



Financial report as at 30 June, 2018

Stichting IFAW (International Fund for Animal Welfare)

Contents

1	Director's statement	3
1.1	Director's statement for the year ended 30 June, 2018	3
	1.1.1 Organization Stichting IFAW (International Fund for Animal Welfare)	7
	1.1.2 Communication with Stakeholders	16
	1.1.3 Funding	17
	1.1.4 Reserves and Funds	17
	1.1.5 Investment Policy	18
	1.1.6 Financial accounting	18
	1.1.7 Risk Management	18
1.2	Principal Activities	20
	1.2.1 Wildlife Crime	21
	1.2.2 Community Animals	30
	1.2.3 Landscape Conservation	32
	1.2.4 Marine Conservation	33
	1.2.5 Animal Rescue (disaster response and wildlife rehabilitation and sanctuary)	35
1.3	Financial Highlights	38
1.4	Multi-year Budget Fiscal year 2019-2021	42
2	Financial statements	44
2.1	Balance sheet as at 30 June, 2018	44
2.2	Statement of income and expenses for the year ended 30 June, 2018	45
2.3	Statement of cash flow for the year ended 30 June, 2018	46
2.4	General notes	47
2.5	Notes to the balance sheet as at 30 June, 2018	52
2.6	Notes to the statement of income and expenses for the year ended 30 June, 2018	58
3	Other information	70
3.1	Auditor's report	71

1. Director's statement

1.1 Director's statement for the year ended 30 June, 2018

Stichting IFAW (International Fund for Animal Welfare) ("Stichting IFAW") is part of a world wide group of non-profit organizations, which collectively comprise the International Fund for Animal Welfare ("IFAW"). IFAW has offices in fifteen countries and supports animal welfare and conservation projects in more than forty countries around the world.

Our Vision:

A world where animals are respected and protected.

Our Mission:

IFAW protects animals and the places they call home.

Our Belief:

We believe animals matter to people and the planet. Based on that core belief and in order to achieve our vision, we follow a set of key principles that guide our hands-on projects and advocacy work.

- *Animals should be recognized as sentient beings with intrinsic value.*
- *Policy should be based on sound science and the ethical treatment of animals.*
- *Conservation decisions should be guided by ecological sustainability and biological sustainability, the precautionary principle and ethical treatment of animals.*

Our Approach:

IFAW is a global non-profit organization that protects animals and the places they call home. We engineer solutions that benefit animals, people and the planet, and act where we are needed the most. Our international programs are based in science, rooted in local communities, globally-scalable, economically-viable and always take the long view.

Our work connects animal welfare and conservation, demonstrating that healthy species, populations, naturally sustaining habitats and the welfare of individual animals are intertwined.

We are international, with local expertise and leadership in all of our regional and country offices. Through strong international coordination, we leverage regional campaigns and projects to achieve global influence and impact.

We use our hands-on projects on the ground to effect change for animals and provide data to inform and influence policies and practices at the international, national and community level.

Our Team:

Our team includes rescue professionals, conservation specialists, rural community development experts, wildlife crime prevention and enforcement professionals, veterinarians, policy experts, campaigners, scientists, educators and the highest quality support staff all driven by a determination to help animals in need and conserve species and landscapes.

A message from the Board Chair

As a long-term advocate for animal welfare and conservation, I joined IFAW because I wanted to work with an organization that focused on impact vs process. We at IFAW strongly believe that the survival and well-being of people, animals, and the planet are interrelated and require comprehensive, holistic planning and execution. As a veteran corporate and government strategies, I know that the more complex the problem, the higher the risk, and the greater the need for integrated solutions. To gain the tangible results we seek, IFAW's approach addresses policies, methods, and on the ground relationships. We focus our efforts with a combination of creativity, pragmatism, and a relentless drive to take on these increasingly challenging problems.

Fiscal year 2018 reflects significant progress in animal protection and policies, community engagement, and conservation on land and in the oceans. Our supporters around the world, whether individual donors, foundations, or governments, have invested in IFAW to help solve the complex challenges that animals and people face. We cannot be deterred by the magnitude of these problems. Nor can we succeed in animal rescue, rehabilitation, and creation of secure environments without you. Thanks to all who contributed this year to enabling animals and people to thrive together.

Thank you,

Joyce Doria
Board Chair

A message from the CEO

I have the great privilege and responsibility of visiting IFAW's projects, where I spend time observing the wildlife we work so hard to protect and learning from the people who call these ecosystems home. These firsthand experiences play a central role in my advocacy work with governments and policy makers around the world. Fighting the good fight - arguing persistently and loudly that change is needed - is not enough. We must demonstrate practical solutions that solve complex problems, and we must connect the experiences of communities coexisting effectively with wildlife to the policy arena to demonstrate that win-win solutions are possible through a long-term, holistic approach.

In these pages, you will learn about the meaningful impacts achieved this year, intercepting human and environmental threats, rescuing and rehabilitating the most vulnerable animals, and working side by side with our community partners. We could not have done any of this work without you.

Around the world, IFAW is leading the way forward, thanks to your generosity. In 2019 we invite you to follow us as we celebrate our 50th year of service. By collaborating with donors and partners at the community, national and international levels we will pioneer new ways to ensure a healthier planet for animals and for people.

Sincerely,

Azzedine T. Downes
President and CEO

A message from Country Director Stichting IFAW

Looking back

It has been a busy year, with a lot of activities. I do want to share a few of the most exciting projects during this financial year.

A branch office of the organization was established in Morocco on 25 August, 2017 at the same time Stichting AAP, Animal Advocacy and Protection, and IFAW with the support of the Dutch Postcode Lottery, launched the project Born to be Wild to reduce poaching and illegal trade as to secure the habitat of Barbary macaques in Ifrane National Park In the context of the #NoIvoryinEU campaign, IFAW launched in 2017 a petition to urge the EU to ban the ivory trade. On March 28, 2018, IFAW and the worldwide AVAAZ campaign movement presented over 1.2 million signatures. Scientists from more than 33 countries, members of the European Parliament, the African Elephant Coalition and the online auction website eBay, also supported IFAW in its campaign.

The Netherlands is one of the foremost European countries involved in trading elephant ivory. In the spring of 2018, IFAW investigated the trade in ivory objects by Dutch auction houses. This after initiatives in other European countries and the outcome of earlier investigations in the Netherlands where it became clear that the Netherlands was also involved in the ivory trade. We already shared the results of the investigation with politicians and the Dutch Ministry of Agriculture, Nature and Food Quality before official publication.

Our "Blijf van mijn Dier" project remains very successful. Through this great project, that has taken off dramatically in a short time, IFAW receives the recognition that it deserves. We get more and more requests from other organisations, police and government to share our knowledge and best practices. This year IFAW has given several lectures on the police academy and we have signed an agreement with the Blijf Groep, a domestic violence shelter organization. They have 5 shelters and in all of them pets can remain with their owners. The five cities of Alkmaar, Amsterdam, Almere, Wormerveer, Zaanstreek and Heemskerk connected to the Blijf Groep are now participating in the Blijf van mijn Dier project.

And the wolf is back in The Netherlands

For several years IFAW has been a member of the platform Wolven in Nederland. The aim of this organization is to create support for the wolf in the Netherlands. Together we are working to develop solutions that will keep sheep safe and prevent animal-human conflicts

Next year

Exciting things for the upcoming year.

- *We are going to submit a proposal to become a fixed beneficient of the Postal Code Lottery.*
- *We also will start the procedures to obtain the CBF quality mark which is essential for Stichting IFAW*
- *In August we will take part in Beach Clean Tour on the beach of Schevening. A lot of preparation has already been done.*
- *Next year we will certainly save the 250e pet in our 'Blijf van mijn Dier' project.*

This is just a handful of activities for the upcoming year. This will also be a year in which I won't be involved in IFAW's work anymore. For me it is time to say goodbye. After over 26 years I will retire. These have 26 wonderful years, working with so many dedicated people with only one goal: create a better world for the animals. I am so proud of our mission and all our colleagues who have achieved so much over all these years. It has been a honor working for the animals and for IFAW.

I am very happy to introduce Joep van Mierlo. He will be the new Country Director of Stichting IFAW and also the European Regional Director. Joep is joining IFAW with a background of over 25 years of international development in rural livelihoods and integrated small-holder livestock programs.

I have full confidence in Joep and hand over the Dutch office knowing that he will bring this office to the next level

Sincerely,

*Arien van der Heijden,
Country Director Stichting IFAW*

1.1.1 Organization Stichting IFAW (International Fund for Animal Welfare)

Stichting IFAW (International Fund for Animal Welfare) is a Dutch Foundation with its office in Den Haag, The Netherlands. A supporter relations department runs the day to day operation of answering enquiries from donors and the general public, informing them of animal welfare activities, processing mail and banking.

A branch office of the organization was established in Morocco on 25 August, 2017 at the same time Stichting AAP, Animal Advocacy and Protection, and IFAW with the support of the Dutch Postcode Lottery, launched the project *Born to be Wild* to reduce poaching and illegal trade as to secure the habitat of Barbary macaques in Ifrane National Park (see *Director's Statement, note 1.2.1 Wildlife Crime*).

Stichting IFAW has a Country Director, Ms. Arien van der Heijden, as well as communications staff, campaign staff and administrative staff. Support for communications and campaigns, as well as accounting, information technology and direct mailing and resource development activities are provided, in conjunction with Stichting IFAW, by the International Fund for Animal Welfare, Inc. (United States) ("IFAW US") as it does for all its affiliated organizations. These services are performed at cost, which in management's judgment approximates the value of services provided. This system is believed to be the most efficient and cost effective, and results in consistent operating policies world-wide.

Stichting IFAW is governed by a Board of Directors. Board responsibilities include but are not limited to: monitoring progress toward strategic outcomes; ensuring compliance with applicable laws and regulations; approving budgets and financial statements; and oversight of efforts to attract new resources to support the mission.

Stichting IFAW and IFAW Worldwide

Stichting IFAW is a Dutch Foundation located in Den Haag and is part of a worldwide group of non-profit organisations, which collectively comprise the International Fund for Animal Welfare ("IFAW"). The International Fund for Animal Welfare operates as a worldwide family of animal welfare organizations unified in pursuit of their shared vision of a world where animals are respected and protected.

Stichting IFAW (International Fund for Animal Welfare) is affiliated with the non-profit organizations included below:

- International Fund for Animal Welfare (Australia) Pty Ltd
- International Fund for Animal Welfare Inc./Fonds international pour la protection des animaux inc. (Canada)
- Fonds international pour la protection des animaux (IFAW France)
- IFAW Internationaler Tierschutz-Fonds gGmbH (Germany)
- International Fund for Animal Welfare NPC (South Africa)
- International Fund for Animal Welfare (IFAW) (United Kingdom)
- International Fund for Animal Welfare IFAW in Action (United Kingdom)
- IFAW Commerce Limited (United Kingdom)
- International Fund for Animal Welfare, Inc. (United States)
- International Fund for Animal Welfare (IFAW) Limited (Malawi)
- International Fund for Animal Welfare Limited (Zambia)

Relationship to the International Fund for Animal Welfare, Inc. (United States)

The International Fund for Animal Welfare, Inc. (IFAW US), is a company established under the laws of the Commonwealth of Massachusetts (USA) and registered with the US Internal Revenue Service under Section 501(c)(3).

IFAW US provides certain support activities for all the IFAW entities. Shared support includes program, fundraising and managerial activities such as finance, legal, IT technology, human resources, fundraising management, international strategic project and campaign management and program communications strategy and delivery.. Expenditures related to this shared support is reimbursed to IFAW US by Stichting IFAW and the other affiliated entities at cost and are referenced within these statements as “ISC” (Institutional Shared Costs).

The allocation basis for the ISC related to each entity is determined as follows:

- a. The total contributions received by each entity during the relevant period, excluding any grants received from another IFAW entity.
- b. The total expenses incurred by the IFAW entity during the relevant period (excluding grants made to another IFAW entity)

The parties agree that the purpose of the allocation is to fairly apportion the shared costs to each IFAW entity by reference to fair and common sense principles with the intent that each entity bears its proportional share.. IFAW US seeks to recover allocable costs from each entity employing principles of equity (i.e. cost apportionment shall be fair and reasonable) and financial capacity to contribute.

Relationship to the affiliated organizations

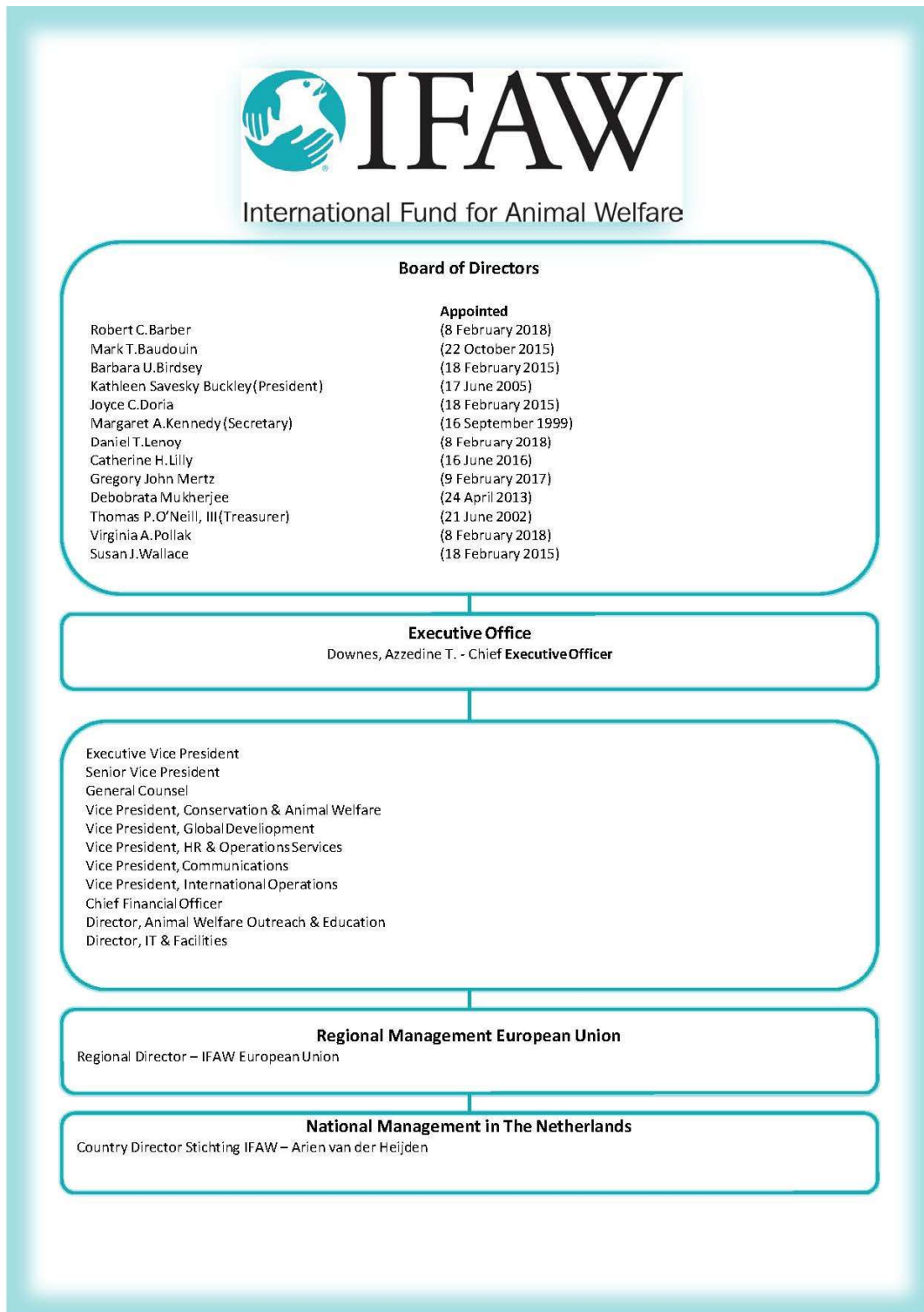
Stichting IFAW and its affiliates operate as separate and independent entities. The assets of Stichting IFAW are held separately from, and are not commingled with those of its affiliates.

Stichting IFAW, as the European Financial Service Center provides accounting, basic financial management, financial reporting, treasury, payroll and audit support to three IFAW entities in Europe with five offices situated in France, Belgium, Germany, Morocco and The Netherlands. The services and recharge of allocable costs are defined per entity in a Framework Agreement.

Contributions to affiliates for programme services and donations represent unconditional grants to other IFAW organizations for the furtherance of their missions, which are consistent with the mission of Stichting IFAW (International Fund for Animal Welfare).

Grants and financial contributions to affiliated entities are made on the basis of (1) recipient need for financial assistance and (2) grantor financial ability to support affiliates. Determinations about the timing and amounts of assistance are typically made during the annual budgeting cycles. Like non-affiliated recipients, grants awarded to affiliated organisations are for the furtherance of programmatic and operational activities with goals and missions that are compatible with Stichting IFAW.

Governance/Management structure and responsibilities



Board Committees

Five Board Committees convene according to their Charters to formulate recommendations to the full Board. The Committees are comprised of both Board members and non-Board members. The professional skills and expertise of the individual members are evaluated and aligned to meet the varying needs of each of the following Committees:

Audit & Risk Oversight - The Audit & Risk Oversight Committee assists and makes recommendations to the Board of Directors in fulfilling its responsibility to provide oversight regarding: (1) IFAW's systems of internal controls and risk management; (2) the integrity of IFAW's financial statements; (3) IFAW's compliance with legal and regulatory requirements and ethical standards; and (4) the engagement, independence and performance of IFAW's independent auditors.

Executive – The Executive Committee assists the Board of Directors in fulfilling its responsibilities by serving as the core organizing and facilitating Committee of the Board of Directors. It serves as the key communication vehicle for management to the Board of Directors and acts in a proxy capacity to represent the Board of Directors and act on its behalf when it is impractical for the entire Board to do so. The Executive Committee's duties include evaluating the performance of the Board and senior management, setting the agenda for Board Meetings and acting for the Board between meetings.

Finance & Investments – The Finance & Investments Committee assists and makes recommendations to the Board of Directors in fulfilling its financial oversight responsibilities as well as in maximizing the efficient, productive and responsible use of IFAW's financial assets. The Finance & Investments Committee's duties include reviewing financial statements including results of the financial statement audit, monitoring the budget for unusual transactions and supervising investments.

International Development – The International Development Committee assists and makes recommendations to the Board of Directors in identifying, attracting and cultivating philanthropy and future leaders for the benefit of the IFAW's worldwide mission.

Data Protection & Fundraising Compliance – The Data Protection & Fundraising Compliance Subcommittee is a newly created sub-committee of the International Development Committee established to assist and make recommendations as to data protection policies and procedures to minimize the risks associated with data breaches.

Nominating – The Nominating Committee assists and makes recommendations to the Board of Directors in proactive identification, cultivation, recruitment, vetting and orientation of new Directors in order to optimize effective governance, ensuring that the Board of Directors is comprised of leadership capabilities, expertise, skills and philanthropic capacity to support IFAW's mission and strategic goals.

The Board of Directors (BOD) consists of thirteen current members at 30 June 2018. Each of the Board members is elected for a three year term, and served during the year and up to the date of signing the financial statements. Board members received no remuneration in Fiscal 2018 (Fiscal 2017: nil).

The Nominating Committee of the current Board reviews and recommends new Board members. Potential new members are recommended by existing Board members or staff. New Board members are elected and Board members whose three year term is about to expire are eligible for election at the June General Annual Meeting. The Board members are divided into three groups whose terms expire in consecutive years. Once appointed, Board

members participate in an orientation session and are provided a manual which contains information such as IFAW's mission and values statements, organisational charts, BOD directory, programmatic overviews, BOD committee structures, financial overviews, by-laws and conflict of interest policy. While certain Board members may serve on boards of other entities, they are required to complete an annual Conflict of Interest Statement disclosing all other affiliations. For the year ending 30 June, 2018 management found there to be no conflict of interest relating to members of the Board for Stichting IFAW (International Fund for Animal Welfare).

Board 'members' responsibilities include organizational governance, fiduciary responsibility, networking and fundraising. Board members act as ambassadors for the organization and work to ensure that the organization is effectively fulfilling its mission by making certain that organizational initiatives, grantmaking, investment and donor stewardship activities all support and advance IFAW's mission.

The President and CEO reports to the IFAW Global Board of Directors, who govern the legal entities that make up IFAW around the world. The President/CEO is ultimately responsible for the overall health of the organisation and its success in performing its mission of rescuing and protecting animals. In addition to serving as a vital link between the Board of Directors and the organisation as a whole, the CEO is responsible for setting the tone for the institution's internal relationships and serving as the organization's most public face in the interaction with donors, world leaders and high level government officials. The President/CEO directly manages executives who are based in geographically diverse locations.

The General Counsel provides legal advice to the CEO and senior executives across the organisation, manages corporate legal relationships and promotes legal compliance across all IFAW entities.

The Executive Office protects and nurtures the mission of IFAW and ensures that the Strategic Plan is executed and is expected to provide leadership at an organisational, strategic level. They are responsible for the line management of teams of people based across wide geographical locations.

Stichting IFAW (International Fund for Animal Welfare) is structured in this way to take advantage of talent and skill sets across the globe. The Executive Management is made up of Vice President and Director level team members who directly manage our Animal Welfare and Conservation Programmes, Communications, Human Resources, Finance, Information Technology and Development. The Programmes, Communications and Development departments have significant staff located in the regional and country offices whilst the Finance, IT and Human Resources departments are more centralized, although not exclusively, in the United States of America.

Regional Management in The Netherlands, the **Country Director of Stichting IFAW** is responsible for day-to-day management of the supporter relations department, communication, campaign and administrative staff in The Netherlands and reports to the Regional Director – IFAW European Union.

Main and Secondary functions of the Board of Directors and National management

Name	Robert Barber
Title	Director
Background	Attorney
Appointment	8-Feb-2018
Resignation	30-Jun-2021
Term	1 st
Main Function (Occupation)	Corporate Attorney and Partner at Prince Lobel Tye LLP
Secondary Functions (Volunteer Services)	Director of: Abbot Academy Fund; Center for Disarmament and Non Proliferation; Council for a Livable World

Name	Mark Beaudouin
Title	Director
Background	Attorney
Appointment	22-Oct-2015
Resignation	30-Jun-2019
Term	1 st
Main Function (Occupation)	Senior Vice President, General Counsel & Secretary of Waters Technologies Corporation
Secondary Functions (Volunteer Services)	Director of National Academy of Advanced Teacher Education

Name	Barbara Birdsey
Title	Director
Background	Environmentalist; Social Activist
Appointment	18-Feb-2015
Resignation	30-Jun-2018
Term	1 st
Main Function (Occupation)	Director of Pegasus Foundation
Secondary Functions (Volunteer Services)	Alliance to Protect Nantucket Sound, Director Oceanside Performing Arts Center, Director Pegasus Foundation, Founder & Director Treasured Lands Foundation, President

Name	Kathy Savesky Buckley
Title	Board Chair
Background	Non-Profit Consultant
Appointment	17-Jun-2005
Resignation	30-Jun-2018
Term	6 th
Main Function (Occupation)	Philanthropic Advisor of A Kinder World Foundation
Secondary Functions (Volunteer Services)	Savesky & Company, LLC, Principal & Sole Member

Name	Joyce Doria
Title	Board Vice Chair
Background	Management Consultant; Philanthropist
Appointment	18-Feb-2015
Resignation	30-Jun-2018
Term	1 st
Main Function (Occupation)	Retired
Secondary Functions (Volunteer Services)	None

Name	Arien van der Heijden
Title	Country Director Stichting IFAW in The Netherlands
Background	Non-profit Management
Appointment	15-May-1992
Resignation	
Term	
Main Function (Occupation)	Country Director Stichting IFAW in The Netherlands
Secondary Functions (Volunteer Services)	None

Name	Maggie Kennedy
Title	Director
Background	Finance Executive
Appointment	16-Sep-1999
Resignation	30-Jun-2018
Term	7 th
Main Function (Occupation)	Director of Center for Education Excellence in Alternative Settings
Secondary Functions (Volunteer Services)	None

Name	Daniel Lenyo
Title	Director
Background	Project Manager
Appointment	8-Feb-2018
Resignation	30-Jun-2021
Term	1 st
Main Function (Occupation)	Vice President, Bright Horizons Family Solutions
Secondary Functions (Volunteer Services)	Massachusetts Horizons (childcare and other family services); Building & Governance Committees

Name	Catherine Lilly
Title	Director
Background	Animal Welfare/Non-Profit Management
Appointment	16-Jun-2016
Resignation	30-Jun-2019
Term	1 st
Main Function (Occupation)	
Secondary Functions (Volunteer Services)	Charles River Alleycats (Massachusetts TNR of cats), Board President Edinburg Center (Massachusetts human service agency), Board Treasurer MSPCA-Angell (animal welfare and veterinary referral hospital), Director

Name	Greg Mertz
Title	Director
Background	Consultant
Appointment	9-Feb-2017
Resignation	30-Jun-2020
Term	1 st
Main Function (Occupation)	
Secondary Functions (Volunteer Services)	Founder and Director of Mutapa Foundation (elephant welfare in Zimbabwe)

Name	Debabrata Mukherjee
Title	Director
Background	Marketing Executive
Appointment	24-April-2013
Resignation	30-Jun-2019
Term	2 nd
Main Function (Occupation)	Chief Marketing Officer, Flowers Foods
Secondary Functions (Volunteer Services)	None

Name	Thomas P. O'Neill, III
Title	Director
Background	Public Relations
Appointment	21-Jun-2002
Resignation	30-Jun-2018
Term	6 th
Main Function (Occupation)	CEO of O'Neill & Associates
Secondary Functions (Volunteer Services)	Trustee of Boston College Trustee of Regis College Director of Tufts Health Plan

Name	Virginia A. Pollak
Title	Director
Background	Fashion Executive
Appointment	8-Feb-2018
Resignation	30-Jun-2021
Term	1 st
Main Function (Occupation)	Operations & Merchandising Executive, Zady
Secondary Functions (Volunteer Services)	None

Name	Susan Wallace
Title	Director
Background	Philanthropist
Appointment	28-Feb-2015
Resignation	30-Jun-2018
Term	1 st
Main Function (Occupation)	Co-Founder & President of The Woodtiger Fund
Secondary Functions (Volunteer Services)	Director of Bat Conservation International Director of Lion Guardians Director of American Rivers

Remuneration policy for management, directors, supervising body and employees

The Organization's Board of Directors received no remuneration during the years ended 2018 and 2017. The Country director received gross compensation of €81,188 for the year ending 30 June, 2018 (FY17: €78,823).

The foundations policy for the remuneration of the staff is based on the following:

- Salary in line with the market;
- Salary of the Director in accordance with the *Regulation for remuneration of directors of charities on behalf of boards and supervisory councils* of the branch organisation Goede Doelen Nederland (formerly the VFI);
- Salary increases eligibility based on satisfactory formal performance appraisals;
- Equal secondary conditions for everyone, including the arrangements for retirement, vacation, and travel expenses;
- No payment for overtime, but flexibility to compensate reasonably with time for time

1.1.2 Communication with stakeholders

Stichting IFAW considers it to be important to communicate clearly with all stakeholders, to provide transparent accountability for income and expenditure. For this, Stichting IFAW uses a mix of communication tools for the various target groups.



The most important goals are:

- Accountability
- Showing impact
- Informing various target groups about our mission, the activities and the results of our work

Communication tools

Stichting IFAW informs its supporters about our work and results through newsletters, updates and online.

Each appeal educates audiences about threats to animals and the landscapes humans share with them, and asks citizens and supporters to take actions to improve this state of affairs through a direct action or an indirect action (e.g., sign a petition, donate to IFAW, make a positive lifestyle change, contact elected officials).

Newletters and Program Updates

In Fiscal Year 2018 Stichting IFAW has regularly informed its donors about its activities within the various projects. This is done by sending educational newsletters, updates and, if necessary, personal writing.

E-mail

In fiscal year 2017/2018 e-mails were sent to an average of 60,000 recipients. These e-mails informed donors about IFAW projects and brought petitions to the attention of recipients with a request for these to be signed.

Website

In Financial Year 2018 more than 119,000 (182,000 in fiscal year 2017) visitors paid a visit to our website ifaw.org/Nederland. All together, they viewed almost 241,000 pages (327,000 in fiscal year 2017). The largest part, 37% (34% in fiscal year 2017) came through Google AdWords, via e-mail, 24% (25% in fiscal year 2017) and through social media, 11% (20% in fiscal year 2017) of people paid a visit to ifaw.org.

The most important pages visited were education, the donation page, signing petitions and the contact page.

Social media

Stichting IFAW is very active on Facebook, Twitter and Instagram. On Facebook Stichting IFAW has the most followers, about 37,000 (40,000 in fiscal year 2017). The main goal on Facebook is to show IFAW's work and to share with our follower's news about our projects.

1.1.3 Funding

Income is primarily generated through donations from loyal monthly individual supporters and in response to newsletters, educational direct mail, direct television campaigns and telemarketing efforts.

Most income is received following appeals for help through periodic multi-purpose correspondence. Newsletters and other communications educate existing donors and potential donors about IFAW's goals and accomplishments, offer an opportunity for individuals to do something for animals, and give supporters the chance to contribute to the organization's work using an enclosed donation form. The Organization is also committed to seeking restricted funds to support programmatic work to compliment unrestricted funding by means of grants from governments, non-profit organisations and lotteries.

1.1.4 Reserves and Funds

IFAW's global reserves and funds are intended to mitigate financial risks imbedded in the Organization's operating activities and position the Organization to pursue programmatic and institutional activities. The worldwide affiliated IFAW entities are financially and operationally interdependent. As such, individual IFAW entities may vary with respect to nature and quantities of reserves.

Stichting IFAW maintains as per June 30th, 2018 a continuity, earmarked reserve and new additional earmarked reserve – Institutional Investment reserve for the purpose of funding program and operational expansion.

The **Continuity reserve** is intended to be used for the long-term sustainability of the Organization and to mitigate financial risks imbedded in the Organization's operating activities (*see Financial Statements note 2.5.3.*). In accordance with the Guideline for annual reporting 650 "Fundraising Organizations" and guideline 'Richtlijn Financieel Beheer Goede Doelen' of the Vereniging van Fondsenwervende Instellingen (VFI), the reserve as per 30 June, 2018, €2.5 million is below the maximum allowed reserve of 1.5 times the annual operating expenses, approximately €5.2 million (for FY18). During fiscal year 2018 the Board resolved to transfer €1 million to a new earmarked – Institutional Investment reserve, further details below.

The **Earmarked** reserve is a reserve to provide Stichting IFAW with investment income and is intended to provide unrestricted financial resources to support long range strategic objectives of the Organization (see Financial Statements note 2.5.3 and 2.5.7).

The **Institutional Investment** reserve has been created in fiscal year 2018 to fund critical investments in staffing, technology and systems needed to support programmatic and operational growth in the current and two subsequent fiscal years (see Financial Statements note 2.5.3).

1.1.5 Investment policy

Stichting IFAW in The Netherlands has a long-term financial Earmarked reserve fund managed by 'Quilter Cheviot' in accordance with IFAW's Institutional Investment Policy Statement. The objectives of the fund are to provide Stichting IFAW with investment income to support long range strategic objectives as well as financial stability and represent the total value of the sum of the financial fixed assets (€1,668,773) and balance of the capital cash account (€98,051) as per 30 June, 2018 or €1,766,824. The positive net investment result of €77,043 is mainly due to unrealized gain on currency contracts as per 30 June 2018. Assets will be invested with due care, skill and diligence, investment approach will be that of a 'prudent investor'.

In accordance with the Organisation's Guiding Principles, investment manager shall not invest in companies that engage in the following activities: animal testing, intensive farming, unsustainable timber production, fur trade of animals or species that are endangered and/or subjected to cruelty and producers of weapons banned by international treaties.

The fund is evaluated in the context of the investment goals and objectives twice annually on a total return basis. The report is presented to the Finance Committee.

1.1.6 Financial accounting

IFAW is committed to transparency and providing meaningful, clear information about its programs and financial management. The Organization seeks to instill and preserve public confidence and trust through its actions and its reporting. IFAW continuously evaluates and improves its reporting processes and endeavors to maintain best business practices by working closely with its partners, oversight groups and other organizations.

Stichting IFAW's financial statements are prepared in accordance with the Guideline for annual reporting 650 "Fundraising Organizations" of the Dutch Accounting Standards Board. Stichting IFAW is committed to comply with the new validation system standards operational in the Netherlands as from January 1st, 2016 including the guideline 'Richtlijn Financieel Beheer Goede Doelen' of the Vereniging van Fondsenwervende Instellingen (VFI) resulting from the validation system/new CBF seal.

Stichting IFAW is audited annually by RSM Netherlands Accountants N.V.

1.1.7 Risk management

Reputation and external forces risk

Stichting IFAW has established a reputation for being a leader in the field of animal welfare and habitat protection. The Organisation takes strict measures to ensure that its programme, fundraising, and governance

activities comply with its not for profit objectives. Further, the Organisation monitors external forces to evaluate compliance with relevant regulations and fundraising organisation's best-practices.

Financial and physical assets misappropriation risk

Stichting IFAW maintains robust controls over its physical and financial assets. Controls are monitored and reviewed routinely to ensure that they are properly designed and functioning effectively.

Credit risk

Credit risk on amounts owed to the Organisation is low. The majority of debtors relate to accrued legacies and amounts due from affiliated organisations.

Income and liquidity risk

Stichting IFAW is reliant upon donations from its supporters to finance activities in support of achieving its objective. Due to a decline in donations from monthly individual supporters and risks involved with reliance on traditional fundraising strategies a strategy has been set up to diversify income to mitigate this risk. The Organization is committed to seeking restricted funds to support programmatic work to compliment unrestricted funding by means of grants from governments, non-profit organisations and lotteries.

Cash flows are continuously monitored and evaluated to ensure cash outflows associated with its operational activities are matched by inflows from donations and investment income. As noted in the Reserves Policy section (*See Financial statements, note 2.5.3*), Stichting IFAW maintains a continuity reserve equal to cover operating expenses during a period of eight months to be used for the long-term sustainability of the Organisation and to mitigate financial risks imbedded in the Organisation's operating activities.

EU General Data Protection Regulation (GDPR)

Stichting IFAW has been reviewing and updated it's privacy policy to mitigate fundraising revenue impacts and be in compliance with the GDPR regulations, that came into force in May 2018.

IFAW is committed to preserving and respecting the privacy of our supporters ,vendors and staff and we will always do our best to protect all personal information and keep it safe, whether on the website or by any other means. One important thing to know is that we will not sell or exchange personal information for marketing purposes.

1.2 PRINCIPAL ACTIVITIES

Stichting IFAW is part of a worldwide group of non-profit organizations that make up the International Fund for Animal Welfare (“IFAW”). IFAW has offices in sixteen countries and supports animal welfare and conservation projects in more than forty countries around the world.

The mission: *IFAW protects animals and the places they call home.*

IFAW administers its programmatic activities through the following priority areas:

- 1.2.1 Wildlife Crime
- 1.2.2 Community Animals
- 1.2.3 Landscape Conservation
- 1.2.4 Marine Conservation
- 1.2.5 Animal Rescue (disaster response and wildlife rehabilitation and sanctuary)

Through a combination of direct expenses and grants, working in the Netherlands and as an integral part of IFAW’s international campaigns, **Stichting IFAW** made significant contributions to the organization’s strategic priorities during Fiscal Year 2018 and carries out programs that are educational, scientific or investigative in nature, designed to increase public awareness of animals and their needs.

1.2.1 Wildlife Crime

Strategic Approach IFAW

Threat: Illegal commercial exploitation of wildlife and wildlife products

Background

Poaching and illegal trade are a threat to the survival of many species of animals. The often, inadequate legislation is further undermined by inadequate capacity in the area of enforcement and prosecution, which means that violations remain unpunished. In addition, there is still corruption and inadequate government supervision, as a result of which the illegal trade takes place under the cover of legal trade. The lucrative illegal trade in wild animals attracts modern criminal networks, which are also involved in activities such as trafficking in drugs, weapons and people. This has a destabilizing effect on ecosystems, as well as the safety and for economic development potential of the communities involved – even whole countries.

Integral approach

The illegal trade in wildlife is so complex that an integrated and decisive approach is required in collaboration with governments, communities, NGOs and the private sector.

The countries of origin

In close cooperation with national, regional and international partners, IFAW is building an expansion of the enforcement capacity to keep the criminals as close as possible to the places of origin. The purpose of this is to intercept smuggled goods at the border, before they reach their destination. Most poaching activities take place in East and South Africa.

The countries of destination

In Asia, there is a great demand for wildlife products. Therefore, we are working on more effective legislation and greater enforcement capacity. An essential aspect of our work is to achieve a different attitude and behavior towards animals in society.

Working across borders/Disrupting the trade channels

Due to our expertise in the field of internet crime, we work closely with internet companies and enforcement agencies around the world to tackle the online trade.

Activities Financial Year 2018

See Financial Statements, note 2.6.9 Contribution to causes allocated to the strategic program areas of IFAW, Wildlife Crime, Total realization 2017/2018 €2,446,155 (2016/2017 €1,739,756)

Collaborative approach in Wildlife Crime gets results

Rikkert Reijnen

Program Director Wildlife Crime

Preventing poachers from striking!

The demand for wild animals and products has increased enormously since 2008: from ivory, rhino horns, and pangolin scales to live animals such as primates and big cats. By employing CSI methods and training enforcers in the smart use of data, IFAW is doing everything she can to stop the trade and poaching of wild animals. The collaboration with local partners and communities as well as authorities like Interpol and the Netherlands Forensic Institute produces results. The illegal trade in wild animals and environmental crime affects a wide range of flora and fauna on all continents, and represents an estimated annual value of EUR 61-186 billion. In comparison, the official worldwide funds for development aid come to about EUR 118 billion.

Actions – Results – Impact

Working smarter and working together

Morale

Reijnen explains: “Wildlife crime is an important theme for IFAW given its size and impact. It links too many other challenges in the area of animal and nature conservation. Our interventions concern three areas: interventions in the field – preventing the occurrence of poaching; disrupting the chain of illegal trade, and reducing the demand for products made from wild animals. When it comes to poaching, we work in the countries where it actually happens. The poachers, now often paid by large crime syndicates, work even more efficiently. That is why we are working to strengthen capacity with all stakeholders such as local governments, animal protection organizations, communities and the people in the field. What we have learned and experienced in recent years is that you can only reach your goal if the morale of the people you are working with is good and that means that morale can only change if the basic needs of the people you need to work with are met.

Smarter use of data

Sometimes certain challenges are looked at from a Western point of view and we do not understand, for example, how rangers can become corrupt. However, if you do not receive your salary as a ranger and you are not able to support your family, what do you do? Or, if you simply cannot do your work because there is no money for gasoline. Then it all becomes very difficult. Therefore, we ensure that people have the right attitude and can maintain that attitude, by making sure their primary needs are met. We have also invested this year in selecting the right people by giving them extensive training. The next step is to invest in smart resources, but also to work smarter with the information we gather. Listening to the ‘early warning signs’, people from the communities who tell us when, for example, suddenly a lot of refueling of vehicles is taking place and provisions are bought in large quantities. Then we know we must be alert. This is valuable information. This is valuable information in addition to the scientific data we obtain through investigation.”

Malawi

“Malawi is a great example where we first set up good basic needs for the people involved in fighting poaching in the national parks. We can see that this approach works. A good example is the arrest of three poachers on the Malawi-Zambia border in July 2017, during a risky undercover operation by the Wildlife Crimes Investigations Unit (WCIU). This was a joint initiative of Malawi’s Department of National Parks and Wildlife, the police and IFAW. We provide financial support for cross-border investigations and provide training for the park rangers. We are also committed to setting up a reliable network of informants who inform officials about illegal trade, and a dedicated, non-corrupt enforcement team in Zambia and Malawi. Just a few hours before the arrests, an informant told the team that these men were trying to sell recently poached ivory,” says Reijnen.

Increase population

In the short time that IFAW is working in this area, there has been a clear decrease in the number of poaching incidents. Since 2015, more than 200 arrests in the Malawi and Zambia and ivory of more than 300 elephants has been confiscated. The concrete result of this is that the elephant population has increased in this area. This kind of collaboration not only ensure that we can compete with the complex network of illegal trade in wild animals, but also that we can change the way in which people in Malawi and Zambia think about and deal with wildlife crime.

The Horn of Africa

Wildlife Crime Prevention Project

One of the most important regions in the world where wild animals are killed or captured, but also where the products are sold and traded, is the Horn of Africa. In order to combat this trade and the associated poaching, IFAW and local partners started the Wildlife Crime Prevention program in 2016 with the support of the Dutch Committee of the IUCN and the Dutch Ministry of Foreign Affairs. In this 2.5-year program, customs, police officers, investigators, prosecutors and the judiciary in the Horn of Africa work together with animal protection organizations and local communities. The funding for the project officially ended in January 2018, but the project has been extended to June 2018 without additional funding (*See Financial Statements, note 2.6.1b Income grants Government, Realisation 2017/2018 €93,665 compared to €362,878 in 2016/2017*)

The overall results

Reijnen says that a comprehensive evaluation report has now been published on the successes and learning moments of the project. “The project has achieved a lot in a relatively short period of time. Building relationships with communities and law enforcement agencies to fight wildlife crime at a regional level is not an easy task. A noticeable point from the report is that the interested parties strongly believed it is possible to implement the same approach in other regions, especially through initiatives such as local scouts, cross-border training, improved data collection and analysis. The Horn of Africa Wildlife Enforcement Network (HAWEN) may also play a leading role in developing training standards in the region.

Local communities

In Kenya, 70% of wild animals live outside protected areas and therefore cooperation is essential. Traditional communities, such as the Maasai, have been living together with wild animals in their areas for generations. Together with local partner SORALO (South Rift Association of Land Owners), IFAW has helped to strengthen the traditional way of life of these local communities. Reijnen explains: “If the local population is the first line of defense against poaching, we will be much stronger. That is why we also work with partnerships. Thanks to cooperation with local scouts, the rangers of the KWS (Kenyan Wildlife Services) and the Maasai, the poaching of elephants in the Loita hills has dropped by 85% since 2014 (compares to the period 2010-2014), with only three elephants killed in 2016. While in the Tsavos, 85 poaching incidents were prevented in two years, the number of poachers dropped by 76% (37 elephants saved) in 2016, and in 2017 the poaching figures dropped by 98% (48 elephants saved), and only one elephant was killed. And in Ethiopia, we see a positive change in the mind set of leaders of communities and local authorities towards the protection of animals and nature.”

Human-animal conflicts

Another part of our work in the field is human-animal conflicts. Reijnen explains: “These conflicts can have a huge impact on local communities. What if an elephant has eaten your crop, or a lion a part of your livestock? What if your children can't get to school safely? We help people find solutions, for example by setting up animal-friendly forms of ecotourism, training and offering lease agreements when setting up a corridor between two nature preserves. This year we have seen that thanks to our efforts against poaching, an increased number of animals in the wild, an ecologically sound landscape that has led to an increase in the number of tourists. And that means more money for the local communities.”

Training

Cooperation also takes place in the area of disrupting illegal trade. A successful part of IFAW's work this year is improving transnational cooperation between law enforcement agencies in Kenya and Tanzania. IFAW offers them combined training sessions with national police, customs, tax authorities and nature authorities from both countries. “The airports in the large cities in this region frequently have to deal with smuggling of products of wild animals. That is why we are working on capacity building of customs officers,” says Reijnen. “If there's one thing IFAW has learned in the recent years, it is that combating this form of crime requires cooperation. For an effective approach, countries in the Horn must coordinate their investigation and enforcement and make cross-border agreements. Mutual contacts through training sessions are crucial.” For the training of people and detection dogs, IFAW cooperates with Interpol. Similarly in Ethiopia, where enforcement officers received training in investigation, seizure and handling of illegal wildlife products.

TenBoma Project

Contribution to affiliates for program services from Stichting IFAW to International Fund for Animal Welfare Inc. (See *Financial Statements, note 2.6.9 Contributions to causes allocated to the strategic program areas of IFAW, Contributions to affiliates for programme services, Realisation Wildlife Crime 2017/2018 €170,159 (2016/2017 €156,401)*).

IFAW and the Kenya Wildlife Service (KWS) have joined forces in the tenBoma project, in which we aim to bring together all information that can be used in the fight against wildlife crime into one central place. It must be at a place where the local community can leave specific information and actively contribute to the fight against ivory poachers. To this end, the project also conducts high-value data analysis and prepares security operations, all intended to prevent poaching attacks on rhinos and elephants. With the tenBoma project we connect communities in and around vulnerable nature preserves. By linking ten (*ten*) communities (*bomas*) at a time, we can create a powerful barrier against poaching and other forms of wildlife crime.

Training and smart techniques

Part of the approach is focused on training of government personnel. In this training, which we also offered during this financial year, we pay attention to ethical matters, human rights and methods of stimulating motivation and responsibility in order to reduce the chance of corruption. We also work with a geospatial monitoring platform that, combined with targeted analysis of collected data and sharing of useful information, helps flag poaching activities.

Strengthening Community Support for Law Enforcement and Anti-Poaching Efforts in the Greater Kilimanjaro Trans Frontier Conservation Area (TFCA)

Tara Wambugu

Project Manager

Inestimable value

IFAW is very pleased with the support we have received from the European Union (*See Financial Statements, note 2.6.1b Income grants Government, Realisation 2017/2018 €118,225 compared to €-,- in 2016/2017*). To make the best use of this support, we hired a new Project Manager during this financial year. Her name is Tara Wambugu, and since the beginning of July 2018 she has been working on the project *Strengthening Community Support for Law Enforcement and Anti-Poaching Efforts in the Greater Kilimanjaro Trans Frontier Conservation Area (TFCA)*.

Actions – Results - Impact

This project officially started on 28 December 2017 with the signatures of the collaborating NGOs: IFAW, the lead organization, the African Wildlife Foundation and Big Life. Wambugu continues: “Following this, two kick-off sessions took place in which we established all roles and the framework. The first meeting of the steering committee, where we set a schedule and objectives, took place in April 2018. Our focus in the upcoming period will be the implementation of the reporting of the project and organizing cross-border meetings between Kenya and Tanzania. We have to work together and share our information and experiences if we want to offer optimum protection to animals in Tsavo and Amboseli.”

Public and Supporter Education and Outreach

To reach communities in our project areas, IFAW uses culturally appropriate communication channels to educate and engage local people. Community meetings, small discussion groups, radio broadcasts, posters, street plays and outdoor meetings in various combinations enable IFAW to reach out to local people. On the global level, IFAW’s multi-faceted communications approach – employing direct marketing, social media and face-to-face encounters -- enables the organization to effectively inform and activate supporters, decision-makers and other audiences around issues that are most important to meeting IFAW’s strategic objectives.

Our approach to the trade chain

In dealing with trade, we disrupt the entire chain. By keeping an eye on border crossings, airports and the internet, we make it as difficult as possible for the criminals. We monitor e-commerce websites and report illegal business to enforcement authorities. We help track and intercept. We try to reduce these in countries where the demand for animal products or live animals exists. Because if the demand does not stop, the trade will not stop either.”

Tackling cybercrime in Europe and Russia

Tania McCrea-Steele

Project Leader, Global Wildlife Cybercrime

Victories in IFAW's fight against illegal online trade in animals and animal products!

Some people think that wildlife crime only affects animals and people in Africa and Asia, but the reality is that it is a worldwide problem. The internet offers buyers and dealers in wildlife access to an enormous marketplace that is open 24 hours a day, 7 days a week, 365 days a year.

This trade takes place on well-known e-commerce sites, shady web pages and social media platforms. The trade is mostly in ivory, rhino horns and other illegal animal products, but live, threatened species are also up for sale. That's why IFAW is also involved in fighting this trade online and with success.

Tania McCrea-Steele emphasizes that this work is sorely needed. "The scale of the trade is enormous. We've only seen the tip of the iceberg. We're dealing with a 24-hour market that never stands still and is difficult to regulate. The questions that constantly assail us are: Who are the players behind all this? Where is the trade happening? And when do the transactions take place?"

Action – Results - Impact

Network

IFAW has been working on this campaign since 2004, and is investigating and documenting the challenges and opportunities for conservationists, governments and private organizations in the fight against online wildlife crime. "Because the illegal trade in wild animals represents a threat for animals on multiple levels, a broad-based approach is vital," McCrea-Steele says. "We are working to bring together all interested parties from national and international authorities, as well as the private sector, to give them information, education and support in the fight against wildlife crime. You have to build a network to beat a network."

Successes in this financial year

The past year has seen many successes in the fight against wildlife cybercrime. Below is an overview of some of the most important victories.

Adessium Foundation

Since the spring of 2017, the Dutch Adessium Foundation has been supporting IFAW's fight against illegal trade on the internet (*See Financial Statements, note 2.6.1c Income other non-profit organisations, Realisation 2017/2018 €178,856 compared to €3,219 in 2016/2017*).

With this financial support, in 2017 IFAW launched the two-year project 'Tackling Wildlife in Europe and Russia.' The focus of this project is in Europe, because that is where most of the illegal trade takes place. McCrea-Steele explains: "In 2017 we conducted an online wildlife trading investigation in four countries: France, Germany, Russia and the United Kingdom. The report [Disrupt: Wildlife Cybercrime – Uncovering the scale of online wildlife trade](#) published on the basis of the investigation gives an overview of the huge quantity of live animals and animal body parts and products are offered for sale on the internet and also shows how this trade threatens the survival of the animals."

Investigation on auction sites and social media

During the 6-week investigation, a team of IFAW experts and investigators discovered thousands of online advertisements for the sale of threatened and endangered species and products from these species. McCrea-Steele tells more: "IFAW counted 5,381 advertisements spread over 106 e-commerce sites, auction sites and social media platforms. Some 11,772 threatened or endangered animals and animal products were listed with a total market value of € 3.462.583,-. IFAW was the first to investigate Europe's fast-growing trade in wildlife via social media. This is only a small percentage of the total internet trade, but it is probably just the tip of the iceberg. The traders probably operate in strict secrecy."

Results

Our report [Disrupt: Wildlife Cybercrime](#) reveals that the internet trade in ivory and suspected ivory is a stubborn problem. McCrea-Steele adds: “These products are offered for sale in almost a fifth of all advertisements. And the majority of the time (80%) live animals are being offered. This shows that keeping exotic pets (tortoises, parrots, owls, primates and even big cats) is popular. Live reptiles, especially tortoises and turtles, were the most frequently posted (45%) of all types of animals in the report. Almost a quarter of the other animals were birds, including the African grey parrot, an endangered species. Mammal species such as cats, primates, bears and rhinos were also represented.”

Challenge

IFAW is sharing the information from this investigation with enforcement agencies so that we can help them trace the criminals. This also means that governments in various countries will need to invest in enforcement capacity. McCrea-Steele explains: “One of the greatest challenges in this regard is distinguishing legal from illegal trade, because in some cases the trade in certain species is legal. Therefore, we have taken a conservative approach in the results of this investigation. We have only forwarded a limited number—190 logs relating to 327 advertisements and messages—to national law enforcement agencies for further investigation.”

Legislation

We are also urging governments to take a close look at their national laws and to tighten them up in order to specifically tackle wildlife cybercrime. And we see success. In the second half of 2017, China and France included new statutes in their laws to shut down illegal trade. And after our report appeared, Russia took steps to combat illegal trade and the United Kingdom amended its laws to require a CITES number to be listed for any wildlife products offered for sale.

Working together with online companies

This financial year we also collaborated with online tech companies, which were able to block certain addresses from their servers and take items down from e-commerce sites. As McCrea-Steele emphasizes, “These companies are an important part of the solution to this problem. The online marketplace is so big that everyone has to do their part to close off access for cyber criminals trading in wildlife. The work of IFAW in the past 14 years has led to 15 online technology companies adopting conservation policies. And we are reaping the benefits of that: the investigation showed a noticeable reduction in the total number of wild animals offered for sale on eBay-affiliated sites, as well as a considerable reduction in the ivory trade on eBay sites in France and the UK. There is also a reported reduction in the number of traded African grey parrots via Leboncoin in France and there has been no further online trade in unprocessed ivory in France, in accordance with the EU ban. There is no more ivory on QUOKA and Markt in Germany and Preloved in the United Kingdom. Moreover, eBay, Etsy, Facebook and Instagram have announced that all advertisements and messages we identified that violated their policy had been removed.”

Worldwide coalition

In March 2018, IFAW, WWF and TRAFFIC along with 21 founding companies established the Global Coalition to End Wildlife Trafficking Online, which strives for an industry-wide approach to reduce the trade in wildlife by 80% by 2020. This coalition immediately led to a reduction in trade on a number of platforms. eBay reported that in this financial year it blocked or removed more than 45,000 advertisements and messages in violation of their policy on trading in wild animals.

Workshop

McCrea-Steele continues: “In June 2018, we partnered with Interpol to organize a workshop in which we brought together all stakeholders, including researchers, other NGOs, the online market, law enforcement and politicians. We exchanged best practices and worked out an action plan for the coming period. It was wonderful to see that a truly united front against wildlife cybercrime is now in place.”

Future

We still have a long way to go. Going forward, our focus will remain on social media platforms and the Darknet, the shadiest corner of the internet, where users can hide their location. McCrea-Steele explains: “We are working with

Interpol on this, because this trade is a growing threat.” In the coming years, IFAW and all stakeholders will continue to work against this form of wildlife crime.

Education & Awareness

Because people can access the Internet in nearly every part of the world, IFAW raises awareness of its potential for harming wildlife through illegal online trade in live animals and the sale of wildlife parts and derivatives. We do this through direct mail, email alerts and social media outreach. The fundamental message we convey is: “If you don’t buy, they won’t die.”

Ivory Trade in the Netherlands

Sabine Zwiars

Netherlands Campaigner

Even today, every 26 minutes an elephant is killed by poachers - about 20,000 elephants per year. They are killed inhumanely to satisfy the international ivory market, putting the worldwide elephant population in a critical situation. At present, there are about 415,000 elephants on the entire continent of Africa. The population dropped by a third between 2007 and 2014.

Europe

Zwiars explains: “Europe is a big player on the ivory market. Our continent is the greatest export market for trade to other countries, especially China. The current semi-ban - which applies to new ivory, but not old ivory - does not work; it encourages more poaching. And it’s the elephants that suffer.”

Action – Results - Impact

A powerful voice: #NoIvoryinEU

As part of the #NoIvoryinEU campaign, in 2017 IFAW launched a petition to urge the EU to ban the ivory trade. On March 28, 2018, IFAW and the worldwide AVAAZ campaign movement presented over 1.2 million signatures. Scientists from more than 33 countries, members of the European Parliament, the African Elephant Coalition and the online auction website eBay, also supported IFAW in its campaign. Most of them signed the AVAAZ petition as well. They expressed their support in a direct appeal to Karmenu Vella, EU Commissioner for Environment, Maritime Affairs and Fisheries, to take urgent measures to protect elephants from extinction. Zwiars adds: “The EU is lagging behind in the global fight against the ivory trade, as countries such as the UK, US and China have already taken steps toward a full ban of the ivory trade. This is partly due to the tireless lobbying of IFAW. According to many, now is the time for the EU to follow the good example of the international community.”

Investigation into ivory trading in Dutch auction houses

The Netherlands is one of the foremost European countries involved in trading elephant ivory. In the spring of 2018, IFAW investigated the trade in ivory objects by Dutch auction houses. This after initiatives in other European countries and the outcome of earlier investigations in the Netherlands where it became clear that the Netherlands was also involved in the ivory trade.

Parliamentary questions

The results of the investigation had already been shared with politicians and the Dutch Ministry of Agriculture, Nature and Food Quality before official publication. Together with the simultaneous investigation by AVAAZ at antique shops and the Marktplaats.nl, this provided proof that most of the ivory trading that takes place in the Netherlands is illegal. For governing party D66, this was enough to ask Minister Schouten questions in Parliament about the Dutch role in the international ivory trade. In her answer, she indicated that the Netherlands will commit to take steps at European-wide level for stricter regulation and enforcement. “IFAW is pleased that the Dutch government wants to work hard for further measures to stop the ivory trade,” Zwiars concludes.

Education and Outreach

Essential for the Wildlife Crime program is education; to make people aware of their own role in threatened wildlife. We use social marketing strategies to change the behavior of these consumers in order to reduce demand. In the summer of 2017, as in previous years, we have been conducting awareness campaigns at Chinese airports and in airplanes on trade and smuggling in ivory, other animal products and wild animals. This year we also showed short films on flights on Chinese airlines going to the Horn of Africa region. "Lots of people in China know little about ivory," says Reijnen. "They think you can cut the ivory off without killing the animal, and that it will grow again afterward. You can't just change the way people behave overnight; it takes time, and you need bold and persistent strategies."

Conclusion

Reijnen concludes that thanks to the work of IFAW and the many partners, the topic of Wildlife Crime has risen higher on the social and political agenda. "The trade in wild animals and products starts to be seen as a significant problem. It did not receive the platform and attention it deserved and needed for too long. This past year we have noticed changes: the situation is more stable in Kenya and southern Africa, national and international laws have been changed, import bans have been implemented and commercial companies are taking more responsibility with regard to the trade in wild animals."

A future for the Barbary macaques of Morocco

Rikkert Reijnen

Program Director, Wildlife Crime

With the support of the Dutch Postcode Lottery

High in the Atlas Mountains in Morocco, in the forests of the Ifrane National Park, live half the remaining Barbary apes, or macaques. This unique primate species is threatened on all sides, from disappearance of its habitat to poachers who sell the macaques to European tourists. Thanks to the support of the National Postcode Lottery, this year IFAW and Stichting Aap (the Dutch Primate Foundation) have worked on a project to protect this iconic primate species from extinction (*See Financial Statements, note 2.6.1c Income other non-profit organisations, Realisation 2017/2018 €148,063 compared to €-, - in 2016/2017*).

In the past, the Barbary macaque (*Macaca sylvanus*) ranged through all of North Africa and Europe. Now it is primarily known as a tourist attraction on the Rock of Gibraltar and can only be found in the wild in the Rif and Atlas Mountains in Morocco and parts of Algeria. The Barbary macaque is the only primate species in Africa that lives north of the Sahara, and the only macaque species outside of Asia.

Since the mid-1990s, the Barbary macaque has become popular as a pet in Europe. Since then, poaching and illegal trade are booming.

Action – Results – Impact

Born to be Wild

Stichting Aap and IFAW launched the project *Born to Be Wild* in 2017, which aims to reduce poaching and illegal trade as well as to secure the habitat of Barbary macaques in Ifrane National Park. The National Postcode Lottery contributes over 1.3 million euros to the initiative. Reijnen explains: "We are now working on this project for a year and a half and we see that our broad approach is working. We have seen that the protection has led to an increased population of macaques in the Middle Atlas Mountains and a decrease in the smuggling of macaques. In the coming year the smuggling routes in Europe will remain a challenge, since the criminals have found alternative routes."

Successful method: eyes and ears of the forest

The method we have developed in this project consists of training park rangers from local communities who are the eyes and ears of the forest. We have agreed with the government on protocols that these scouts report whenever they encounter poaching or trade of macaques, or illegal tree cutting. The partners help the Moroccan government to bring back animals rescued from the trade and return them to the wild or to good rescue facilities.”

Training

“In the second half of 2017, we also provided training in Morocco, to strengthen the investigation and enforcement capacity,” Reijnen reports. “Morocco is a transit port for live animal smuggling. We support the Moroccan government in combating that trade in wild animals. According to Moroccan law, it is illegal to capture and sell the macaques or other animals. We organized these trainings together with the High Commission for Water and Forests and the Fight against Deforestation (HCEFLCD). Participants were the Moroccan ministries of Customs and Conservation, the Veterinary Service and other institutions involved in the control of trade in wildlife. The various authorities learned in the training how to communicate more efficiently with each other about the illegal trade in Barbary macaques. The two partners also work with local people to see how they can help protect the macaques. “That means that we try to help them think of ways to change their daily lives, so there is a little collaborative development work going on too,” Reijnen says.

“This year we also focused on educating the local population and schools,” Reijnen goes on. “We want to show the local people how special the Barbary macaque is, how important it is for Morocco and how we can best protect it. Protecting the macaque can even generate money in the form of ecotourism. People visit the park to see the macaques, so we also want to educate tourists about the misery caused by smuggling of live animals.”

With all these partnerships, we are well on our way to make sure that the amazing Barbary macaque lives safely in the Ifrane Park.

1.2.2 Community Animals

Strategic Approach IFAW

Threat: Dogs, cats and other animals living in human communities may suffer or cause suffering when their health and welfare needs are not met. In many underserved communities, neglect and poor welfare of animals results from insufficient owner awareness or an inability to fully meet animal needs.

IFAW seeks to reduce the suffering of community animals in key IFAW regions by helping communities struggling with domestic animal management to develop solutions that are humane and sustainable. We do this through:

Humane Community Engagement - IFAW empowers communities to take charge of their own animal challenges and find humane, sustainable solutions. We train community stakeholders, helping them and their communities find sustainable solutions to their own animal welfare challenges. As a leader in community animal welfare, IFAW also aims to bring community-centered, sustainable solutions to the forefront.

Veterinary Care and Outreach - IFAW also provides primary veterinary care, humane outreach, and education to communities, often through strategic collaboration with promising local partners. IFAW supports the strategic, operational and financial development of local partners whose hands-on work saves lives.

Activities Financial Year 2018

See Financial Statements, note 2.6.9 Contribution to causes allocated to the strategic program areas of IFAW, Community Animals, Total realization 2017/2018 €713,506 (2016/2017 €689,826)

Working on animal welfare and helping people

Renilde Cats

Project assistant for the Blijf van mijn Dier program

Sadly, domestic violence is part of our modern society. At least there is a good safety net for the - usually female - victims. That is not the case, though, for their pets. That is why IFAW since 2014 provides shelter for pets in domestic violence situations through our project called Blijf van mijn Dier (*See Financial Statements, note 2.6.9, Contribution to causes allocated to the strategic program areas of IFAW, Community Animals, Projects under own control, Realisation 2017/2018 €165,884 compared to €88,924 in 2016/2017*).

In situations of domestic violence, pets are often mistreated as well. In addition, investigation has shown that victims of domestic violence will stay an average of 52 weeks longer in a violent situation simply because they do not want to leave their animals behind. Just imagine the consequences. If the victim has to escape and leave the animal behind, the perpetrator often takes his anger out on the pet, or the dog or cat is used as blackmail. It is an untenable situation, and IFAW is working to end this.

The approach

After the first pilot in 2014, the project took off. Project assistant Renilde Cats explains the approach of IFAW's project Blijf van mijn Dier: "We make sure that the animal is removed from the undesirable situation. Sometimes we get support from the police if the situation is too dangerous because of the (ex-) partner. Then the pet is taken to a veterinarian for a general exam. If the animal is not vaccinated or microchipped, we make sure that is done. At the same time, we check our network for foster families where the animal can be fostered temporarily. Every two weeks, we send an update to the owner with photos or videos."

Action – Results - Impact

Developments

In this financial year, the project has developed further both qualitatively and quantitatively. Since the project was launched, we have helped 250 animals: 121 dogs, 119 cats, 3 birds, 3 rabbits, 3 rats and 1 gerbil belonging to a total of 164 women. Cats explains: "It's remarkable how much the number of animals we have helped has grown since last year: 55 animals belonging to 40 women. The reason: more and more people, shelters and municipalities get to know our project and that number keeps growing. We are very glad about that!"

Achievements

Social value

The five cities of Alkmaar, Amsterdam, Almere, Wormerveer, Zaanstreek and Heemskerk connected to the Blijf Groep (a domestic violence shelter organization) are now participating in the Blijf van mijn Dier project. Cats adds: "In these women's shelter locations, animals are no longer separated from their owners, but offered accommodation together. This is the ultimate goal IFAW has in mind: victims and their pets should no longer be separated from each other. The special thing about this project is that we are working not just with animals but with their owners as well, so this project has social value. And that makes us unique in the Netherlands."

Together We Care!

On November 24, 2017, het IFAW and the Blijf Groep organized 'Together We Care!' This was an information day for those interested in caring for victims of domestic violence or animals in need, to inspire and inform them about the project's approach. Our emphasis was on the possibility of creating a system for animals to stay with their owners in a shelter. This was a tremendously inspiring day with enthusiastic participants.

Collaborations

More and more women's shelters are showing interest in admitting pets to their facilities. Often it begins with an orientation meeting to explore whether a collaboration with IFAW-Blijf van mijn Dier is feasible for the shelter and how we can make it work together. Cats continues: "And we're also very glad that the Federation of Veterinary Ambulances (FDN) has agreed to sign an agreement with IFAW for the transport of animals and to train its staff about domestic violence and animal abuse. It's great that we are finding more and more partners to collaborate with in this work."

Expert role

This year, IFAW has also received more and more invitations to speak as an expert at conferences and government ministries. We are pursuing a series of guest lectures at the police academy. And we are getting more and more requests for help from other social services (such as homeless shelters and mental health care), about whether we can offer support to their clients and pets. In these cases, we help find an appropriate solution.

Support from foundations and network

Cats explains: "As in previous years, in this financial year we received funding from the Adessium Foundation and Stichting het Waardige Dier. The contribution from the Adessium Foundation enabled us to take on an extra staff-member because of the growth of the project, bringing the number of employees to three (*See Financial Statements, note 2.6.1c Income other non-profit organisations, Realisation 2017/2018 €20,000 compared to €10,000 in 2016/2017*). The funding from Stichting het Waardige Dier was used to cover part of the veterinary costs (*See Financial Statements, note 2.6.1c Income other non-profit organisations, Realisation 2017/2018 €20,970 compared to €9,666 in 2016/2017*). Big thanks are also due to our network like the municipalities of Zwolle and The Hague who helped with rescues in evenings and weekends, and they pay for the first 48 hours of shelter for the animals. At present, we are also discussing this with the municipality of Amsterdam for a similar collaborative arrangement."

Focus

Through IFAW's project Blijf van mijn Dier we continue our work to raise awareness about the special bond between human and animal and, together with other organizations, to offer a solution for temporary fostering of companion animals. We believe that as a society we need to take a fresh look at the help we offer to the most vulnerable people among us, and that also includes attention for their pets. We want to accomplish this in dialogue with municipalities and social organizations and, where possible, establishing a cooperation with them.

1.2.3 Landscape Conservation

Strategic Approach IFAW

Threat: Habitat loss, fragmentation and degradation

Increasing human population, consequent development pressures, and/or poor land-use policies continue to reduce space and resources for wildlife populations and result in increased human-wildlife conflict in areas where communities and wildlife occupy the same space and utilize the same natural resources. The effects of climate change will only increase the pressure on vital resources for both animals and people.

The Landscape Conservation Program seeks to protect wildlife and the places they call home by implementing integrated, long-term, multi-program approaches in defined landscapes where one or more keystone species are vulnerable or endangered and would no longer be able to survive in this landscape without human intervention. IFAW has prioritized key landscapes in east and southern Africa and south Asia based on the severity of the threats, the viability of the landscape, and our ability to effect positive change.

IFAW's direct interventions include animal rescue-rehabilitation-release, translocation of orphaned and/or injured animals back into viable habitat, and re-introductions for protection or recovery purposes. Indirect interventions include counter-poaching and counter-wildlife trafficking initiatives as well as policy and community development projects designed to alleviate human-caused threats. In many cases, these landscapes cross borders, adding new levels of challenge and opportunity to our work. Successful IFAW interventions in these landscapes rely on sound scientific grounding, an effective field presence, and strong relationships with local communities, key institutional partners and national governments.

Activities Financial Year 2018

See Financial Statements, note 2.6.9 Contribution to causes allocated to the strategic program areas of IFAW, Landscape Conservation, Total realization 2017/2018 €3,500 (2016/2017 €8,940)

Public and Supporter Education and Outreach

During fiscal year 2018, through offline, online and face-to-face approaches to public and supporter education and outreach, IFAW educated and engaged its diverse stakeholder audiences on a wide array of issues. These ranged from efforts to prevent poaching and trafficking to raising awareness of threats to animals and habitats from wildlife cybercrime and the importance of rescuing, rehabilitating and re-homing wildlife to both individual animal welfare and species conservation.

1.2.4 Marine Conservation

Strategic Approach IFAW

Threat: Inadequate protection from human activities for marine species and their habitats.

Our ocean planet faces more threats to marine species and habitat than ever before. IFAW is working to conserve and protect threatened marine species and the places they call home by preventing deadly ship strikes and gear entanglements, reducing underwater noise pollution, increasing protections for migratory corridors and habitat, highlighting the threat of the marine species trade, and preserving the global whaling ban.

IFAW continued its international leadership of the campaign to end commercial whaling during this period, undertaking extensive domestic advocacy work in Iceland and discreet efforts in Norway and Japan. IFAW drafted and drove conservation initiatives in the International Whaling Commission and the Convention on Migratory Species encouraging protection of whale species and habitats. IFAW has also maintained its leadership role in addressing conservation challenges related to shipping, both in the International Maritime Organization and through sustained, direct engagement with shipping companies and maritime industry associations and stakeholders to reduce the threats of ship strikes and ocean noise. IFAW scientists, campaigners and partners helped secure strong, consensus-based whale conservation decisions at the Convention on Migratory Species plenary in October 2017 on Ocean Noise, South Atlantic regional protection, marine by-catch, and animal culture including whales.

Activities Financial Year 2018

See Financial Statements, note 2.6.9 Contribution to causes allocated to the strategic program areas of IFAW, Marine Conservation, Total realization 2017/2018 €3,569 (2016/2017 €107,867)

Actions – Results - Impact

- Secured expansion of the Faxafloi Bay whale sanctuary off Reykjavik, Iceland,
- Cessation of Icelandic minke whaling with just six whales killed this season.
- Unprecedented domestic and international pressure on renewed Icelandic fin whaling leading to a Government sustainability review of Icelandic whaling.
- Draft resolutions introduced by leading IWC member countries resulting in the most conservation-focused agenda in the Commission's history.
- Development of a strategic plan by the IWC for addressing ship strikes in critical whale habitat areas.
- Technical enhancements and geographic expansion of the "Whale Alert" app assisting mariners, port authorities, and others in avoiding ship strikes and reporting marine mammal sightings and strandings.
- Technical guidance and drafting support to key European decision-makers in development of the EU Marine Strategy Framework Directive.
- Increased tracking and compliance monitoring and reports of vessel speeds in key marine mammal habitats including Stellwagen Bank National Marine Sanctuary, Hauraki Gulf New Zealand and other international ports.
- Scientific survey of the Mediterranean basin, including shipping lanes near the Hellenic Trench, Strait of Gibraltar and other critical whale habitat areas in conjunction with ACCOBAMS to address ship strike threats in these waters.

Underwater noise: an invisible and still unrecognized threat

Sabine Zwiars

Netherlands Campaigner

In past ages, the ocean was a silent, serene and safe environment for animals. However, since the enormous increase in shipping, seismic technologies for mapping the ocean floor, and the use of sonar, the silence of the deep has been shattered by noise with a disruptive and even deadly impact on sea animals. IFAW is working to reduce this underwater noise.

Underwater noise is pure torture for ocean mammals like whales and dolphins, which are largely dependent on their hearing and song. The noise follows them for hundreds of miles, disrupting their ability to navigate, find food and mates, and detect natural enemies. Underwater noise is also cited as a cause of the mass strandings of whales and dolphins. Continuous underwater noise pollution also leads to internal bleeding and other serious injuries in marine animals.

Action - Results – Impact

Sonic Sea in the prizes

To raise awareness for this invisible problem, IFAW presented the documentary *Sonic Sea* last year. In 2016 Jean-Michel Cousteau participated in the development of this documentary. On October 5, 2017, *Sonic Sea* won two Emmy Awards in the Lincoln Center in New York in the category 'Documentaries' for 'Best Nature Documentary' and 'Best Music and Sound'. IFAW and the partners at NRDC and Imaginary Forces are particularly pleased with this recognition.

Beach Cleanup

In the spring of 2018, IFAW and its partner [SOS Dolfijn](#) were engaged in the preparation a special segment on underwater noise during the [Boskalis Beach Cleanup Tour held by Stichting De Noordzee](#) (The North Sea Foundation).

Zwiars: "IFAW helps to clean up the Dutch North Sea coastline and draw attention to the consequences of waste for the animals in the sea. But we focus on more than the visible pollution like plastic, fishing nets and chemical waste. We also want to raise awareness for underwater noise as an invisible and unrecognized threat for which very little has been done so far."

Public and Supporter Education and Outreach

During fiscal year 2018, IFAW educated and engaged diverse stakeholders, including national and international decision-makers, supporters and various public audiences on the unnecessary cruelty of whaling, the economic benefits of whale watching, and the threats of ocean noise and ship strikes to marine life, among other issues.

1.2.5 Animal Rescue

Strategic Approach IFAW

Disaster Response

Threat: Animals suffer in both natural and anthropogenic disasters, yet are rarely included in disaster preparedness, response and recovery plans.

IFAW addresses threats to animals who suffer in natural and anthropogenic disasters by:

- Maintaining a constant state of readiness to respond wherever in the world a disaster occurs.
- Working with stakeholders from local, national and regional governments, NGOs, and private agencies to incorporate animals into disaster preparedness, response and recovery plans.
- Establishing networks of professional responders in disaster-prone regions through the development of Animal Rescue Networks (ARNs). We build local capacity to prepare for and respond to disasters through trainings, provision of equipment, and the development of collaborative networks.
- Building resiliency by providing communities with skills, tools and knowledge to improve their personal and collective relationships with the animals throughout their communities.

Actions – Results - Impact

During fiscal year 2018 IFAW responded to 13 natural disasters in more than 10 nations, from the USA to the Philippines. The range of disasters included floods, fires, hurricanes and drought. Animals rescued or treated with IFAW's support included cats and dogs, cattle, chickens and horses, flying foxes, pumas, parrots and hundreds of birds. In total, IFAW's response efforts touched over 10,000 community animals and an estimated 3,600 wild animals.

In fiscal year 2018, IFAW Animal Rescue Networks in India, the Philippines, Mexico and the United States played an active role in rescuing, feeding, caring for, sheltering and transporting animals impacted by disasters. IFAW provided trainings to build site-specific risk reduction capacity and capabilities in communities across the globe. This year, IFAW trained 70 people in disaster management, technical rescue, and emergency sheltering alternatives, keeping animals and responders safe.

Wildlife Rescue

Threats: Poaching, illegal trade, human-wildlife conflict, and habitat degradation and loss are the main human-induced and often interrelated drivers for the work of the Wildlife Rescue team. Disease outbreaks and other natural threats can lead to animals in need of rescue. Our goal is to rescue, rehabilitate and release as many healthy animals as possible into safe habitats.

IFAW addresses these threats by:

- Rescuing, rehabilitating and releasing animals into secure habitats, taking into account the needs of surrounding communities. We do this through direct action and partnerships with organizations around the world.
- Promoting best practices that ensure the welfare of animals that cannot be released and must remain in sanctuaries for lifetime care.
- Utilizing a scientific approach in all of our rescue projects and responses to improve the welfare and survival of individuals and to inform management and conservation efforts across species.
- Establishing robust post-release monitoring programs in key projects to document not only survival, but successful integration into the wild population.
- Maintaining a constant state of readiness for emergency responses to stranded dolphins, whales, porpoises and seals on Cape Cod and anywhere in the world we may be called.

Activities Financial Year 2018

See Financial Statements, note 2.6.9 Contribution to causes allocated to the strategic program areas of IFAW, Animal Rescue, Total realization 2017/2018 €593,471 (2016/2017 €743,594)

Human-Animal conflict

*Sabine Zwiers
Netherlands Campaigner*

The return of the wolf to the Netherlands has led to a typical human-animal conflict. The number of sheep killed increases with the growing number of wolves in the Netherlands and with that the discussion of whether or not the return of the wolf is acceptable. For sheep farmers it is necessary to take protective measures in the form of electric fencing and watchdogs. We have called upon the government to generously support sheep farmers in these efforts.

Actions – Results - Impact

Wolven in Nederland Platform

For several years IFAW has been a member of the platform Wolven in Nederland, which also includes ARK, Natuurmonumenten and IVN. The aim of this organization is to create support for the wolf in the Netherlands. "Together we are working to develop solutions that will keep sheep safe and prevent animal-human conflicts," Zwiers explains. "That is why IFAW supports providing information, education and measures to prevent sheep and other livestock from being attacked by wolves."

Livestock watchdogs

Zwiers talks about her visit to an Overijssel pilot with herd guarddogs: "These dogs are specially bred to protect livestock and are accustomed to living outside. However, dealing with wolves does require knowledge and experience. In countries where the wolf has never been absent, this knowledge is always kept up to date and herd watchdogs are used to protect against predators. We can learn a lot from this pilot."

This year IFAW also participated in a meeting with representatives of sheep farmers and LTO which specifically dealt with the approach to the implementation of preventive measures. "Right now it's still just individual wolves, but we expect that ultimately packs will get established in our country. In the coming year, IFAW will continue its efforts on behalf of the wolf's image and helping sheep farmers."

Public and Supporter Education and Outreach

During fiscal year 2018 Stichting IFAW created an information folder on the return of the wolf in The Netherlands. IFAW also educated and engaged diverse stakeholder audiences on animal rescue issues including the complex, long-term process of rehabilitating and rewilding elephants and rhinos in India, elephants in Zambia and Zimbabwe, tigers in Russia; and disaster preparedness, marine mammal stranding responses and emergency response efforts worldwide.

External grant from Stichting IFAW to Stichting SOS Dolfijn

Stichting IFAW contributed in the operational expenses of SOS Dolfijn and to the rescue, rehabilitation and animal care in Fiscal Year 2018 (see Financial Statements, note 2.6.9 Contribution to causes allocated to the strategic program areas of IFAW, External Grant, Animal Rescue, Realisation 2017/2018 €127,000 compared to €152,000 in 2016/2017).

IFAW supports SOS Dolfijn

*Eligius Everaarts
Director, SOS Dolfijn*

SOS Dolfijn is the organization that helps stranded whales and dolphins in need on the North Sea coast. The expertise and rescue center has been looking for a new facility since 1 January 2017 to accommodate rescued harbor porpoises and other cetaceans. With the financial support of IFAW, the foundation has been able to continue its work during the search.

SOS Dolfijn Educational Whale Hospital

Eligius Everaarts, director of the foundation, explains: “Thanks to IFAW, this financial year we’ve been able to keep everything ready day and night to take action when we are notified of an animal in need. Education is also an important part of SOS Dolfijn. This year we also took the ‘Traveling’ Whale Hospital to schools and events. It’s an educational presentation designed to teach children and adults more about the North Sea and the cetaceans who live there. We also highlight the problems faced by whales and dolphins, such as pollution and overfishing. We also give training on the coast to teach people what to do if they find a wounded harbor porpoise.” SOS Dolfijn is the coordination center for reporting cetaceans in the Netherlands. “In February 2017 we took action when a humpback whale found its way into the sea harbor of Den Helder. After we had observed the animal, we advised authorities to leave it alone, so it could find its way back to the open sea.”

Back to nature

A lack of food (due to overfishing) in northern waters is bringing harbor porpoises back into the Dutch region of the North Sea. That unfortunately also means more porpoises are stranding on our beaches. “In the last few years we have helped more than 40 stranded harbor porpoises; and half of these were rehabilitated in nature. For cetaceans, that is a very high percentage,” Everaarts notes. “Our objective is to offer the best possible care, to get them well and rehabilitate them. An animal that strands already has problems by definition. Some individuals are so badly injured or traumatized that unfortunately we have to euthanize them.”

Support from IFAW

“The financial support of IFAW is really an enormous help for us. It has enabled us to continue our work this financial year alongside our search for a new rescue facility. And we have found that we can work well together as organizations and learn a lot from each other—for instance rescue protocols, working methods, infection prevention and recovery processes in sick or wounded animals. IFAW has the Marine Mammal Center on Cape Cod, where they are doing great work. We have the same goals: promoting animal welfare and rescuing, rehabilitating, and releasing animals back into the wild.”

New rescue location at Hoenderdaell Estate Wildlife Park

In the past year we have been busy in our search for a new location. SOS Dolfijn and IFAW have met together with various parties because the new facility must also fit in with the visions and objectives of IFAW. Ultimately we found a great location at the Hoenderdaell Estate, and they are ready and willing to go into a collaborative partnership with us.”

Construction

The plans for 2019 are to start construction on a modern and professional rescue center for cetaceans. We also want to build a visitors’ center where interested members of the public will be welcome to learn more about harbor porpoises and other members of the whale and dolphin family.”

Public and Supporter Education and Outreach

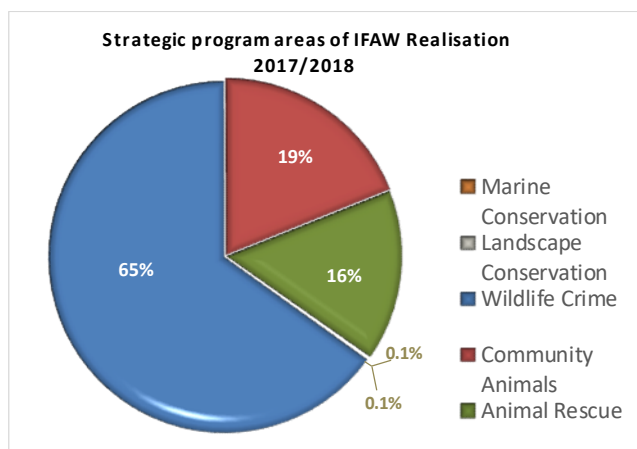
Furthering educational initiatives is a priority in the new partnership between IFAW and SOS Dolfijn. We have been working together this fiscal year to draw attention to relevant issues such as the dangers of ocean noise and its deadly effects on marine mammals. In the USA, IFAW’s Marine Mammal Rescue and Research team’s educational efforts focus largely on two audiences: what people should do if they encounter a stranded dolphin or seal on a beach, and how government agencies and elected officials can better protect marine mammals through improved legislations and regulations.

1.3 FINANCIAL HIGHLIGHTS

Fiscal Year 2018 in review

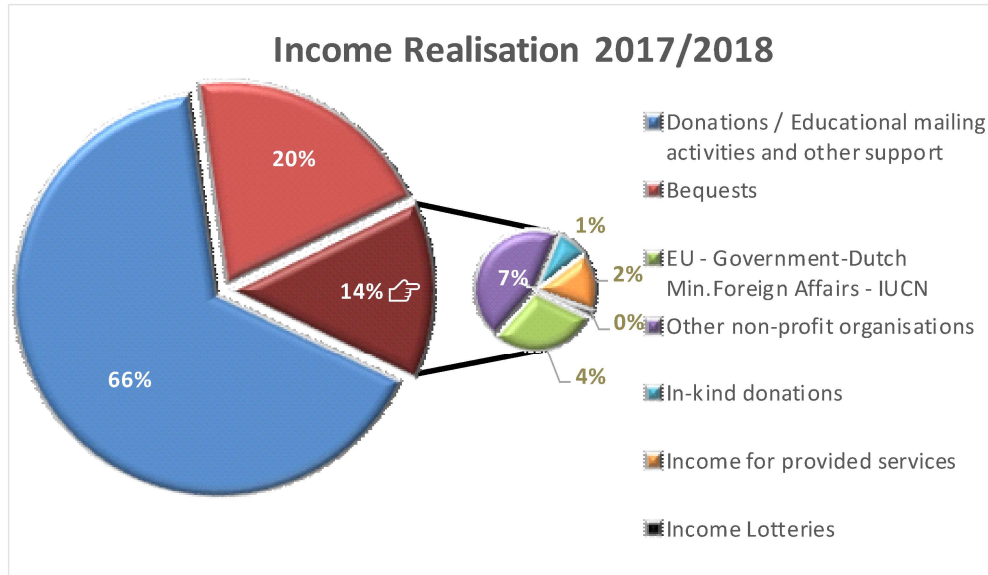
	Realisation	Budget	Realisation	Budget
	2017/2018	2017/2018	2016/2017	2018/2019
	€ 000's	€ 000's	€ 000's	€ 000's
Total income	5,810	5,318	5,756	5,341
Contributed to causes	3,760	3,595	3,327	4,465
Contributed to fundraising	906	981	735	1,157
Contributed to administration	880	731	621	724
Total expense	5,546	5,307	4,683	6,346
Spending ratios				
Contributed to causes/total income	64.7%	67.6%	57.8%	83.6%
Contributed to fundraising/total income	15.6%	18.5%	12.8%	21.7%
Contributed to fundraising/fundraising income	18.2%	20.9%	14.2%	24.2%
Contributed to causes/total expense	67.8%	67.7%	71.0%	70.4%
Contributed to fundraising/total expense	16.3%	18.5%	15.7%	18.2%
Contributed to administration/total expense	15.9%	13.8%	13.3%	11.4%
Average number of employees, Full time equivalent	14.5		11.3	

During 2018, Stichting IFAW (International Fund for Animal Welfare) continued to engage in and fund programs and campaigns designed to improve the welfare of animals and their habitats. With respect to financial management, the Organization delivered high impact programmatic achievements while maintaining fiscal discipline. The table below illustrates expenditures by program area (see Financial Statements, note 2.6.9).



The year-end result was a surplus of €341 thousand.

During 2018, the Organization recognized income of €5.8 million, excluding net investment result. This income (See *Financial Statements, notes 2.6.1 to 2.6.4*) originates from sources as shown below.

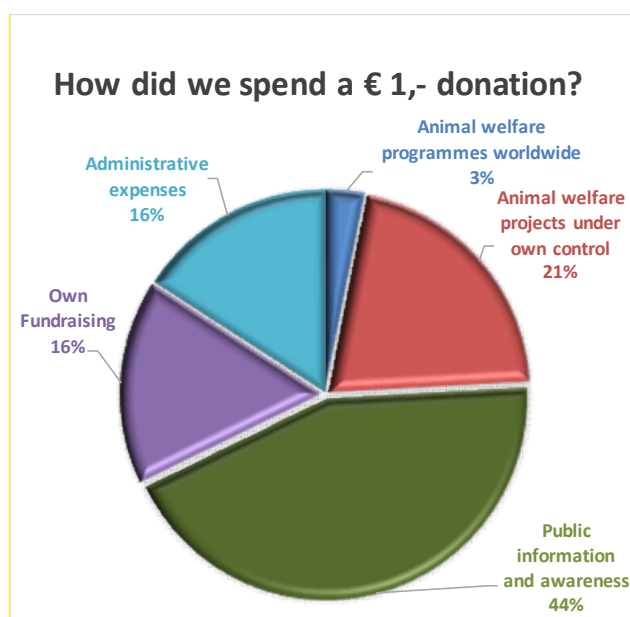


Most income is received following appeals for help through periodic multi-purpose correspondence. Newsletters and other communications educate existing donors and potential donors about IFAW's goals and accomplishments, offer an opportunity for individuals to do something for animals, and give supporters the chance to contribute to the organization's work using an enclosed donation form. Income from bequests was over budget by €333 thousand, see section 2.6.1a for further analysis. Income from educational mailing activities decreased in Fiscal Year 2018 by €330 thousand compared to 2017 mostly due to a decline in donations from monthly individual supporters. The decline in our direct marketing activities we already expected as we anticipated having fewer donors in Fiscal Year 2018 compared to fiscal year 2017, has been offset by an increase in restricted funding/grants received from Government and Other non-profit organisations.

IFAW is committed to secure restricted funding to support program priorities. In Fiscal Year 2018, IFAW realized €242 thousand (€363 thousand in fiscal year 2017) income that results from grants received from governments: European Union - represented by the European Commission strengthening community support for law enforcement and anti-poaching efforts in the Greater Kilimanjaro Trans Frontier Conservation Area, IUCN-National Committee of the Netherlands funded by the Dutch Ministry of Foreign Affairs – Wildlife Crime Programme Law Enforcement, Netherlands Forensic Institute – Forensic Support Combatting Wildlife Crime in the Horn of Africa and Municipality of The Hague – supporting project 'Blijf van mijn Dier' (See *Financial Statements, note 2.6.1b*).

Income received from other non-profit organizations increased from €33 thousand in fiscal year 2017 to €368 thousand in fiscal year 2018. In May 2017 Stichting Adessium registered in Rotterdam, funded a two year project, €179 thousand (€3 thousand in fiscal year 2017) to support IFAW's international project to counter Wildlife Cybercrime in Europe and Russia and continued to support IFAW's Dutch project which provides shelter for pets of families that suffer from

domestic violence ('Blijf van mijn Dier'), €20 thousand (€10 thousand in fiscal year 2017). IFAW is very grateful for the continued support to the project 'Blijf van mijn Dier' by Stichting Waardig Dier who covered the veterinary costs involved in pet rescue, €21 thousand (€10 thousand in fiscal year 2017) (See Financial Statements, note 2.6.1c). In April 2017 Stichting AAP, Animal Advocacy and Protection, established and registered in Almere, together with IFAW signed a strategic program partner agreement to set up the program known as 'Born to be wild'. The overall goal of the program is to sustainably protect the Barbary macaque in captivity and in the wild. Stichting AAP and IFAW have discussed a strategic contribution and commitment by IFAW to the program, funded by the 'Nationale Postcode Loterij'. IFAW received from Stichting AAP part of the funds provided by the Loterij. In fiscal year 2018, €148 thousand has been contributed to the project (See Financial Statements, note 2.6.1c).



2018 total expenditures were managed at €5.5 million, €238 thousand over budget, compared to €4.7 million in 2017. Fundraising expenses were €75 thousand below budget and increased by €171 thousand compared to fiscal year 2017, resulting in a higher contribution to fundraising versus fundraising income percentage of 18.2%, however lower compared to budget, 20.9%. Strategic decisions were made at the end of fiscal year 2017 to increase new donor acquisition investment in Fiscal Year 2018 to acquire additional monthly donors.

Total expenses contributed to causes were €165 thousand over budget to be explained by IFAW's increased program activities resulting from increased restricted funding (See Financial Statements, note 2.6.5 to 2.6.8). IFAW spent €251 thousand less on public information and awareness compared to budget.

The building located at the Javastraat 56, Den Haag has been externally valuated to €1.2 million compared to €900 thousand in 2015. The net book value of the land and building in fiscal year 2017 resulted in an impairment loss of €94 thousand in fiscal year 2018 (See Financial Statements, note 2.5.1). IFAW has no intention to sell the building.

Outlook for fiscal year 2019

The Organization maintained in 2018 sound financial health and exceeded expectations with respect to fundraising result. The economic situation in The Netherlands has shown minor but encouraging growth.

The organization is committed to seeking restricted funds from foundations and government sources to support programmatic work in fiscal year 2019 to compliment unrestricted funding, which is forecasted to slightly decrease. In

fiscal year 2019 fundraising expense is planned to increase. The additional investment is reflective of the Direct Marketing acquisition strategy to acquire new monthly donors.

Total budgeted expenditures for 2019 will substantially increase from €5.5 million to €6.3 million, with programmatic expenditures constituting €4.5 million including Public information awareness expenditures (largely concentrated in direct mail appeals) projected to be approximately €2.7 million.

The Organization recognizes the need to fund critical investments in staffing, technology and systems to support programmatic and operational growth in the current and two subsequent fiscal years and therefore established a new earmarked reserve which was funded through current and prior year surpluses.

	Realisation	Budget	Budget	Budget
	2017/2018	2018/2019	2019/2020	2020/2021
	€ 000's	€ 000's	€ 000's	€ 000's
Total income	5,810	5,341	5,325	5,349
Contributed to causes	3,760	4,465	4,431	4,187
Contributed to fundraising	906	1,157	1,172	1,177
Contributed to administration	880	724	728	733
Total expense	5,546	6,346	6,331	6,096
Spending ratios				
Contributed to causes/total income	64.7%	83.6%	83.6%	78.3%
Contributed to fundraising/total income	15.6%	21.7%	21.7%	22.0%
Contributed to fundraising/fundraising income	18.2%	24.2%	24.2%	23.9%
Contributed to causes/total expense	67.8%	70.4%	70.4%	68.7%
Contributed to fundraising/total expense	16.3%	18.2%	18.2%	19.3%
Contributed to administration/total expense	15.9%	11.4%	11.4%	12.0%

1.4 MULTI-YEAR BUDGET Fiscal year 2019-2021

Combined statement of income and expenses				
	Realisation	Budget	Plan	Plan
	2017/2018	2018/2019	2019/2020	2020/2021
	€	€	€	€
INCOME				
Income individual supporters	4,987,529	4,774,857	4,793,828	4,921,966
Income grants government	242,208	182,931	223,954	122,951
Income Lotteries	13,972	-	-	-
Income other non-profit organisations	367,889	260,400	177,600	163,934
	5,611,598	5,218,188	5,195,382	5,208,851
Income for provided services	128,798	123,000	130,000	140,000
Other income: In-kind donations	69,569	-	-	-
Total income	5,809,965	5,341,188	5,325,382	5,348,851
EXPENDITURES				
Contributed to causes				
Animal welfare programs worldwide	171,299	-	500,000	500,000
Animal Welfare Projects under own control	1,166,945	1,737,162	1,272,815	997,543
Public information and awareness	2,421,957	2,727,376	2,657,738	2,689,175
	3,760,201	4,464,538	4,430,553	4,186,718
Contributed to fundraising				
Expenses own fundraising	906,173	1,156,736	1,172,463	1,176,855
Contributed to administration				
Administrative expenses	879,785	723,965	728,354	732,816
Total expenditures	5,546,159	6,345,239	6,331,370	6,096,389
Balance excluding financial results	263,806	(1,004,051)	(1,005,988)	(747,538)
Net investment result	77,043	71,077	71,311	71,547
BALANCE	340,849	(932,974)	(934,677)	(675,991)

Den Haag, 14 February 2019

Mark Beaudouin
Audit and Risk Management Committee Chairperson

2. Financial statements

2.1 Balance sheet as at 30 June, 2018

(Before result appropriation)

	Notes	€	2018 €	€	2017 €
<i>Assets</i>					
Tangible fixed assets					
Operational assets	2.5.1		1,268,664		1,380,425
Financial fixed assets					
Bonds - fixed income	2.5.7	222,448		230,337	
Equity Investments		1,189,117		1,195,787	
Alternative Investments		257,208		233,646	
			1,668,773		1,659,770
Current assets					
Receivables and prepaid expenses	2.5.2	1,384,169		818,098	
Due from affiliates, net	2.5.5	113,779		79,881	
			1,497,948		897,979
Cash and cash equivalents					
	2.5.7		4,128,994		3,783,133
			8,564,379		7,721,307
<i>Reserves, Funds and Liabilities</i>					
Reserves and funds					
Continuity reserve	2.5.3	2,535,750		3,535,750	
Earmarked reserves	2.5.3	3,840,689		1,570,877	
Total reserves and funds			6,376,439		5,106,627
Result					
			340,849		1,269,812
			6,717,288		6,376,439
Liabilities - long-term					
Notes payable	2.5.4	859,971		888,478	
Liabilities - short-term					
Due to affiliates, net	2.5.5	79,205		54,605	
Accounts payable		146,363		227,674	
Accrued expenses	2.5.6	733,045		145,604	
Notes payable	2.5.4	28,507		28,507	
			1,847,091		1,344,868
			8,564,379		7,721,307
The notes are an integral part of these financial statements.					

2.2 Statement of income and expenses for the year ended 30 June, 2018

		Realisation	Budget	Realisation	Budget
		2017/2018	2017/2018	2016/2017	2018/2019
	<i>Notes</i>	€	€	€	€
INCOME					
Income individual supporters	2.6.1a	4,987,529	4,704,863	5,166,369	4,774,857
Income grants government	2.6.1b	242,208	176,882	362,878	182,931
Income Lotteries	2.6.2	13,972	-	14,674	-
Income other non-profit organisations	2.6.1c	367,889	310,638	32,885	260,400
		5,611,598	5,192,383	5,576,806	5,218,188
Income for provided services	2.6.4	128,798	125,124	90,731	123,000
Other income: In-kind donations	2.6.4a	69,569	-	88,864	-
Total income		5,809,965	5,317,507	5,756,401	5,341,188
EXPENDITURES					
Contributed to causes					
Animal welfare programs worldwide	2.6.5a	171,299	186,916	306,849	-
Animal Welfare Projects under own control	2.6.5b	1,166,945	735,504	671,431	1,737,162
Public information and awareness	2.6.6	2,421,957	2,672,994	2,348,264	2,727,376
		3,760,201	3,595,414	3,326,544	4,464,538
Contributed to fundraising					
Expenses own fundraising	2.6.7	906,173	981,195	735,069	1,156,736
Contributed to administration					
Administrative expenses	2.6.8	879,785	731,419	621,071	723,965
Total expenditures		5,546,159	5,308,028	4,682,684	6,345,239
Balance excluding financial results		263,806	9,479	1,073,717	(1,004,051)
Net investment result	2.6.3	77,043	89,293	196,095	71,077
BALANCE		340,849	98,772	1,269,812	(932,974)
The notes are an integral part of these financial statements.					

2.3 Statement of cash flow for the year ended 30 June, 2018

	Realisation	Realisation
	2017/2018	2016/2017
	€	€
<i>Cash flows provided by operating activities</i>		
Excess/(Deficit) of income over expenses	340,849	1,269,812
Adjustments to reconcile balance of income over expenses to net cash provided by operating activities:		
Depreciation	138,530	41,201
Changes in operating assets and liabilities:		
Increase in Tangible fixed assets	(26,769)	(44,606)
Decrease in Investments in equities	6,670	(230,196)
Decrease in Bonds - fixed income	7,889	93,551
Increase in Alternative Investments	(23,562)	(43,209)
Increase in prepaid expenses and other receivables	(566,071)	(886)
Decrease to/due from affiliates	(9,298)	(202,542)
Decrease in accounts payable, taxes & social premiums	(81,311)	133,604
Increase in accrued expenses	587,440	22,699
Decrease in notes payable	(28,506)	(28,506)
Net cash provided by/used in accrued activities	345,861	1,010,922
Net increase in cash and cash equivalents	345,861	1,010,922
Cash and cash equivalents, beginning of year	3,783,133	2,772,211
Cash and cash equivalents, end of year	<u>4,128,994</u>	<u>3,783,133</u>
The notes are an integral part of these financial statements.		

2.4 General notes

2.4.1 The organization

Stichting IFAW (International Fund for Animal Welfare), hereinafter referred to as "the Organization". "Stichting IFAW" or "Stichting IFAW (International Fund for Animal Welfare)", is a Dutch Foundation located in Den Haag, the Netherlands, and was incorporated on April 7, 1981. The Organization, registered at the Chamber of Commerce in The Hague under number 41096091 is part of an international group of non-profit organizations, which collectively comprise the International Fund for Animal Welfare ("IFAW").

IFAW is a global non-profit organization that protects animals and the places they call home. We engineer solutions that benefit animals, people and the planet, and activate where we are needed the most. Our international programs are based in science, rooted in local communities, globally-scalable, economically-viable and always take the long view.

Our work connects animal welfare and conservation, demonstrating that healthy species, populations, naturally sustaining habitats and the welfare of individual animals are intertwined.

We are international, with local expertise and leadership in all of our regional and country offices. Through strong international coordination, we leverage regional campaigns and projects to achieve global influence and impact.

We use our hands-on projects on the ground to effect change for animals and provide data to inform and influence policies and practices at the international, national and community level.

Stichting IFAW carries out programmes that are educational, scientific or investigative in nature, designed to increase public awareness of animals and their needs. It also finances specific field programs of its own and contributes to other conservation/animal welfare organizations.

2.4.2 Affiliated organizations

The Organization is affiliated with the following non-profit organizations:

- International Fund for Animal Welfare (Australia) Pty Ltd
- International Fund for Animal Welfare Inc./Fonds international pour la protection des animaux inc. (Canada)
- Fonds international pour la protection des animaux (IFAW France)
- IFAW Internationaler Tierschutz-Fonds gGmbH (Germany)
- International Fund for Animal Welfare NPC (South Africa)
- International Fund for Animal Welfare (IFAW) (United Kingdom)
- International Fund for Animal Welfare IFAW in Action (United Kingdom)
- IFAW Commerce Limited (United Kingdom)
- International Fund for Animal Welfare, Inc. (United States)
- International Fund for Animal Welfare (IFAW) Limited (Malawi)
- International Fund for Animal Welfare Limited (Zambia)

The Organization and its affiliates have been authorized by their respective Boards of Directors and Trustees to operate as separate and independent entities. The assets of the Organization are held separately from, and are not commingled with those of its affiliates.

2.4.3 Guidelines reporting by fund-raising organizations

The financial statements have been compiled to the maximum extent in accordance with the Guideline for annual reporting 650 “Fundraising organisations” of the Dutch Accounting Standards Board and the Guideline ‘Richtlijn Financieel Beheer Goede Doelen’ of the Vereniging van Fondsenwervende Instellingen (VFI). The purpose of these guidelines is to provide information relating to the expenses of the organization, and the use of funds in relation to the objectives for which the funds have been raised.

2.4.4 Accounting policies

General

Unless otherwise indicated, all assets and liabilities are stated at nominal value.

Foreign currency translation

All assets denominated in foreign currencies, including cash in foreign interest-bearing cash accounts, are translated at the exchange rates applicable at the balance sheet date. Foreign currency transactions are translated into Euros at exchange rates applicable at the time of the transactions. All realized and unrealized exchange gains and losses on foreign currency balances are included in the statement of income and expenses for the year as a component of other income and expense.

Tangible fixed assets

Tangible fixed assets, which are comprised of office furniture and equipment, building and vehicle, are stated at cost less accumulated depreciation, which is calculated on the straight-line basis over the estimated useful lives of the respective assets. Asset lives range from 3 – 40 years. Asset accounts and the related accumulated depreciation reserves are fully relieved for items sold or disposed.

Based on the external valuation of the building located at the Javastraat 56, Den Haag in the year 2018, the market value of the building amounts to €1,220,000. The net book value of the land and building in fiscal year 2017 resulted in an impairment loss of €94 thousand in fiscal year 2018.

Financial fixed assets

Bonds, equities and alternative investments are stated at market value as per 30th June, 2018. Realized and unrealized gains and losses are accounted for in the statement of income and expenses.

Receivables and prepaid assets

Receivables and prepaid assets are stated at nominal value less reserves, if any, which may have been established related to uncollectible balances.

Cash and cash equivalents

Cash equivalents are comprised of highly liquid investments with original maturities of less than three months at time of purchase.

Financial derivatives

Financial derivative instruments are initially recognized at fair value and then subsequently revalued to fair value at every balance sheet date. For the principles for future valuation of primary financial instruments, reference is made to the accounting policies per the balance sheet item.

Appropriation of the result

The financial statements as per 30 June 2018 are prepared before result appropriation.

Reserves and Funds

IFAW's global reserves and funds are intended to mitigate financial risks imbedded in the Organization's operating activities and position the Organization to pursue programmatic and institutional activities. The worldwide affiliated IFAW entities are financially and operationally interdependent. As such, individual IFAW entities may vary with respect to nature and quantities of reserves. Stichting IFAW maintains as per 30 June, 2018 a continuity and earmarked reserve and created in the year ending 30 June 2018 a second earmarked Institutional Investment reserve.

The **Continuity reserve** is intended to be used for the long-term sustainability of the Organization and to mitigate financial risks imbedded in the Organization's operating activities (see note 2.5.3.). A continuity reserve is maintained to cover risks in the short term and make sure the foundation can meet its obligations in the future.

The **Earmarked reserve** is a reserve to provide Stichting IFAW with investment income and is intended to provide unrestricted financial resources to support long range strategic objectives of the Organization (see note 2.5.3 and 2.5.7).

In the year ending 30 June 2018, Stichting IFAW created a new **Earmarked Institutional Investment reserve** to fund critical investments in staffing, technology and systems needed to support programmatic and operational growth in the current and two subsequent fiscal years (see note 2.5.3 and 2.5.7).

Payables and accrued expenses

Payables and accrued expenses represent obligations with a term of one year or less. Such liabilities are stated at nominal value.

Taxes

The Organization has been registered as a Dutch charity foundation and has been granted the status of Public Benefit Organization, so-called ANBI (Algemeen Nut Beogende Instelling) by the Dutch Tax and Customs Administration and is as such, exempted from income taxes.

Use of estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities as at 30 June, 2018 and 2017, as well as the reported amounts of income and expenses during the reporting period. Actual results may differ from the estimates included in the financial statements.

Income from individual supporters

Gifts and contributions received in the financial year less applicable income taxes, if any, are regarded as income from individual supporters. Income from bequests is recognized as income from individual supporters in the financial period in which the income can be reasonably estimated.

Other income

In-kind donations relate to donated advertising and are valued at fair market value. Processing of in-kind donations does not affect the results and equity, but only in volume of the income and expenses. The income is accounted for under other income. The expenses are classified by category, consistent with the other expenditures of the organization.

Expenditures

The costs of providing program and other activities have been summarized on a functional basis in the statements of income and expenses. Accordingly, certain joint costs have been allocated between Contributed to causes, Own fund-raising or Administrative expenses based on estimates of time worked by employees and professionals on each activity, except for direct educational mail costs, which are allocated based on content of packages mailed or advertisements displayed. Administrative expenses include oversight, business management, general record keeping, budgeting, financing and all management and administration in support of charitable activities.

Pensions

The Organization maintains a defined contribution pension plan (“the Plan”) for employees. Employees become vested in the Plan immediately upon becoming a participant. The Organization makes contributions to the Plan based upon each employee’s eligible salary and corresponding age. The Organization made contributions to the Plan totaling €73,917 and €62,805 during 2018 and 2017, respectively. The contributions to the Plan are not subject to indexation and are invested by Delta Lloyd in a so-called Life Cycle investment pension fund. Based on the number of years prior to retirement date, employees are allowed to choose for a defensive, neutral or offensive Life Cycle fund to manage and possibly reduce investment risks. At the age of 67 years employees are entitled to transfer the value of the available fund into a retirement pension.

Related party transactions

Stichting IFAW periodically enters into financial transactions with affiliated organizations. All transactions are made in the ordinary course of business and are recorded at actual cost, which is deemed to be fair value. Examples of related party transactions are grants to affiliates (for the advancement of their missions) and institutional shared costs (paid to the Organization’s United States affiliate for certain program, fundraising, accounting, information technology and management support and services for the Organization). Cost allocation is determined based upon the Organization’s relative share of IFAW’s worldwide revenue and expense, less grants to and from affiliates (see note 1.1.1).

2.5 Notes to the balance sheet as at 30 June, 2018

2.5.1 Operational assets

	Land	Building and improvements	Furniture/office and Computer equipment	Vehicles	Total
	€	€	€	€	€
Balance as at June 30, 2017					
At cost	379,500	1,347,916	51,514	27,743	1,806,673
Accumulated depreciation	-	(378,561)	(43,656)	(4,031)	(426,248)
Net book value	379,500	969,355	7,858	23,712	1,380,425
Mutations in 2017/2018					
Impairments	-	(94,370)	-	-	(94,370)
Purchases and acquisitions	-	-	5,614	25,730	31,344
Disposals	-	-	(9,211)	(7,844)	(17,055)
Depreciation	-	(34,482)	(2,994)	(6,684)	(44,160)
Depreciation disposals	-	-	9,211	3,269	12,480
Net mutations	-	(128,852)	2,620	14,471	(111,761)
Balance as at June 30, 2018					
At cost	379,500	1,347,916	47,917	45,629	1,820,962
Accumulated impairments	-	(94,370)	-	-	(94,370)
Accumulated depreciation/disposals	-	(413,043)	(37,439)	(7,446)	(457,928)
Net book value	379,500	840,503	10,478	38,183	1,268,664
Rates of depreciation (in years):	n/a	40	5 and 3	5	

All operational assets support normal business operations.

Based on the external valuation of the building located at the Javastraat 56, Den Haag in the year 2018, the market value of the building amounts to €1,220,000. The net book value of the land and building in fiscal year 2017 resulted in an impairment loss of €94 thousand in fiscal year 2018. Stichting IFAW has no intention to sell the building.

2.5.2 Receivables and prepaid expenses

Receivables are mainly comprised of accrued donation income. Prepaid expenses are comprised of amounts paid to vendors and suppliers in advance of receipt of goods or services.

	June 30,	June 30,
	2018	2017
	€	€
Accrued bequest income	1,040,604	741,020
Other accrued income	42,495	15,489
Prepaid expenses	8,884	2,915
Prepaid grant European Union TFCA to co-applicants*	210,346	-
Grants receivable **	35,447	57,526
Other current assets	46,393	1,148
	<u>1,384,169</u>	<u>818,098</u>
* Stichting IFAW received EU grant from the European Commission and prepaid in the role of Coordinator and based on the co-applicant agreements a first installment to the co-Applicants: African Wildlife Foundation and Big Life Limited, see also 2.6.1b		
** This balance results from grant receivable IUCN, National Committee of The Netherlands and Stichting Adessium as per 30 June 2018, see notes 2.6.1b and 2.6.1c		

As from 1 July 2016 Stichting IFAW valued their bequests with a usufruct clause in the financial statements. The bequests with usufruct are included in the receivables and prepaid expenses: Accrued bequest income. The total impact on the balance for the year ending June 30, 2017 and June 30, 2018 is €314,388 and €429,349 respectively.

2.5.3 Reserves and funds, appropriation result

Reserves

The Continuity reserve is maintained to cover the risks of discontinuity in the short term and make sure the foundation can meet its obligations. Stichting IFAW decided during fiscal year 2018 to transfer €1 million to a new Earmarked Institutional Investment reserve and to lower the period to ensure a going concern basis from 1,5 years to approximately eight months, even when no income is generated. The continuity reserves therefore need to cover the operational expenses of the foundation. Being: Personnel expenses, housing- and office expenses, overheads, depreciation and interest including allocation to causes.

	June 30,	June 30,
	2018	2017
	€	€
Balance as at July 1, 2017	3,535,750	2,699,631
Result appropriation	-	836,119
Reclassification from Continuity reserve to new earmarked reserve	(1,000,000)	-
Balance as at June 30, 2018	<u>2,535,750</u>	<u>3,535,750</u>

The **Earmarked reserve allows Stichting IFAW to invest in financial fixed assets**. The investment income is intended to provide Stichting IFAW unrestricted financial resources to support long range strategic objectives of the Organization. The total Earmarked reserve represents the total value of the sum of the financial fixed assets and balance of the capital cash account as per 30 June, 2018 (see note 2.5.7).

	June 30,	June 30,
	2018	2017
	€	€
Balance as at July 1, 2017	1,570,877	1,696,601
Reclassification from Continuity reserve to earmarked reserve	-	-
Result appropriation	162,669	(125,724)
Balance as at June 30, 2018	<u>1,733,546</u>	<u>1,570,877</u>

Stichting IFAW created in the year ending 30 June 2018 a **new Earmarked Institutional Investment reserve to fund critical investments in staffing, technology and systems** needed to support programmatic and operational growth in the current and two subsequent fiscal years.

	June 30,	June 30,
	2018	2017
	€	€
Balance as at July 1, 2017	-	-
Reclassification from Continuity reserve to new earmarked reserve	1,000,000	-
Result appropriation	1,107,143	-
Balance as at June 30, 2018	<u>2,107,143</u>	<u>-</u>

Appropriation result

The result of fiscal year 2016/2017 of €1,269,812 is appropriated with an amount of €162,669 to the earmarked reserve to invest in financial fixed assets and for an amount of €1,107,143 to the earmarked Institutional Investment reserve. No decision has been taken on the appropriation of the result of fiscal year 2017/2018.

2.5.4 Notes payable

Notes payable represents the outstanding principal balance related to a mortgage loan used to finance the purchase of a building (to be used in the normal course of business) located at Javastraat 56, Den Haag. During fiscal year 2006 the Organization borrowed €1,100,000 from ING Bank.

In September 2015, at the end of the fixed interest period, the Organization entered into a new mortgage loan with the Triodos Bank to the amount of €974,000. The repayment term of the forementioned Triodos Bank loan will be 10 years including principal payments of €7,123.83 due at the end of each calendar quarter and a final payment of €681,800 due at maturity. The 10-year fixed rate related to the loan will be 2.86%. Payment of the loan is secured by giving the Triodos Bank first mortgage rights on the building located at Javastraat 56, 2585 AR Den Haag, section P, number 9122 to the amount of €1,000,000, to be increased by 37.5% interest and charges as well as a first right of property as stipulated in the loan agreement (article 44, general terms and conditions).

2.5.5 Due from(to) affiliates, net

	June 30,	June 30,
	2018	2017
	€	€
IFAW Internationaler Tierschutz-Fonds gGmbH (Germany)	82,607	57,163
Fonds international pour la protection des animaux (France)	28,747	22,548
International Fund for Animal Welfare Pty Ltd (Australia)	2,425	170
	<u>113,779</u>	<u>79,881</u>
International Fund for Animal Welfare IFAW (United Kingdom)	(8,391)	(50,248)
International Fund for Animal Welfare, Inc (United States)	(70,504)	(3,940)
International Fund for Animal Welfare IFAW in Action (United Kingdom)	(310)	(417)
	<u>(79,205)</u>	<u>(54,605)</u>

For Fiscal Year 2018 this small balance is most likely not related to institutional shared costs.

2.5.6 Accrued expenses

	June 30,	June 30,
	2018	2017
	€	€
Professional fees - audit	29,482	22,267
Other accrued expenses	51,504	35,102
Deferred revenue *	652,059	88,235
	<u>733,045</u>	<u>145,604</u>

- Euro 70,437 of deferred revenue relates to Stichting AAP, Animal Advocacy and Protection, see note 2.6.1c Income foundations and Euro 580,196 relates to European Union, see note 2.6.1b Income grants Government

2.5.7 Financial fixed assets/Cash and cash equivalents

Stichting IFAW in The Netherlands has a long-term financial Earmarked reserve fund managed by 'Quilter Cheviot' in accordance with IFAW's Institutional Investment Policy Statement. The objectives of the fund are to provide Stichting IFAW with investment income to support long range strategic objectives as well as financial stability and represent the total value of the sum of the financial fixed assets (€1,668,773) and balance of the capital cash account (€98,051) as per 30 June, 2018 or €1,766,824. Assets will be invested with due care, skill and diligence, investment approach will be that of a 'prudent investor'.

In accordance with the Organisation's Guiding Principles, investment manager shall not invest in companies that engage in the following activities: animal testing, intensive farming, unsustainable timber production, fur trade of animals or species that are endangered and/or subjected to cruelty and producers of weapons banned by international treaties.

The fund is evaluated in the context of the investment goals and objectives twice annually on a total return basis. The report is presented to the Finance Committee.

	Bonds	Equity Investments	Alternative Investments	Total
	€	€	€	€
Balance as at June 30, 2017	230,337	1,195,787	233,646	1,659,770
Acquisitions	-	37,639	29,642	67,281
Sales	-	(59,389)	-	(59,389)
Revaluations realised	-	21,011	-	21,011
Revaluations unrealised	(7,887)	(5,931)	(6,079)	(19,897)
Balance as at June 30, 2018	222,450	1,189,117	257,209	1,668,776

		June 30, 2018		June 30, 2017
		€		€
Bonds	4%	222,448	4%	230,337
Equity Investments	21%	1,189,117	22%	1,195,787
Alternative Investments	4%	257,208	4%	233,646
		1,668,773		1,659,770
Capital Cash account	2%	98,051	1%	73,776
Other Liquid funds*	70%	4,030,943	68%	3,709,357
		4,128,994		3,783,133
	100%	5,797,767	100%	5,442,903
*This balance results from Stichting IFAW including CIH Bank IFAW Morocco branch €29,612				

2.5.8 Rights and liabilities not disclosed in the balance sheet

IFAW has contingent assets regarding legacies and future donations momentarily under usufruct. The contingent assets that are not quantifiable yet, will be recognized in the year the income is certain and quantifiable.

2.6 Notes to the statement of income and expenses for the year ended 30 June, 2018

2.6.1a Income individual supporters

	Realisation	Budget	Realisation
	2017/2018	2017/2018	2016/2017
	€	€	€
Educational mailing activities	3,810,260	3,864,985	4,140,023
Bequests	1,172,626	839,878	1,019,000
Other income individual supporters	4,643	-	7,346
	<u>4,987,529</u>	<u>4,704,863</u>	<u>5,166,369</u>

Income from educational mail activities income was slightly under budget by €55 thousand, while income from bequests was over budget by €333 thousand. See section 1.3 for further analysis.

2.6.1b Income grants Government

	Realisation	Budget	Realisation
	2017/2018	2017/2018	2016/2017
	€	€	€
European Union-represented by the European Commission - Strengthening Community Support for Law Enforcement and Anti-Poaching Efforts in the Greater Kilimanjaro Trans Frontier Conservation Area (TFCA) *	118,225	-	-
Dutch Ministry of Foreign Affairs/ IUCN, National Committee of the Netherlands - Funding Programme: Wildlife Crime Programme Law Enforcement Component **	93,665	176,882	362,878
Netherlands Forensic Institute/NFI, Forensic Support Combatting Wildlife Crime in the Horn of Africa funded by IUCN, National Committee of the Netherlands	27,318	-	-
Burgemeester en wethouders van Den Haag-Zorg en volksgezondheid - project Blijf van mijn dier	3,000	-	-
	<u>242,208</u>	<u>176,882</u>	<u>362,878</u>

The organization received a grant in fiscal year 2017/2018 from the European Union - represented by the European Commission to strengthen community support for law enforcement and anti-poaching efforts in the Greater Kilimanjaro Trans Frontier Conservation Area in the period as from January 2018 until December 2020. Stichting IFAW in the role of coordinator entered into contract agreements with two co-applicants: African Wildlife Foundation and Big Life Limited to perform the activities.

	Realisation	Budget	Realisation
	2017/2018	2017/2018	2016/2017
	€	€	€
* Grant received from European Union-represented by the European Commission - (TFCA) 01 July 2017 - 30 June 2018	698,421	-	-
Deferred revenue, see also 2.5.6	(580,196)	-	-
	<u>118,225</u>	<u>-</u>	<u>-</u>
Allocated to Strengthening Community Support for Law Enforcement and Anti-Poaching Efforts in the Greater Kilimanjaro Trans Frontier Conservation Area (TFCA) 01 January - 30 June 2018			
Project costs	118,225	-	-
Total costs EU grant	<u>118,225</u>	<u>-</u>	<u>-</u>

The organization received a grant in fiscal year 2015/2016 which has been prolonged until June 30th, 2018 from IUCN, National Committee of The Netherlands to perform a project focusing on combatting Wildlife Crime in select countries in the Horn of Africa between January 1st 2016 and June 30th, 2018. The Wildlife Crime Program Law Enforcement Component is funded by the Dutch Ministry of Foreign Affairs.

	Realisation	Budget	Realisation
	2017/2018	2017/2018	2016/2017
	€	€	€
**IUCN, National Committee of The Netherlands/Dutch Ministry of Foreign Affairs, Deferred revenue as per 30 June 2017	(51,092)	-	51,092
Contribution received from IUCN, National Committee of The Netherlands/Dutch Ministry of Foreign Affairs 01 July 2017 - 30 June 2018	138,064	176,882	254,260
Receivable as per 30 June 2018, see also 2.5.2	13,127	-	57,526
Total income IUCN grant	<u>100,099</u>	<u>176,882</u>	<u>362,878</u>
Allocated to Combatting Wildlife Crime in the Horn of Africa project 01 July 2017 - 30 June 2018:			
Project costs	93,176	176,882	326,355
Contribution to overhead	6,923	-	36,523
Total costs IUCN grant	<u>100,099</u>	<u>176,882</u>	<u>362,878</u>

2.6.1c Income other non-profit organisations

	Realisation	Budget	Realisation
	2017/2018	2017/2018	2016/2017
	€	€	€
Stichting Adessium-Funding Programme:Tackling Wildlife Cybercrime in Europe and Russia *	178,856	134,638	3,219
Stichting Adessium - project Blijf van mijn Dier	20,000	-	10,000
Achmea Foundation - project Blijf van mijn Dier	-	-	5,000
Stichting Waardig Dier - project Blijf van mijn Dier	20,970	-	9,666
Stichting AAP-Animal Advocacy and Protection-'Born to be wild' funded by 'Nationale Postcode Loterij' **	148,063	176,000	-
Other	-	-	5,000
	367,889	310,638	32,885

The organization received a grant in fiscal year 2016/2017 from Stichting Adessium which has been prolonged in fiscal year 2017/2018 to perform a project focusing on tackling Wildlife Cybercrime. The project aims to significantly reduce the quantity of endangered species being traded over the internet in Europe and Russia.

	Realisation	Budget	Realisation
	2017/2018	2017/2018	2016/2017
	€	€	€
* Stichting Adessium, Deferred revenue as per 30 June 2017	86,781	-	(86,781)
Contribution received from Stichting Adessium	70,000	134,638	90,000
Receivable as per 30 June 2018, see also 2.5.2	22,075	-	-
Total income Adessium grant	178,856	134,638	3,219
Allocated to Tackling Wildlife Cybercrime in Europe and Russia 01 July 2017 - 30 June 2018:			
Project costs	172,784	134,638	2,000
Contribution to overhead	6,072	-	1,219
Total costs Adessium grant	178,856	134,638	3,219

In April 2017 Stichting AAP, Animal Advocacy and Protection, established and registered in Almere, together with IFAW signed a strategic program partner agreement to set up the program known as 'Born to be wild'. The overall goal of the program is to sustainably protect the Barbary macaque in captivity and in the wild. Stichting AAP and IFAW have discussed a strategic contribution and commitment by IFAW to the program, funded by the 'Nationale Postcode Loterij'. IFAW received from Stichting AAP part of the funds provided by the Loterij. In fiscal year 2018, €148 thousand has been contributed to the project

	Realisation	Budget	Realisation
	2017/2018	2017/2018	2016/2017
	€	€	€
** Contribution received from Stichting AAP	218,500	176,000	-
Deferred revenue, see also 2.5.6	(70,437)	-	-
Total income grant Stichting AAP, funded by 'Nationale Postcode Loterij'	148,063	176,000	-
Allocated to 'Born to be wild' 01 July 2017 - 30 June 2018:			
Project costs	148,063	176,000	-
Total costs grant Stichting AAP	148,063	176,000	-

2.6.2 Income Lotteries

	Realisation	Budget	Realisation
	2017/2018	2017/2018	2016/2017
	€	€	€
Participation Sponsor Lottery	13,972	-	14,674

2.6.3 Income from investments

	Realisation	Budget	Realisation
	2017/2018	2017/2018	2016/2017
	€	€	€
Income from investments			
Interest from bank accounts	-	-	669
Realised revaluations bonds	-	-	2,075
Unrealised revaluations bonds	(7,887)	-	(15,416)
Interest Bonds and Dividend income	45,276	10,675	43,469
Realised revaluations Equity/Altern. Investments	21,011	21,351	31,146
Unrealised revaluations Equity/Altern. Investments	(12,011)	74,727	113,533
	46,389	106,753	174,807
Gains conversion of foreign currency	(2,800)	-	55,407
Unrealized gain on currency contracts	46,518	-	(22,293)
	43,718	-	33,114
Gross investment result	90,107	106,753	208,590
Fees	(13,064)	(17,460)	(12,495)
Net investment result	77,043	89,293	196,095
Income return on investments (see note 2.5.7)	1%		4%

IFAW maintains investments in relationship to its Financial Reserves Policy and Institutional Investment Policy Statement. Investments are to be consistent with IFAW's values and ideals, while maximizing returns. Investment decisions are made with advice from qualified advisors following the organizations Ethical Mandate which is in line with IFAW's conservation and animal welfare objectives and its Statements of Principal.

The Organization hedges certain anticipated cash flows using forward exchange contracts. Unrealized (gain)/loss is assessed at the balance sheet date based on fair value.

2.6.4 Income for provided services

	Realisation	Budget	Realisation
	2017/2018	2017/2018	2016/2017
	€	€	€
Rental income	7,150	6,600	6,050
Service fee income for provided services EU Financial Service Center to affiliated IFAW organizations	121,648	118,524	84,681
	128,798	125,124	90,731

Rental income relates to part of the building at Javastraat 56 , Den Haag, where Stichting IFAW is situated. Stichting IFAW, as the European Financial Service Center provides accounting, basic financial management, financial reporting, treasury, payroll and audit support to three IFAW entities in Europe with five offices situated in France, Belgium, Germany, Morocco and The Netherlands. The services and recharge of allocable costs are defined per entity in a Framework Agreement.

2.6.4a Other income: In-kind donations

	Realisation		Budget		Realisation
	2017/2018		2017/2018		2016/2017
	€		€		€
Other income					
In-kind donations	69,569		-		88,864

In fiscal year 2017/2018, the Organization received In-kind donations to the amount €70 thousand from Google AdWords. The in-kind donations concern advertisements on Google Adwords website and are valued against fair value in accordance with the accounting policies as stipulated under section 2.4.

2.6.5 to 2.6.8 Expenditures

Cost allocation sheet 2017/2018:

Notes:	2.6.5a	2.6.5b	2.6.6	2.6.7	2.6.8		
	Contributed to causes						
	Animal welfare programmes worldwide	Animal welfare Projects under own control	Public information and awareness	Own Fundraising	Administrative expenses	Actual 2017/2018	Budget 2017/2018
	€		€	€	€	€	€
Direct programme expenses:							
External Grants	1,140	144,210			-	145,350	85,420
Contributions to affiliates for programme services and donations	170,159	-			-	170,159	186,916
Operational expenses:							
Direct educational mail costs	-	33,221	507,882	467,008	50,190	1,058,301	1,349,976
Institutional and support services costs	-	-	1,133,755	277,524	354,144	1,765,423	1,909,185
Salaries, social charges and contracted services	-	569,597	630,826	138,408	253,868	1,592,699	1,193,688
Office and facilities expenses	-	183,987	19,451	4,695	22,579	230,712	100,921
Travelling and representation	-	122,372	36,208	994	3,983	163,557	106,149
Other expenses	-	113,558	93,835	17,544	195,021	419,958	375,774
Total expenditures	171,299	1,166,945	2,421,957	906,173	879,785	5,546,159	5,308,029
Spending ratios							
Expenses own fundraising as a percentage of income own fundraising						18.2%	20.9%
Total expenditures contributed to causes as a percentage of total income						64.7%	67.6%
Total expenditures contributed to causes as a percentage of total expense						67.8%	67.7%
Expenses administration as a percentage of total expenditures						15.9%	13.8%

For comparison purposes, cost allocation sheet 2016/2017:

Notes:	2.6.5a	2.6.5b	2.6.6	2.6.7	2.6.8		
	Contributed to causes						
	Animal welfare programmes worldwide	Animal welfare Projects under own control	Public information and awareness	Own Fundraising	Administrative expenses	Actual 2016/2017	Budget 2016/2017
	€		€	€	€	€	€
Direct programme expenses:							
External Grants	20,953	231,930			-	252,883	76,577
Contributions to affiliates for programme services and donations	285,896	-			-	285,896	450,450
Operational expenses:							
Direct educational mail costs	-	39,831	715,671	343,915	56,677	1,156,094	1,609,685
Institutional and support services costs	-	-	954,715	204,582	291,638	1,450,935	1,536,897
Salaries, social charges and contracted services	-	299,571	522,445	159,022	162,293	1,143,331	1,098,268
Office and facilities expenses	-	43,304	36,324	8,596	16,427	104,651	158,938
Travelling and representation	-	53,548	36,969	6,447	1,526	98,490	232,085
Other expenses	-	3,247	82,140	12,507	92,510	190,404	200,695
Total expenditures	306,849	671,431	2,348,264	735,069	621,071	4,682,684	5,363,596
Spending ratios							
Expenses own fundraising as a percentage of income own fundraising						14.9%	20.4%
Total expenditures contributed to causes as a percentage of total income						60.1%	65.3%
Total expenditures contributed to causes as a percentage of total expense						71.0%	67.9%
Expenses administration as a percentage of total expenditures						13.3%	12.3%

Direct programme expenses are comprised of costs that are fully attributable to programme support.

- **Projects under own control represents** direct costs of administering programmatic initiatives. Such costs are comprised of certain professional fees, goods and services, and travel costs which are directly attributable to the Organization's priority program areas.
- **Contributions to affiliates for programme services and donations** represent unconditional grants to other IFAW organizations for the furtherance of their missions, which are consistent with the mission of Stichting IFAW (International Fund for Animal Welfare).

	Realisation	Budget	Realisation
	2017/2018	2017/2018	2016/2017
	€	€	€
International Fund for Animal Welfare, Inc (United States)	170,159	186,916	6,366
International Fund for Animal Welfare Inc/ Fonds international pour la protection des animaux inc (Canada)	-	-	274,529
International Fund for Animal Welfare (United Kingdom)	-	-	5,000
	<u>170,159</u>	<u>186,916</u>	<u>285,896</u>

Operational expenses are comprised of costs that jointly benefit Contributions to causes; Own fundraising and Administrative expenses.

- **Direct educational mail costs** are comprised of professional fees, printing and assembly costs, postage, response processing fees and other costs associated with production and distribution of direct mail educational and fundraising materials.
- **Institutional shared costs** are paid to the Organization's United States affiliate for certain program, fundraising, accounting, information technology and management support.
- **Operational expenses related to the EU Financial Service Center**, situated at Stichting IFAW (International Fund for Animal Welfare) in Den Haag as from July 1st, 2013 are included in the Administrative expenses.

- **Salaries, social charges and contracted services** represent compensation and benefits paid to or on behalf of employees and contracted professional services.

	Realisation	Budget	Realisation
	2017/2018	2017/2018	2016/2017
	€	€	€
Employee wages	651,298	629,634	532,981
Payroll taxes and benefits, including pension costs	232,523	188,884	188,554
Contracted professional services	251,319	119,936	145,023
	1,135,140	938,454	866,558
Professional services and intercompany salaries allocated to projects under own control	457,559	255,234	2,000
Total	1,592,699	1,193,688	1,143,331
Contracted professional services is net of services accounted for in Direct Mail and Program Costs see note 2.6.6.			

The Organization's Board of Directors received no remuneration during the years ended 2018 and 2017. The director received gross compensation of €81,188 for the year ending 30 June, 2018 (FY17: €78,823). Full Time equivalent (FTE) for 2017/2018 was 14.5 (FY17: 11.3).

Positions by function and Full Time equivalent can be illustrated as follows:

	FTE	FTE
	2017/2018	2016/2017
Contributed to causes (1)	10.8	8.4
Own fundraising	1.5	1.3
Administrative (2)	2.3	1.7
Total FTE (3)	14.5	11.3
(1) Including 2 FTE IFAW Worldwide: Program Director, Wildlife Crime and Senior Program Manager, Wildlife Crime		
(2) Including 2.1 FTE EU Financial Service Center		
(3) Total FTE excluding staff IFAW Morocco Branch		

- **Office and facilities expenses** are comprised of telecommunications, utilities, office equipment, and maintenance costs associated with the Organization's offices.
- **Traveling and representation** costs include airfare, lodging and meals which are incurred in the ordinary course of business.
- **Other expenses** are comprised of miscellaneous ordinary business costs, including interest expense.

2.6.9 Contribution to causes allocated to the strategic program areas of IFAW

	Projects under own control/ External Grants	Contributions to affiliates for programme services	Operational expenses	Total realisation 2017/2018	Total realisation 2017/2018	Budget 2017/2018	Total realisation 2016/2017
	€	€	€	€		€	€
Marine Conservation Landscape	-	-	3,569	3,569	0%	117,881	109,066
Conservation	-	-	3,500	3,500	0%	9,770	9,039
Wildlife Crime	843,082	170,159	1,432,914	2,446,155	65%	1,901,268	1,759,090
Community Animals	165,884	-	547,622	713,506	19%	753,868	697,492
Animal Rescue	157,979	-	435,492	593,471	16%	812,627	751,857
	1,166,945	170,159	2,423,097	3,760,201	100%	3,595,414	3,326,544

Den Haag, 14 February 2019

Mark Beaudouin
Audit and Risk Management Committee Chairperson

3. Other information

3.1 Auditor's report