referred to programmes under **Integrationsnet**. The Danish Refugee Council has therefore had to adjust its capacity to the reduction in the number of tasks. A number of legislative adjustments during 2017, and the lapse of certain tasks, also had a negative impact on the portfolio.

Overall, this brought a decrease in income by 17% compared to one year before.

As of 1 January 2017, Lærdansk transferred its language schools in Southwestern Jutland to another supplier, after failing to win a tender. The Job&Sprog school in Kolding closed on 1 December due to a lack of course attendees.

In June 2017, **Integrationsnet** opened a residential institution for unaccompanied refugee children. It has capacity for nine children, of whom the youngest is aged 11. The res-

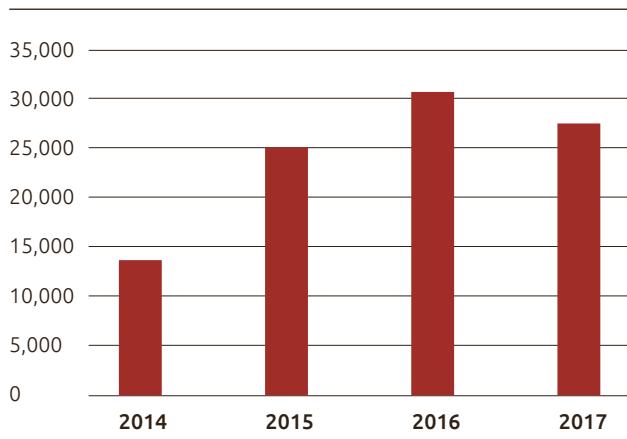
idential institution is authorised by Socialtilsynet (the Social Services Supervisory Board). In addition, Integrationsnet ran nine residential programmes for young unaccompanied refugees, and also provided "aftercare" for 40 young people with a refugee background. Aftercare is a support programme for young people who have reached the age of 18 and still need assistance as they transition to independent adulthood.

Children and family area: In 2017, 330 vulnerable refugee families and individuals received special psychosocial support from Integrationsnet's team of social workers and specialists. In Integrationsnet's employment section, more than 1,700 individuals completed programmes. Of these, 324 had a mentor from Integrationsnet's mentor corps.

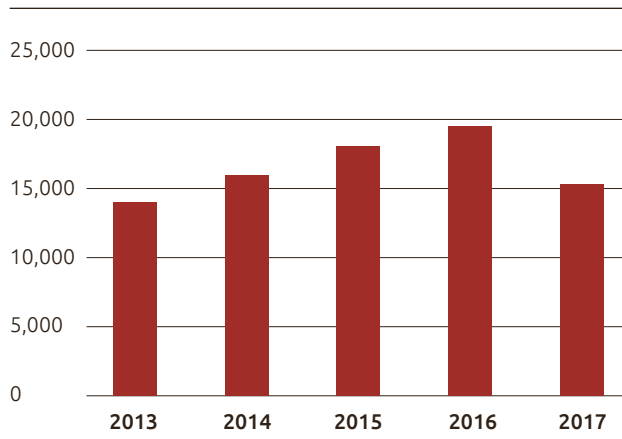
In 2017, Tolkeservice provided interpretation services in 68,000 cases throughout Denmark. This is a decrease by 12% from 2016, which is primarily related to how, in May 2017, the Danish Refugee Council lost the contract with the City of Copenhagen after an invitation to tender. We have also improved supply reliability to no less than 97% from 2016 to 2017, which reflects how our interpreting capacity is now better aligned with demand.

The Centre for Vulnerable Refugees responded to more than 100 enquiries on our counselling services hotline from professionals, relatives and volunteers. The centre held 65 after-work meetings, presentations and training courses for around 2,000 participants in total throughout Denmark. We issued two new publications: *At opleve krig og flugt* (Experiencing war and displacement – a folder for refugees

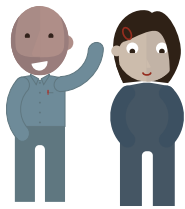
NUMBER OF USERS OF THE VOLUNTEER NETWORK



NUMBER OF LÆRDANSK COURSE PARTICIPANTS



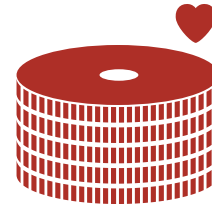
VALUE OF THE VOLUNTARY WORK



8,062
Volunteers



741,520
Hours



74,152,000
DKK

published in six languages) and *Lovgivningshåndbog – flygtninge, familiesammenførte og indvandrere med behov for støtte* (Legislation handbook – refugees, unified families and immigrants in need of support) (5th edition).

In 2017, we launched three major development projects, with focus on equal opportunities and negative social control:

- *A qualification programme for professionals and volunteers in marginalised residential areas* in the City of Copenhagen – in direct relation to the municipality's expert group's recommendations.
- *A campaign concerning rights, equal opportunities and negative social control for ethnic minority women, men and young people*, for the Danish Ministry for Equal Opportunities, in collaboration with Als Research.
- *Development of materials and competences for the early prevention of radicalisation and social control in daycare institutions and after-school schemes, elementary schools and youth education*, for the Danish Ministry of Education in collaboration with VIA Aarhus, UCC Copenhagen and Als Research.

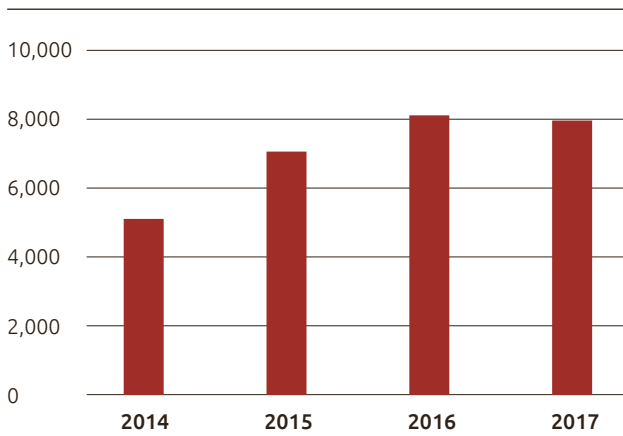
VOLUNTARY WORK

Within the Danish Refugee Council's volunteer network, volunteers meet refugees in order to welcome them and support them in learning Danish, understanding Danish society and handling some of the challenges in their new lives in Denmark.

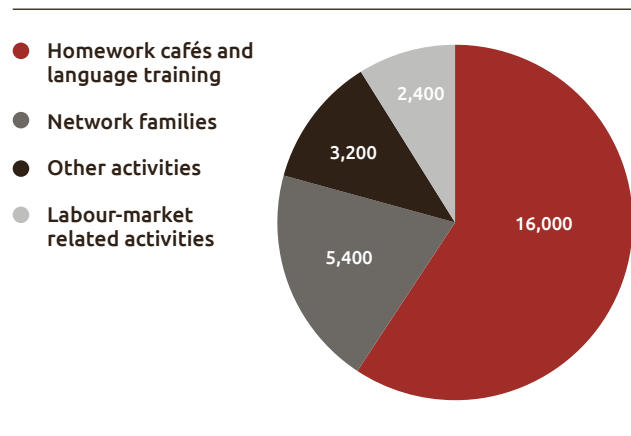
Volunteers are organised in volunteer groups that offer a range of different activities, from cycling courses and cookery sessions, to day-to-day advisory services and mentorships. Together, volunteers and refugees define what is needed and organise the activities.

At the end of 2017, the number of volunteers registered with the Danish Refugee Council totalled 8,062. This is by and large at the previous year's level, when the figure was 8,316 volunteers. The most extensive voluntary activities during the year were homework cafés and language-learning support, and around 16,000 refugees benefited from these activities. During the year, 5,400 refugees had a mentor or network person.

NUMBER OF VOLUNTEERS



ACTIVITY IN 2017



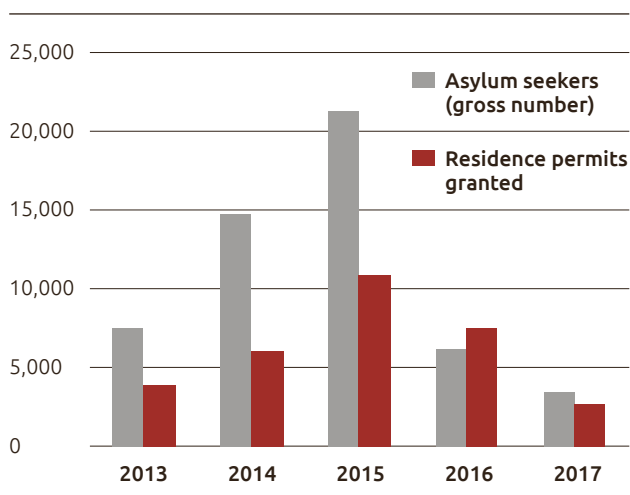
It is difficult to set a figure to represent the value of this volunteer work. The results are evident from the increased quality of life for both refugees and volunteers. We are also certain that this voluntary work makes an important contribution to facilitating the integration of refugees. We estimate the economic value of the work at approximately DKK 74 million. This is based on the assumption that each volunteer contributes an average of two hours per week, and that its value is equivalent to paid work at DKK 100 per hour.

ADVICE TO ASYLUM SEEKERS IN DENMARK

The Danish Refugee Council advises asylum seekers in Denmark as from their arrival, and until they are granted residence permits or leave the country again. Advisory services are provided at asylum centres, at the offices in Borgergade, via telephone and by e-mail.

This work with asylum seekers is financed under the Danish Finance Act and to some extent is determined by the number of asylum seekers. 2017 was affected by the significantly lower number of asylum seekers entering Denmark compared to the previous year. The lower number of asylum seekers entering the country led to lower income, so that a large number of employees in the Asylum Section had to be made redundant.

NEW ASYLUM SEEKERS



There was still a lot of work to be done, since many of the asylum seekers who came to Denmark in 2015 were still waiting for a decision and in need of counselling services. The Danish Refugee Council's asylum counsellors were therefore very busy with advising the many pending asylum seekers concerning their rights, opportunities and expectations of the asylum procedure.

The decline in the number of new asylum seekers had a significant impact on the Danish Refugee Council's legal assistance to asylum seekers under the Dublin procedure. This is based on a joint EU agreement to ensure that, in principle, an asylum seeker's case is considered in the first EU member state in which the person is registered. In 2017, we represented 541 asylum seekers under the Dublin procedure, which was approximately one third of the number in 2016, when the figure was 1,670 cases. With the Danish Refugee Council's role as a provider of legal assistance under the Dublin procedure, we are helping to protect the legal rights of asylum seekers.

We considered 235 cases under the obviously unfounded procedure. This figure has declined slightly since 2014 and is not as clearly linked to the total number of asylum seekers coming to Denmark in a given year, but is related more closely to which countries the new asylum seekers come from. If the Danish Immigration Service assesses an application to be "obviously unfounded", the applicant has no immediate opportunity to have the case examined by the Danish Refugee Appeals Board. The Danish Refugee Council will always hold an interview with the asylum seeker and has the opportunity to lay down a veto, which means that the case must, nonetheless, be examined by the Refugee Appeals Board. In this case too, we are contributing to safeguarding the legal position of asylum seekers.

Besides the direct advisory services for asylum seekers, we prepared three country profiles. They focused on returning to Afghanistan, the "internal asylum alternative" in Afghanistan (i.e. the opportunity for refugees to live in safety in another part of Afghanistan to where they have sought asylum from) and conditions in Chechnya. We also took part in two fact-finding missions together with the Danish Immigration Service. One took place in Lebanon and Jordan, with the objective of, among other

things, investigating practice for recruitment to the Syrian army and the National Defence Forces in Syria. The other mission took place in Iran and London with the aim of, among other things, investigating the situation for converts and gender-related persecution in Iran.

As an element of the Counselling Service for rejected asylum seekers, we initiated counselling sessions with 468 individuals and attended 99 information meetings at municipal centres in order to provide information about our services.

REPATRIATION

In the repatriation area, in 2017 we responded to more than 5,000 enquiries from refugees and immigrants, collaboration partners and other stakeholders. We initiated 630 new cases and held more than 1,000 interviews with refugees and immigrants who were considering returning to their country of origin or a country in which they had previously stayed. A total of 340 refugees and immigrants left Denmark with support under the Danish Repatriation Act, which is an increase of just over 10% compared to 2016.

In 2017, the Danish Refugee Council submitted a total of 22 consultation responses concerning new legislation in the integration, asylum and repatriation areas.

FUNDRAISING

A significant proportion of the Danish Refugee Council's funds are donations from private sources – which may be individuals, foundations and companies. This funding is important, since it enables us to mobilise help as soon as a new emergency arises. In 2017, this was the case in Bangladesh, where we had to quickly build up an aid operation for Rohingya crossing the border from Myanmar. The funds raised also give us the opportunity to receive higher donations from institutional donors, whose donations are often subject to the condition that the Danish Refugee Council itself can contribute to financing. Finally, the funds raised can enable us to channel aid to areas with the greatest need, and where it can be difficult to achieve adequate donations from institutional donors.

One example is Yemen, where the need far exceeds the aid resources made available by the global community.

In 2017, we raised DKK 128 million, which is an increase of around 10% from the preceding year.

Like most other organisations, we have seen a decline in income from the national door-to-door collection, which in 2017 brought in DKK 15.1 million. This is just over DKK 3 million less than in 2016, which we attribute particularly to a very large number of different door-to-door collections, and thereby increased competition for both collectors and voluntary coordinators. Yet we are still very satisfied that around 13,750 volunteers took to the streets in our door-to-door collection drive, covering every single municipality in Denmark.

This development is set off by an increase in the amount received as contributions from our regular private donors. During the year, we worked systematically to increase the number of regular private donors, and this achieved good results. The number of regular private donors increased from around 30,000 in January, to around 42,000 at the end of 2017. This increase has already had an impact on the 2017 accounts, and will also bring in higher income as from 2018 and thereafter.

The foundation area contributed DKK 54 million in 2017. This is an increase of 6% from the previous year. The largest grant during the year was innovative new cooperation with the Ole Kirk Foundation, which granted DKK 25 million for use over a three-year period. This grant is being used for community centres in the Middle East, as well as emergency measures. The donation has a degree of flexibility that is rarely seen in the foundations area. The Danish Refugee Council is implementing this grant on an ongoing basis, in close dialogue with the Ole Kirk Foundation, so as to ensure that the funds are always used where the need and effect are greatest. It is hoped that this approach can be extended to a larger proportion of our supporting foundations during the coming years.

The total value of new foundation agreements established in 2017 was DKK 57 million. The funds will be paid out in 2017-2020.

OUR WORKFORCE

At the end of 2017, the Danish Refugee Council had a total of 7,692 employees in global terms. This is an increase of 721, or 10% more employees than in 2016. The majority of these employees, i.e. 6,697, work internationally in the around 35 countries in which we are present. The growth in the workforce has taken place generally, and particularly in Bangladesh and Cameroon, where we have established completely new operations. 995 are employed at HQ in Denmark, in the Asylum Section, and in Integration.

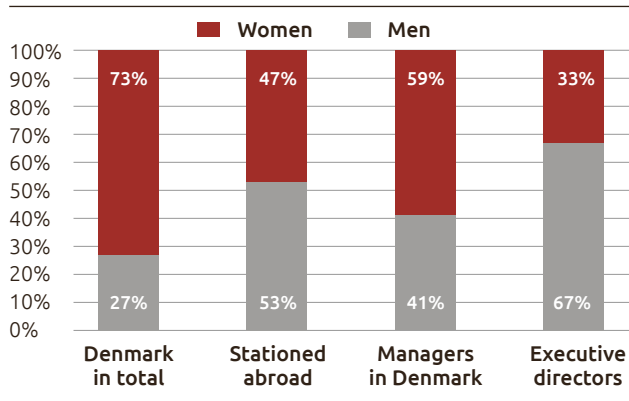
In 2017, the number of employees was 2,143, and more than 156,130 candidates applied for a job at the Danish Refugee Council via the online system, HR manager. The corresponds to an employee turnover rate of 20%. This makes high demands of professional recruitment, which is a

significant action area in the HR strategy. Another significant action area is learning, including from employees who leave the Danish Refugee Council. Everyone receives an exit questionnaire, and 93% express how they are satisfied with the Danish Refugee Council as an employer.

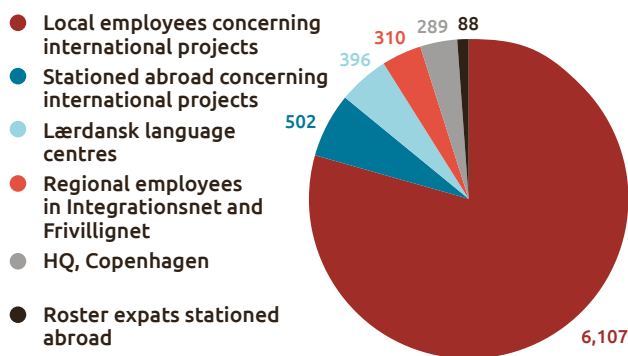
73% of the employees in Denmark are women, and 59% of managers in Denmark are women. Among employees stationed abroad, 47% are women. At executive level, which is the Executive Management Team and regional and country directors, 33% of managers are women.

In 2017, the following were employed on special terms: 30 in company practical training positions, three in subsidised employment, 45 in traineeships as part of educational programmes, three EUD apprentices (office or IT apprentices, etc.) and 20 employees in positions on flexible terms.

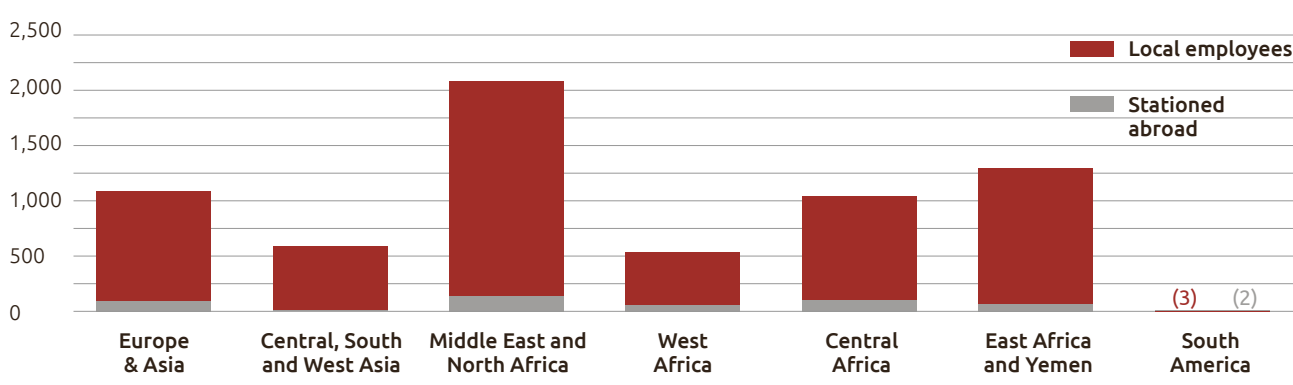
EMPLOYEES BY GENDER



AVERAGE NUMBER OF FTES, 2017



LOCAL EMPLOYEES AND EMPLOYEES STATIONED ABROAD



MANAGEMENT STATEMENT

Management statement

Today, the Executive Committee and General Management have discussed and approved the annual report of the Danish Refugee Council for the financial year 1 January - 31 December 2017.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Organisation's financial position at 31 December 2017 and of the results of its operations for the financial year 1 January - 31 December 2017.

Further, in our opinion, business procedures and internal controls have been established to ensure that the transactions covered by the financial statements comply

with appropriations granted, legislation and other regulations and with agreements entered into and usual practice, and that due financial consideration has been taken of the management of the funds and the operation of the activities comprised by the financial statements.

In addition, in our opinion, systems and procedures are established that support economy, productivity and efficiency.

In our opinion, the Management's review includes a fair review of developments in the Organisation's operations and financial matters and a description of the special risks that the Organisation faces.

We recommend the annual report for adoption by the Council.

Copenhagen, 17 April 2018

Christian Friis Bach
Secretary General

Anne Mette Barfod
Chief Financial Officer

The Executive Committee of the Danish Refugee Council

Stig Glent-Madsen
Chairman

Peter Kellermann Brandorff
Deputy Chairman

Bent Lexner

Birgit Buddegård

Rasmus Larsen Lindblom

Ilse Fjalland

Henriette Laursen

INDEPENDENT AUDITOR'S REPORT

TO THE COUNCIL AND THE EXECUTIVE COMMITTEE OF THE DANISH REFUGEE COUNCIL

OPINION

We have audited the financial statements of the Danish Refugee Council for the financial year 1 January – 31 December 2017, which comprise income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Organisation at 31 December 2017 and of the results of the Organisation's operations for the financial year 1 January – 31 December 2017 in accordance with the Danish Financial Statements Act.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark as well as generally accepted public auditing standards, cf. the Ministry of Foreign Affairs' instructions on performing audits in connection with the Partnership Organisation's management of subsidised activities in developing countries. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We are independent of the Organisation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

MANAGEMENT'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company 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 as to 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 ISAs and additional requirements applicable in Denmark as well as generally accepted public auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

INDEPENDENT AUDITOR'S REPORT

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark as well as generally accepted public auditing standards,

we exercise professional judgement 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Organisation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

STATEMENT ON THE MANAGEMENT'S REVIEW

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

STATEMENT ON COMPLIANCE AUDIT AND PERFORMANCE AUDIT

Management is responsible for ensuring that the transactions covered by the financial reporting comply with appropriations granted, legislation and other regulations and with agreements entered into and usual practice; and that due financial consideration has been taken of the management of the funds and operations covered by the financial statements. Consequently, Management is responsible for establishing systems and procedures supporting economy, productivity and efficiency.

INDEPENDENT AUDITOR'S REPORT

In performing our audit of the financial statements, it is our responsibility to perform compliance audit and

performance audit of selected items in accordance with generally accepted public auditing standards. When conducting a compliance audit, we test the selected items to obtain reasonable assurance as to whether the transactions covered by the financial reporting comply with the relevant provisions of appropriations, legislation and other regulations as well as agreements entered into and usual practice. When conducting a performance audit, we perform assessments to obtain reasonable assurance as to whether the tested systems, processes or transactions support due financial considerations in relation to the management of the funds and operations covered by the financial statements.

We must report on any grounds for significant critical comments, should we find such when performing our work.

We have no significant critical comments to report in this connection.

Copenhagen, 17 April 2018

Ernst & Young | Godkendt Revisionspartnerselskab | CVR no. 30 70 02 28

Mona Blønd
State Authorised Public Accountant
mne11697

Alex Petersen
State Authorised Public Accountant
mne28604

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

Note		2017 DKK '000	2016 DKK '000
3	Collected funds		
	Received	127,524	116,414
	Used	123,115	105,119
	Net collected funds	4,409	11,295
4	Own income		
	Received	505,365	635,089
	Used	529,037	559,260
	Net own income	-23,672	75,829
5	Donor funds/Earmarked collection funds and foundation grants		
	Received	2,454,783	2,057,338
	Used	2,454,783	2,057,338
	Net donor funds/Earmarked collection funds and foundation grants	0	0
6	Government allocations, etc.		
	Received	38,118	44,515
	Used	38,118	44,515
	Net government allocations, etc.	0	0
	SURPLUS/DEFICIT FOR THE YEAR	-19,263	87,124
	Total income	3,125,790	2,853,356
	Total expenditure	-3,145,053	-2,766,232
	Surplus/deficit for the year	-19,263	87,124

The surplus/deficit for the year is transferred to equity as follows:

Unrestricted funds	-21,304	76,390
Changes in restricted funds		
Net relief pool	-	-7,000
Designated for strategic measures, net	2,041	17,734
Total	2,041	10,734
Total appropriation of surplus/deficit	-19,263	87,124

BALANCE SHEET AT 31 DECEMBER

Note		2017 DKK '000	2016 DKK '000
	ASSETS		
7	Property, plant and equipment		
	Compounds	-	-
	Refurbishing of leased premises	2,094	3,771
	Vehicles	2,043	1,628
	Fixtures and fittings and IT	285	313
	Total property, plant and equipment	4,422	5,712
	Total non-current assets	4,422	5,712
	Current assets		
	Receivables		
5	International project aid	334,109	289,942
5	Other project aid	2,777	2,506
5	Earmarked collection funds and foundation grants	6,557	4,022
	Trade receivables	93,968	100,358
	Other receivables	32,439	41,228
	Prepayments	990	1,654
	Total receivables	470,840	439,710
8	Cash and cash equivalents	792,257	659,461
	Total current assets	1,263,097	1,099,171
	TOTAL ASSETS	1,267,519	1,104,883
	LIABILITIES		
	Equity		
	Unrestricted funds	418,215	439,519
	Equity – Total unrestricted funds	418,215	439,519
	Restricted funds		
	Restricted funds	27,775	25,734
	Equity – Total restricted funds	27,775	25,734
9	Total equity	445,990	465,253
10	Provisions	54,323	44,345
	Current liabilities		
	Trade payables	19,986	26,517
5	International project aid, unexpended grants	620,125	444,864
5	Other project aid, unexpended grants	1,292	1,191
5	Earmarked collection funds and foundation grants	40,098	33,539
6	Government allocations, etc.	-	664
11	Other payables	85,188	88,510
	Deferred income	517	-
	Total current liabilities	767,206	595,285
	TOTAL LIABILITIES	1,267,519	1,104,883

Note 12 – Other liabilities

Note 13 – Payroll costs

Note 14 – Related parties

NOTE 1

ACCOUNTING POLICIES APPLIED

The Annual Report of the Danish Refugee Council for 2017 has been prepared in accordance with the requirements laid down in the by-laws and the provisions applying to reporting class A entities under the Danish Financial Statements Act, subject to such adjustments as follow from the Organisation's special circumstances.

CHANGES IN ACCOUNTING POLICIES APPLIED

In 2016, the earmarked collection funds and foundation grants were recognised as income at the time of receipt, while in the 2017 accounts they are recognised as they are utilised, in line with the principle applying to donor funds.

This means that the earmarked contributions received from collections and foundations are recognised as income as they are utilised, and that contributions not utilised in the financial year are stated as debt under Current liabilities, as non-utilised contributions. Earmarked collection funds and foundation grants are therefore not part of the appropriation of surplus concerning earmarked funds under "Reserved for various activities".

For 2017, the change had a negative impact on the surplus amounting to DKK 4.1 million. Equity decreased by DKK 33.5 million, and current liabilities increased by DKK 40.1 million, while receivables increased by DKK 6.6 million. The comparative figures for 2016 are adjusted to reflect the change and had a positive impact of DKK 0.8 million on the surplus. Equity decreased by DKK 29.5 million, and current liabilities increased by DKK 33.5 million, while receivables increased by DKK 4.0 million.

This item is still shown in the accounts under Collected funds.

GENERAL

ASSETS AND LIABILITIES

Assets are values owned by the Danish Refugee Council, or amounts owed to the Organisation, including cash, bank deposits, tools and equipment, and IT equipment, etc. Amounts owed to the Organisation are typically trade receivables or other receivables that will be received after the balance sheet date, as well as costs prior to the balance sheet date which concern the period after the balance sheet date, such as rent, insurance premiums, subscriptions, etc.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Organisation and the value of each asset can be reliably measured.

Liabilities are amounts owed to others for goods or services that have been delivered before the balance sheet date, but will not be paid until after the balance sheet date, including payroll-dependent items from unpaid salaries. Liabilities also include the value of services that, as at the balance sheet date, the Danish Refugee Council is under an obligation to provide to third parties. Such obligations may be to deliver certain services that have not been rendered at the balance sheet date in return for consideration received before the balance sheet date.

Liabilities are recognised in the balance sheet when the Organisation has a legal or a constructive obligation, and it is probable that future economic benefits that can be reliably measured will flow from the Organisation.

INCOME STATEMENT

INCOME

The Organisation's income comprises collected funds and private contributions, income from its own income, donor funds and government allocations. The income statement is divided into four main categories that cover these income sources.

NOTE 1, continued

Income is recognised in the income statement as it is earned, and the related expenses are charged as the activity is performed, at the amounts concerning the financial year.

Collected funds and private contributions that are not earmarked are recognised in the income statement when the fundraising result is available, or the private contributions are received. Expenses are recognised at the time of use. Expenses relating to completed national collection campaigns are recognised in the collection year.

Own income are divided into integration funds, covering income and expenses relating to integration activities, Pools and Other own income. Pools are the Organisation's own contributions to emergency relief activities, where Other own income are the Danish Refugee Council's own costs of projects, costs of ERP system, etc., membership fees from member organisations, and financial income and expenses, including foreign exchange gains/losses concerning projects for which the donor does not cover currency fluctuations. All income from own income is recognised and charged as the activities are performed.

Donor funds and earmarked collection funds and foundation grants are recognised as income when utilised. Any additional project expenditure is covered as utilisation under Other own income under Other expenses (net). Income and expenditure for the year relating to project aid and earmarked collection funds and foundation grants will always be equal in size, since any additional expenditure will be covered from Other own income.

Government allocations are recognised as income when utilised. Income and expenditure for the year will always be equal in size, since any additional expenditure will be covered from Other own income.

FINANCIAL INCOME AND EXPENSES

Financial income and expenses comprise interest income and expenses and realised and unrealised foreign exchange gains and losses.

Transactions denominated in foreign currencies are translated using the average monthly exchange rates fixed by Danmarks Nationalbank (the Danish central bank) in the previous month. For currencies not included in the rates fixed by Danmarks Nationalbank, the monthly rates fixed by the EU are used. Only donors with project-specific requirements in respect of exchange rates are exempt from this policy.

Foreign exchange differences arising between the exchange rates on the transaction date and on the payment date are recognised in the income statement as net financial items, under Other own income.

Receivables, payables and other monetary items denominated in foreign currencies are translated using the average monthly exchange rates fixed by Danmarks Nationalbank. The difference between the exchange rate ruling on the balance sheet date and the exchange rate on the date when the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as a net financial item, under Other own income.

Non-current assets acquired in foreign currencies are measured at the exchange rates prevailing on the transaction date

BALANCE SHEET

PROPERTY, PLANT AND EQUIPMENT

Compounds, leasehold improvements, vehicles, and fixtures and fittings are measured at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price, any costs directly attributable to the acquisition and any preparation costs incurred up to the date when the asset is available for use.

NOTE 1, continued

The basis for depreciation is cost plus revaluations and less the expected residual value at the end of the useful life. Depreciation is provided according to the straight-line method, based on the following expected useful lives:

Compounds	3-5 years
Leasehold improvements	3-5 years
Vehicles	2-4 years
Fixtures and fittings and IT	2-4 years

Depreciation is recognised in the income statement under Other own income. Acquisitions with a cost of less than DKK 50,000 are expensed in the year of acquisition. All acquisitions financed by Collected funds are recognised as an expense at the time of use. Property, plant and equipment is written down to the lower of the recoverable amount and the carrying amount.

PROJECT AID AND EARMARKED COLLECTION FUNDS AND FOUNDATION GRANTS

Donor funds received before the time of use are recognised in the balance sheet under current liabilities. Funds utilised, but not received at the time of use are recognised under receivables.

RECEIVABLES

Trade receivables are measured at amortised cost, which usually corresponds to the nominal value, less provisions for bad debts.

PREPAYMENTS

Prepayments recognised under assets comprise expenses incurred relating to subsequent financial years. Prepayments are measured at cost.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash and bank deposits in Denmark and abroad.

EQUITY

The free equity comprises retained earnings from previous years. Free equity is divided into unrestricted and restricted funds. Restricted funds comprise the Danish Refugee Council's relief pool and funds designated for special strategic purposes, which at the end of the financial year have been released for use in the subsequent financial year.

PROVISIONS

Provisions comprise expected expenses relating to the discontinuance of activities. Provisions are recognised when, as a result of past events, the Organisation has a legal or a constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are measured at net realisable value.

DEFERRED INCOME

Deferred income recognised under current liabilities comprises payments received concerning income in subsequent financial years.

OTHER LIABILITIES

Other liabilities are measured at net realisable value.

NOTE 2

FINANCIAL RISKS

The Danish Refugee Council's activities are invariably subject to the special conditions applying to international emergency aid and reconstruction work, including the challenges of carrying out activities in areas that lack well-structured organisations and institutions. Appropriated administration funds in relation to donor funds are so limited that it is not possible to cover unforeseen expenses arising in connection with international activities. Such expenses are covered from the Danish Refugee Council's own income.

A large proportion of the Danish Refugee Council's activities are projects financed with donor funds. These funds are subject to a number of provisions concerning their allocation. The conditions for a project may change in step with its performance, and errors may take place in conjunction with implementation. This might lead the donor to assess that the applicable provisions have not been duly fulfilled, so that the donor chooses not to cover an activity. As a consequence, the Danish Refugee Council would have to cover the costs itself.

Due to the Organisation's significant currency exposure from international activities, the Danish Refugee Council is to a great extent affected by foreign exchange fluctuations and uncertainty regarding banking and transfer conditions in relation to these activities. The Danish Refugee Council's activities involve 39 different currencies. The funds are often received with a certain time lag in relation to when the funds are utilised, and the risk of fluctuation in the funds' value is held by the Danish Refugee Council to a significant extent. A decline in the USD rate by 10% would give a loss of DKK 17 million, based on liquidity at the end of 2017.

Political decisions in the refugee and integration area, nationally as well as internationally, may also place increased demands on agility and organisational adjustments. This risk was most recently emphasised by the Tax Agreement from February 2018, which may result in a significant reduction in self-funding students. A 10% reduction in the number of students would reduce the Danish Refugee Council's income by DKK 32 million.

Since the Danish Refugee Council works in a number of countries where there is no well-defined rule of law, and where legislation can change significantly at short notice, and even with retroactive effect, this entails a risk relating to statutory compliance, and a derived financial risk.

In recent years, this risk has particularly concerned the legal framework for the employment of our employees. There has been an increasing tendency for local authorities to impose taxes or other charges on employees in the humanitarian sector who were previously exempt from such payments.

Even though the Danish Refugee Council has a detailed code of conduct, which is communicated to all employees, there is always a risk of infringement of our fundamental norms, values and guidelines. Any such infringement would lead to negative media focus and consequential losses such as a decline in the number of regular private donors and less generosity from institutional donors. The management has special focus on the aforementioned issues and engages in ongoing dialogue with the organisation's donors in this respect.

NOTE 3

	2017 DKK '000	2016 DKK '000
Collected funds		
Private donations	49,138	34,832
Donations from private firms	705	2,450
Other events	2,507	2,932
Annual national collection	15,190	18,421
Lottery funds*	5,979	6,232
Other collected funds	-	153
Earmarked funds and foundation grants**	54,005	51,394
Total income	127,524	116,414
Collected funds utilised		
Collection-related expenditure	29,379	26,686
Lottery funds*	6,232	6,017
Utilised for international activities	33,499	17,886
Utilised for national activities	-	3,136
Utilised for activities from Earmarked funds and foundation grants**	54,005	51,394
Collected funds utilised	123,115	105,119
Net collected funds	4,409	11,295

* The grant received in 2016 for DKK 6.2 million was utilised in 2017 in accordance with the Organisation's object. The funds were allocated to national advocacy projects and projects to promote voluntary social activities. The grant of DKK 6 million received in 2017 is transferred for use in 2018.

** Funds from the national charity event "Danmarks Indsamling 2017" total DKK 6.5 million, of which DKK 6.1 million has been transferred for the "Eat with Colours" project in Afghanistan. The Danish Refugee Council's administrative expenses in relation to the project amount to DKK 0.4 million. A total of DKK 0.4 million was spent on this project in 2017, leaving DKK 5.7 million to be spent in 2018.

NOTE 4

	2017 DKK '000	2016 DKK '000
Own income		
Integrationsnet		
Sales of consultancy services	147,023	146,381
Interpreting services, etc.	34,873	35,740
Total income	181,896	182,121
Wages and salaries	141,654	137,690
Other external expenditure	42,786	51,023
Total expenditure	184,440	188,713
Result of Integrationsnet	-2,544	-6,592
Lærdansk, language centre activities		
Income from local authorities	288,261	382,471
Teaching services sold, etc.	34,892	41,544
Total income	323,153	424,015
Wages and salaries	202,621	257,030
Other external expenditure	75,673	103,147
Total expenditure	278,294	360,177
Result of Lærdansk	44,859	63,838
Pools		
Relief pool	6,571	8,103
Total expenditure	6,571	8,103
Result of pools	-6,571	-8,103
Other own income		
Membership fees, member organisations	316	314
Net financial income	-	28,639
Total income	316	28,953
Net financial expenditure	24,767	-
Other expenditure (net)	34,965	2,267
Total expenditure	59,732	2,267
Net income/expenditure	-59,416	26,686
Own income, total income	505,365	635,089
Own income, total expenditure	529,037	559,260
Net own income	-23,672	75,829

NOTE 5

	2017 DKK '000			2016 DKK '000		
	International project aid	Other project aid	Earmarked funds and foundation grants**	International project aid	Other project aid	Earmarked funds and foundation grants**
Donor funds/Earmarked collection funds and foundation grants						
Carrying amount at 1 January	-154,922	1,315	-29,517	-66,924	-4,808	-30,267
Correction, prior years	-	-	-	7,120	5,051	-
Grants received	-2,581,510	-7,909	-58,068	-2,204,924	-6,789	-50,644
Total	-2,736,432	-6,594	-87,585	-2,264,728	-6,546	-80,911
Grants utilised*	2,446,704	8,079	54,005	2,049,477	7,861	51,394
Net movement, outlays	-2,504	-	-	-1,497	-	-
Grants returned, completed projects	17,822	-	39	31,725	-	-
Net provision, value adjustment	-11,606	-	-	30,101	-	-
Carrying amount at 31 December	-286,016	1,485	-33,541	-154,922	1,315	-29,517
The carrying amount of international project aid and other project aid, as well as earmarked collection funds and foundation grants, is distributed in the balance sheet as:						
Receivables	334,109	2,777	6,557	289,942	2,506	4,022
Debt, grants not utilised	620,125	1,292	40,098	444,864	1,191	33,539
Donor funds – income						
International project aid	2,446,704			2,049,477		
Other project aid	8,079			7,861		
Donor funds – total income	2,454,783			2,057,338		
Donor funds – expenses						
International project aid	2,446,704			2,049,477		
Other project aid	8,079			7,861		
Donor funds – total expenses	2,454,783			2,057,338		

* See specification on page 28

** Cf. Note 3

NOTE 5, continued GRANTS UTILISED BY DONOR, COUNTRY AND REGION IN DKK 1,000

Region/Country	DANIDA	DFID	ECHO	EU	MFA	OCHA	OTHER	Sida	UN	UNDP	UNHCR	USG	WFP	Main total
CENTRAL AFRICA	54,619	-15	24,156	15,535	2,487	0	17,135	3,295	11,472	8,455	72,787	24,130	1,377	235,433
Central African Republic	3,481	-15	8,523	8,837	14	0	2,829	0	5,900	49	1,856	17,361	-2	48,833
DR Congo	0	0	6,152	785	2,473	0	4,553	0	0	0	391	0	0	12,784
South Sudan	38,536	0	7,744	108	0	0	7,535	3,295	2,900	8,422	69,253	6,308	36	144,137
Sudan	12,602	0	1,737	7,373	0	0	2,218	0	2,672	-16	1,287	461	1,343	29,879
CENTRAL ASIA, SOUTH WEST ASIA	28,190	0	45,115	24,713	21,543	4,805	11,159	-11	1,796	173	14,731	593	0	152,808
Central Asia, South West Asia	21,479	0	36,145	24,024	5,576	4,805	10,476	-11	1,906	173	14,766	547	0	119,766
Afghanistan	3,417	0	8,970	940	15,967	0	749	0	0	0	-35	0	0	30,043
Iran	3,334	0	0	0	0	0	-24	0	0	0	0	0	0	3,295
Regional office CASWA	0	0	0	0	0	0	72	0	0	0	0	0	0	72
Tajikistan	0	0	0	-251	0	0	-54	0	-110	0	0	47	0	-368
EAST AFRICA & YEMEN	87,374	56,379	126,848	45,573	1,264	51,410	80,991	6,878	233	-906	181,319	60,219	15,524	672,106
East Africa & Yemen	4,741	0	2,193	0	0	0	0	0	0	0	15,270	10	0	6,934
Denmark	664	0	2,658	1,224	0	0	462	0	607	0	19	10	0	5,036
Djibouti	7,934	0	18,413	374	940	2,893	6,285	481	248	0	67,355	7,778	2,780	94,325
Ethiopia	4,612	0	5,064	-551	0	273	2,864	0	248	0	161	0	0	9,186
Kenya	5,636	0	-257	160	632	0	2,864	6,397	-42	-906	20,038	45,535	3,249	244,964
Regional office HqAY	21,920	9,619	61,715	1,172	-45	14,867	6,145	0	0	0	0	0	0	244,964
Somalia	0	0	0	0	0	0	25	0	0	0	0	0	0	25
Somalia, Puntland	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tanzania	85	16,077	18,229	0	0	0	-22	0	0	0	12,505	0	24	46,899
Uganda	29,839	24,374	23,921	2,194	-33	33,377	9,303	0	23	0	55,048	368	2,795	136,356
Yemen	11,943	1,245	-24	2,194	-220	3,377	22	0	4	0	10,923	0	6,676	75,421
EUROPE & ASIA	5,323	9,004	192,648	17,690	2,998	2,515	32,559	6,789	5,662	0	60,854	28,422	0	364,464
Europe & Asia	3,325	0	0	0	0	0	564	0	0	0	865	0	0	1,755
Bangladesh	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cambodia	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Georgia	1,613	0	0	5,367	1,304	0	104	0	0	0	3,647	1,386	0	13,420
Greece	0	0	145,121	10,672	0	0	391	0	0	0	25,315	0	0	170,827
Kosovo	0	0	55	0	0	0	2,775	3,950	0	0	1,654	2,635	0	20,087
Macedonia	0	0	96	10	0	0	-19	0	0	0	0	0	0	1,731
Montenegro	0	0	0	10	0	0	0	0	0	0	0	0	0	10
Myanmar	3,365	0	17,276	-55	0	2,515	11,160	1,563	5,182	0	13,712	7,426	0	62,145
Serbia	20	0	26,678	1,685	0	0	7,752	480	0	0	15,070	171	0	44,835
Ukraine	0	9,004	3,422	31	0	0	16,832	0	0	0	591	16,627	0	46,507
Vietnam	0	0	0	1,694	0	0	0	0	0	0	0	0	0	1,694
MIDDLE EAST & NORTH AFRICA	64,511	66,876	216,320	44,528	8,842	20,233	92,058	13,651	19,919	0	94,461	140,093	13,337	794,829
Middle East & North Africa	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Algeria	0	0	3,418	0	0	0	-56	0	0	0	1,510	0	0	4,872
Iraq	2,485	24,277	60,709	0	8,392	14,466	49,654	8,514	17,463	0	22,469	90,114	456	321,379
Jordan	7,865	-1,415	76,329	7,070	330	2,760	8,979	0	0	0	3,762	9,948	0	115,628
Lebanon	13,365	-6,355	11,261	8,167	-105	3,007	1,145	0	667	0	32,640	502	12,881	77,175
Libya	0	12,784	4,027	22,622	0	0	4,384	2,288	1,789	0	124	0	0	55,647
Regional office MENA	7,023	15,492	0	1,596	0	0	1,754	0	0	0	7,095	16,291	0	25,865
Syria	3,703	26,848	18,635	0	0	0	23,927	2,849	0	0	0	0	0	99,348
Tunisia	0	0	0	5,073	225	0	0	0	0	0	0	0	0	5,298
Turkey	7,690	-4,755	41,941	0	0	0	2,271	0	0	0	26,861	15,609	0	89,617
OTHER	21,648	0	116	90	0	0	8,420	0	2,424	0	3,620	3,083	0	20,401
Other	2,648	0	116	90	0	0	22	0	0	0	0	0	0	112
Switzerland	0	0	0	0	0	0	318	0	2,424	0	3,620	3,083	0	12,209
ROSTER & HQ	19,336	2,612	0	0	0	0	8,080	194	746	0	33,252	549	3,600	63,796
Roster & HQ	19,336	2,612	0	0	0	0	8,080	194	746	0	33,252	549	3,600	63,796
Central Asia, South West Asia	0	0	0	0	0	0	2,684	0	0	0	17,854	1,387	0	43,873
Middle East & North Africa	0	0	0	0	0	0	0	0	0	0	620	0	257	877
East Africa & Yemen	0	0	0	0	0	0	0	0	0	0	1,589	0	0	1,589
West Africa	0	0	0	0	0	0	0	0	146	0	5,010	0	0	6,570
Other	0	0	0	0	0	0	327	194	0	0	850	0	0	4,553
Europe & Asia	0	0	0	0	0	0	496	0	-15	0	130	0	0	2,089
Central Africa	0	0	0	0	0	0	0	0	0	0	3,519	0	0	4,111
WEST AFRICA	13,347	9,408	29,656	23,967	2,088	0	5,592	0	29	0	15,717	35,469	15,673	150,946
West Africa	13,347	9,408	29,656	23,967	2,088	0	5,592	0	29	0	15,717	35,469	15,673	150,946
Burkina Faso	0	0	3,826	0	0	0	-2	0	0	0	8,131	4,096	0	18,774
Cameroun	0	0	364	0	145	0	0	0	0	0	0	0	0	509
Guinea	670	0	-45	3,051	0	0	0	0	0	0	0	-6	0	3,670
Ivory Coast	756	0	-399	0	0	0	1,998	0	18	0	713	0	204	3,670
Liberia	852	0	-47	199	0	0	13	0	0	0	0	0	0	1,016
Mali	6,241	0	5,453	3,371	1,943	0	1,368	0	11	0	-1	4,633	107	23,147
Niger	0	0	5,686	0	0	0	-1	0	0	0	1,553	6,084	6,130	19,452
Nigeria	543	9,408	14,818	17,346	0	0	1,985	0	0	0	5,086	14,766	9,232	73,184
Regional office West Africa	1,562	0	0	0	0	0	0	0	0	0	0	0	0	1,562
Senegal	0	0	0	0	0	0	231	0	0	0	235	0	0	466
MAIN TOTAL	275,348	144,264	634,859	131,096	39,222	78,963	251,421	30,796	42,281	7,722	476,741	292,558	49,511	2,454,783

NOTE 6

	2017 Grants DKK '000	2017 Expenditure DKK '000	2016 Expenditure DKK '000
Government allocations, etc.			
Secretariat work and General Secretariat	3,900	3,900	4,000
Grants for volunteer work	10,400	10,400	10,419
Grants from local authorities	630	630	888
Grants for asylum counselling, documentation, etc.	9,888	9,888	13,536
Asylum counselling services	8,800	8,800	8,720
Repatriation work	3,400	3,400	3,400
Center for Udsatte Flygtninge	1,100	1,100	1,100
Grants for quota work, travel planning, etc.	-	-	1,788
Total government allocations, etc.	38,118	38,118	43,851
The carrying amount of government allocations, etc. is stated in the balance sheet as follows			
Receivables		-	-
Payables, unexpended grants		-	664
Government allocations, etc. received		38,118	44,515
Government allocations, etc. utilised and returned		38,118	44,515
Net income/expenditure		0	0

NOTE 7

Property, plant and equipment (DKK 1,000)	Compounds	Leasehold improvements	Vehicles	Fixtures and fittings and IT
Carrying amount at 1 January 2017	3,265	5,027	9,674	2,683
Additions	-	415	2,337	116
Disposals	-	-	1,035	239
Carrying amount at 31 December 2017	3,265	5,442	10,976	2,560
Depreciation and impairment, 1 January 2017	3,265	1,256	8,046	2,370
Depreciation and impairment	-	2,092	1,642	144
Depreciation and impairment, disposals	-	-	755	239
Depreciation and impairment, 31 December 2017	3,265	3,348	8,933	2,275
Carrying amount at 31 December 2017	-	2,094	2,043	285

NOTE 8

Cash and cash equivalents (DKK 1,000)	2017	2016
HQ	568,624	438,728
Cash and cash equivalents in Denmark	78,884	60,729
Cash and cash equivalents outside Denmark	144,749	160,004
Total cash and cash equivalents	792,257	659,461

NOTE 9

Equity (DKK 1,000)	Unrestricted funds	Total unrestricted funds	
Balance at 1 January 2017	439,519	439,519	
Surplus/deficit for the year	-21,304	-21,304	
Balance at 31 December 2017	418,215	418,215	
Restricted funds	Emergency relief pool	Strategic measures	Total restricted funds
Balance, 1 January 2017	8,000	17,734	25,734
Transferred	6,571	19,775	26,346
Utilised	-6,571	-17,734	-24,305
Balance, 31 December 2017	8,000	19,775	27,775
	Total unrestricted funds	Total restricted funds	Total equity
Balance, 1 January 2017	439,519	25,734	465,253
Surplus for the year/net transfer	-21,304	2,041	-19,263
Balance, 31 December 2017	418,215	27,775	445,990

NOTE 10

	2017	2016
Provisions (DKK 1,000)		
International termination liabilities, etc.	16,591	3,810
International projects	18,357	19,655
Other	19,375	20,880
Total provisions	54,323	44,345

NOTE 11**Other payables**

Holiday pay	65,282	69,515
Other	19,906	18,995
Total other payables	85,188	88,510

NOTE 12**Other liabilities**

Operating leases concerning photocopiers	2,184	5,099
Rent commitments in Denmark	55,851	40,941
Guarantee commitments	6,280	8,439

NOTE 13**Payroll costs**

Wages and salaries	409,841	462,085
Wages and salaries, local project staff abroad	490,934	419,855
Wages and salaries, Lærdansk/language centres	196,527	222,823
Change in provision for holiday pay obligation	-4,363	1,530
Total wages and salaries	1,092,939	1,106,293
Pensions	64,772	68,963
Social security costs	6,147	6,890
Total	1,163,858	1,182,146
Number of FTEs, Denmark and expats	1,585	1,616
Number of FTEs, local project staff abroad	6,107	5,355

NOTE 14**Related parties**

The Danish Refugee Council is a confederation of non-partisan, voluntary national and international humanitarian organisations.

Related parties are the Executive Committee and the Organisational Management.

Members of the Organisational Management receive a fixed remuneration (employment terms according to the Danish Salaried Employees Act).

Members of the Executive Committee receive no remuneration.

