

BANKTRACK

FINANCIAL REPORT 2013

MAY 2014



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BankTrack

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Netherlands



1 INTRODUCTION

BankTrack started 2013 with its sixth Network Strategy meeting, taking place in the imposing *Grafenschloss* of Diez, Germany. The meeting brought together over half of our constituency and resulted in a solid work plan for the remainder of the year. After the meeting, our various working groups set out to work on the human rights obligations of banks, the proper implementation of the new Equator Principles, the financing of the coal sector and its impact on climate change, the role of private sector banks in financing the palm oil sector and the role of banks based in emerging markets.

In addition, our members and partners continued their own wide range of advocacy and campaign work targeted at private sector banks and the projects and business operations they invest in, as reflected in a growing number of profiles of banks, companies and dodgy deals on our website. The secretariat meanwhile further developed our collective toolbox by introducing a new newsletter, further improving our website and promoting our training facilities. We also welcomed another four member groups to our network, now a 40 strong coalition of members and partners.¹

Unfortunately, our effectiveness as a network continued to be hampered by a lack of financial resources to cover our operating costs. Compared to 2012, our income in 2013 dropped by one third, from 409.968 euro to 271.861 euro, far below the level necessary to effectively run a global network of NGOs targeting a sector as vast and influential as private sector banks. Therefore, despite our substantial achievements this year, as ambitious campaigners we cannot be fully satisfied with our work output; much more needs to be done to move the banking sector towards sustainability.

STAFFING AT SECRETARIAT

Throughout the year, the secretariat in Nijmegen consisted of a staff of only three, two of which work part time. One additional campaign coordinator was also part of our team but is formally employed by our French member group Les Amis de la Terre. With further help of one committed volunteer our total staff capacity in 2013 was therefore on average just 3 *fte*, which is at least two full *fte* below what we consider the minimum secretariat capacity needed to manage the network.

For 2014 we aim to expand staff capacity with an increased number of unpaid intern and volunteer position and, funding permitting, 2-3 paid staff members tasked with managing a number of specific campaigns and projects.

¹ More information on all these activities can be found in our Annual Report 2013, forthcoming.



SALARY POLICY

BankTrack follows the Dutch 'CAO Welzijn'² as guidance for its salary policy, as far as our financial situation permits us to do so. Compared to 2012 there have been no changes in this policy. After a partial freeze, a periodical increase of wages early 2014 in line with the salary tables of the *CAO Welzijn* leaves our current staff paid according to, respectively, scale 12.14 (coordinator), scale 9.6 (editor, campaigner) and 6.4 (support staff).³

FINANCIAL SUPPORT 2013, CHALLENGES 2014

We are grateful for the financial support that we have received from the funders that have stood with us for many years now. The CS Mott Foundation (supporting us since 2003) and Oxfam Novib provided us also this year with a general purpose grant. Unfortunately, the Sigrid Rausing Trust, another long standing supporter of our network, decided in July to terminate its support for BankTrack but provided us with a small phase out grant to cushion the impact of this decision. As a result of this unexpected drop in projected income for 2013 we had to severely lower our work budget half way the year and agree with our remaining funders on a new allocation of their support.

On a positive note, in June 2013 BankTrack entered into an agreement with the European Climate Foundation (ECF) to support the 'international coal coalition', a newly formed cooperation of NGOs aiming to stop the expansion of the coal sector, in its dealings with the private financial sector. This support has allowed us to continue our own campaign work on 'banks and coal' throughout the year.

Looking ahead at 2014, the financial situation of BankTrack remains precarious. The support already secured from CS Mott, Oxfam Novib and ECF is sufficient to cover our core operating costs for this year but to increase our campaign capacity in 2014, and more importantly to secure financial stability for 2015 and beyond, we need to expand our funding base with new supporters. Doing so will be a top priority for the secretariat all through 2014.

FINANCIAL RESERVES

In light of the continuing financial uncertainty over 2013, and the uncertain outlook for 2014 and beyond, we have followed a prudent course in building up our financial reserves. We have managed to increase our general reserves to 141.654 euro, an increase of 30.141 euro compared to the end of 2012 (111.513 euro). This was achieved mainly by raising our membership fees through a new system where our larger member groups are requested to pay substantially more than our smaller member groups.

As a result, our income from membership fee increased from 10.700 to 17.284, with additional support payments of 8.775 euro coming from member groups for campaign activities that require substantial support from the secretariat. Our target for the end of FY 2014 is to reach a reserve of 150.000 euro, a

² <http://www.abvakabofnv.nl/3944/419044/185916/coa-wmd-excl-functieboek.pdf>

³ Idem, p 80



modest increase compared to 2013 as we expect to use part of our member fee income to cover operating costs, this in case we do not manage to secure sufficient additional funding to fuel our unchanging ambitions to push the international banking sector towards sustainability.

Nijmegen, March 2014

Johan Frijs, Coordinator



2 BALANCE SHEET

		December 31, 2013	December 31, 2012
CURRENT ASSETS			
	Specification*		
Fixed assets			
Tangible fixed assets	1	1.282	1.970
		<u>1.282</u>	<u>1.970</u>
Claims			
Deposits	2	2.300	2.300
Paid in advance	3	12	-
Accounts receivable	4	50	-
		<u>2.362</u>	<u>2.300</u>
Cash at banks	5	268.552	171.414
		<u>272.196</u>	<u>175.684</u>

		December 31, 2013	December 31, 2012
CURRENT LIABILITIES			
General reserve account			
Reserve value at January 1		111.513	95.128
Balance financial year		30.141	16.385
		<u>141.654</u>	<u>111.513</u>
Projects reserve account			
Reservations long term income	6	120.221	48.331
Reservations ongoing projects	7	3.000	3.000
		<u>123.221</u>	<u>51.331</u>
Accounts payable			
Salaries, taxes, social contributions	8	4.364	9.201
Remaining accounts payable	9	2.957	3.638
		<u>7.321</u>	<u>12.839</u>
		<u>272.196</u>	<u>175.684</u>

* see 'specification balance sheet'



3 PROFIT AND LOSS ACCOUNT

		<u>2013</u>	<u>2012</u>
INCOME	Specification*		
Grants	1	241.512	393.583
interest earnings	2	3.956	5.610
other income	3	26.289	10.775
		<u>271.757</u>	<u>409.968</u>
<i>Total income</i>		<u><u>271.757</u></u>	<u><u>409.968</u></u>
		<u>2013</u>	<u>2012</u>
EXPENDITURES			
1. ORGANISATION			
1.1&1.2 Staff			
Staff costs	4	187.289	244.695
1.3 Secretariat			
Housing costs	5	11.024	10.761
Secretariat	6	23.126	29.378
Depreciation equipment		981	2.455
		<u>35.130</u>	<u>42.595</u>
2. WORK AREAS			
2.1 Network development	7	9.739	76.576
2.2 Bank focused campaigns	8	1.619	24.906
2.3 Project focused campaigns	9	3.600	2.250
2.4 Issue focused campaigns	10	4.239	2.562
		<u>19.197</u>	<u>106.293</u>
<i>Total expenditures</i>		<u>241.616</u>	<u>393.583</u>
Result		<u>30.141</u>	<u>16.385</u>
		<u><u>271.757</u></u>	<u><u>409.968</u></u>

* see 'specification profit & loss'



4 SPECIFICATION BALANCE SHEET

CURRENT ASSETS

	inventory	computers	total
1 Tangible fixed assets			
Purchase value Dec 31, 2012	5.055	13.080	18.135
Depreciation till Dec 31, 2012	5.055-	11.110-	16.165-
Book value Dec 31, 2012	-	1.970	1.970
Investments 2013	293		293
Depreciation 2013	41-	940-	981-
Book value Dec 31, 2013	252	1.030	1.282
	December 31, 2013	December 31, 2012	
2 Deposits			
Deposit rent		2.300	2.300
3 Paid in advance			
Div. office costs	12		-
	12		-
4 Accounts receivable			
Other accounts receiveable	50		-
	50		-
5 Cash at banks			
Triodos bank	6.728	28.464	
Triodos savings account	80.627	69.951	
ASN bank savings account	181.221	73.000	
Creditcard	23-		
	268.552	171.414	



CURRENT LIABILITIES

	December 31, 2013	December 31, 2012
6 Reservations long term income		
CS Mott Foundation	63.387	
JMG Foundation	3.611	7.211
Sigrid Rausing Trust	-	12.011
Oxfam-Novib	37.984	29.109
European Climate Foundation	15.239	
	<u>120.221</u>	<u>48.331</u>
7 Reservations ongoing projects		
Auditor (est.)	3.000	3.000
	<u>3.000</u>	<u>3.000</u>
8 Salaries, taxes and social contributions		
Reservation holiday supplement	5.142	3.823
Pay-as-you-earn-income-tax	564-	5.454
Pensions	214-	75-
Net salaries		
	<u>4.364</u>	<u>9.201</u>
9 Remaining accounts payable		
Staff AdT France	2.511	2.296
Other accounts payable	446	1.342
	<u>2.957</u>	<u>3.638</u>



5 SPECIFICATION PROFIT AND LOSS ACCOUNT

INCOME	<u>2013</u>	<u>2012</u>
1 Grants		
CS Mott Foundation	70.458	90.575
Sigrid Rausing Trust ('10-'13)	23.506	76.817
Oxfam Novib ('12-'14)	121.125	100.891
JMG Foundation ('11-'13)	3.600	25.300
European Climate Foundation ('13-'14)	22.823	
Adessium Foundation		100.000
	<u>241.512</u>	<u>393.583</u>
2 Interest earnings		
on bank accounts	3.956	5.610
	<u>3.956</u>	<u>5.610</u>
3 Other income		
Member fees	17.284	10.700
Network support	8.775	
Donations e.a.	229	75
	<u>26.289</u>	<u>10.775</u>



EXPENDITURES	2013	2012
1. ORGANISATION		
4 1.1 &1.2 Staff		
Gross salaries	102.507	161.711
Social contributions	15.168	25.314
Pension contributions	7.792	9.504
Reservation holiday money	1.319	2.165-
Premiums absenteeism insurance	1.147	1.724
Staff at AdT France	52.511	36.800
Staff commuting costs	5.505	9.610
Training, education & coaching	1.340	1.368
Other staff costs		828
	<u>187.289</u>	<u>244.695</u>
5 1.3 Housing costs		
Rent, housing costs	11.024	10.761
	<u>11.024</u>	<u>10.761</u>
6 1.3 Secretariat		
Insurances	211	192
Communication costs, hosting	2.347	3.909
Supplies	1.352	1.756
Copy, printing	1.381	586
Representation costs	844	749
Documentation	903	750
Other secretariat costs	209	251
Travel staff	59	1.894
Translations	701	1.364
IT, website & design	6.639	8.797
Bookkeeping and salary administration	5.295	4.480
Auditor	2.511	1.910
Legal advice		2.314
Banking costs	674	427
	<u>23.126</u>	<u>29.378</u>



EXPENDITURES (CONTINUED)

	<u>2013</u>	<u>2012</u>
2. WORK AREAS		
7 2.1 Network development		
Strategy meetings	8.385	2.740
Training activities	603	
Trainings (BRIC project 2012)		73.835
Outreach and presentation	751	
	<u>9.739</u>	<u>76.576</u>
8 2.2 Bank focused campaigns		
Travel bank meetings	1.619	1.685
Research and publications		23.221
	<u>1.619</u>	<u>24.906</u>
9 2.3 Project focused campaigns		
Research and publications (SRF)	3.600	2.250
Travel and fact finding missions		
	<u>3.600</u>	<u>2.250</u>
10 2.4 Issue focused campaigns		
Travel campaign events	4.024	2.562
Research and publications	99	
Support partners, other costs	116	
	<u>4.239</u>	<u>2.562</u>



6 BREAKDOWN OF EXPENDITURES BY GRANT MAKER

In 2013 BankTrack received financial support from five different funders (including grants received earlier and partly used in 2013). Support was provided both for core operating costs as well as specific research and other projects. In addition, we received income from a number of other sources, primarily membership fees. The following pages provide a breakdown of expenditures as they were included in the application budget to our various funders.

CHARLES STEWART MOTT FOUNDATION

<i>Contract period</i>	Jan 1st 2013 - Dec 31st 2014	
<i>Budget, according to contract</i>	US\$ 200.000	
	<u>Result</u>	<u>Budget</u>
INCOME		
CS Mott Foundation 2013	133.845	75.000
	<u>133.845</u>	<u>75.000</u>
	<u><u>133.845</u></u>	<u><u>75.000</u></u>
EXPENDITURES		
Staff costs		
	<u>56.615</u>	<u>56.966</u>
	56.615	56.966
Secretariat		
overhead	<u>13.843</u>	<u>17.000</u>
	13.843	17.000
Network development		
Outreach and presentation	<u>-</u>	<u>800</u>
	-	800
Unforeseen		
	<u>-</u>	<u>231</u>
	-	231
	<u>70.458</u>	<u>74.997</u>
	<u><u>63.387</u></u>	<u><u>3</u></u>
Balance 31/12/2013		
Reservations		
CS Mott foundation 2014	<u>63.387</u>	
	<u><u>63.387</u></u>	



SIGRID RAUSING TRUST

Contract period

Mar 1st 2010 - Feb 28th 2013

Budget, according to contract

£ 195.000 (£ 65.000 per year)

Contract period

Jun 1st 2013 - May 31st 2014

Budget, according to contract

£ 10.000

	<u>Result</u>	<u>Budget</u>
INCOME		
Transfer from previous year	12.011	12.011
Sigrid Rausing Trust 2013	11.495	11.500
	<u>23.506</u>	<u>23.511</u>
EXPENDITURES		
Staff costs		
	<u>23.506</u>	<u>23.511</u>
	23.506	23.511
	<u>23.506</u>	<u>23.511</u>
Balance 31/12/2013	<u>-</u>	<u>-</u>



OXFAM NOVIB

Contract period
Budget, according to contract

Jan 1st 2013 - Dec 31th 2013
€ 130.000

	<u>Result</u>	<u>Budget</u>	
INCOME			
Transfer from previous year	29.109	29.109	
Oxfam Novib 2013	130.000	130.000	
	<u>159.109</u>	<u>159.109</u>	
EXPENDITURES			
Staff costs			
	86.658	88.249	
	<u>86.658</u>	<u>88.249</u>	
Secretariat			
Overhead	21.183	29.600	
	<u>21.183</u>	<u>29.600</u>	
Network development			
network strategy meetings	8.385	7.569	
Training activities	603	2.000	
New membership outreach	751	800	
	<u>9.739</u>	<u>10.369</u>	
Bank focused campaigns			
Travel bank meetings and events	1.619	2.000	
Research and publications		4.000	
	<u>1.619</u>	<u>6.000</u>	
Project focused campaigns			
Travel / fact finding missions	-	1.000	
Research and publications	-	1.000	
Others	-	44	
	<u>-</u>	<u>2.044</u>	
Issue focused campaigns			
travel campaign events	1.783	2.000	
Research & publications issue focused c.	28		
issue focused campaigns others	116	73	
	<u>1.926</u>	<u>2.073</u>	
Unforeseen			
		774	
	<u>121.125</u>	<u>139.109</u>	
Balance 31/12/2013	<u>37.984</u>	<u>20.000</u>	
Reservations			
Oxfam - Novib 2014	37.984		
	<u>37.984</u>		



EUROPEAN CLIMATE FOUNDATION

Contract period

Jul 1st 2013 - Jun 30 2014

Budget, according to contract

US\$ 90.000

	<u>Result</u>	<u>Budget</u>
INCOME		
European Climate Foundation 2013	38.062	68.000
	<u>38.062</u>	<u>68.000</u>
EXPENDITURES		
Staff costs		
	20.511	20.600
	<u>20.511</u>	<u>20.600</u>
Issue focused campaigns		
travel campaign events	2.241	2.000
Research and publications	71	10.000
Coal website		9.400
	<u>2.312</u>	<u>21.400</u>
	<u>22.823</u>	<u>42.000</u>
Balance 31/12/2013	<u>15.239</u>	<u>26.000</u>
Reservations		
European Climate Foundation 2014	15.239	
	<u>15.239</u>	



JMG FOUNDATION

Contract period

August 1, 2011 - August 1, 2012

Budget, according to contract

€ 38.700

	<u>Result</u>	<u>Budget</u>
INCOME		
Transfer from previous year	7.211	7.211
	<u>7.211</u>	<u>7.211</u>
EXPENDITURES		
Project focused campaigns		
Travel / fact finding missions		4.211
Research and publications	3.600	3.000
Project campaigns other		
	<u>3.600</u>	<u>7.211</u>
	<u>3.600</u>	<u>7.211</u>
Balance 31/12/2013	<u>3.611</u>	<u>-</u>
Reservations		
JMG foundation 2014	<u>3.611</u>	
	<u>3.611</u>	



NON-EARMARKED INCOME AND OWN RESOURCES

	<u>Result</u>	<u>Budget</u>
INCOME		
Member fees	17.284	16.000
Network support	8.775	
Interest earnings	3.956	4.000
Income other	229	7.375
	<u>30.245</u>	<u>27.375</u>
EXPENDITURES		
Staff costs		4.000
Overheads	104	
	<u>104</u>	<u>4.000</u>
Balance 31/12/2013	<u><u>30.141</u></u>	<u><u>23.375</u></u>



Independent Auditor's Report

To: Stichting Banktrack
Vismarkt 15
6511 VJ NIJMEGEN

Report on the Financial statements

We have audited the financial statements 2013 of Stichting Banktrack, Utrecht. The management is responsible for the preparation and fair presentation of the financial statements.

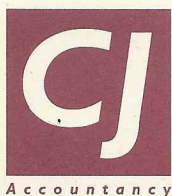
Auditor's responsibility

Our responsibility is to express an opinion on these financial statements on our audit. We conducted our audit in accordance with Dutch law and auditing standards generally accepted in the Netherlands. This requires that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose expressing an opinion on the effectiveness of the entity's internal control. An audit also includes assessing the accounting principles used and reasonable of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



Accountancy

Opinion

In our opinion , the financial statements give a true and fair view of the company as at December 31, 2013 and of its result for the year 2013 then ended in accordance with(accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in) Part 9 of Book 2 of the Netherlands Civil Code.

Nijmegen,
14 mei 2014

Was getekend ; C.P.Th. Janssen AA

CJ Accountancy
Daalseweg 331
6523 CB NIJMEGEN
Tel.: 024-3223519
Fax: 024-3239869



ANNEX 1 BUDGET 2013 AS COVERED BY GRANT MAKER

The tables on this and the next pages present how our work budget for 2013 was covered by the contributions per grant maker.

2013 budget items	COVERAGE BY FUNDER										
	CS Mot euro	CS Mot expenditures euro	Oxfam Novib euro	Oxfam expenditures euro	Rausing Trust euro	Rausing expenditures euro	JMG euro	JMG expenditures euro	ECF euro	ECF expenditures euro	own funds euro
BUDGET											
1. ORGANISATION											
1.1 salary costs											
coordinator (director) JF	80,489	26,830	30,148	30,757	23,511	23,506			18,000	20,511	
communication officer	0										4,000
climate campaign coordinator YL	50,000	16,000	16,000	16,000					2,600		
campaign assistant	7,729	625	1,129	1,129							
researcher and editor RB	30,825	5,275	25,550	22,207							
financial & office assistant RW	15,483	5,161	10,322	11,991							
total salary costs	184,526	53,891	83,149	80,954	23,511	23,506	0	0	20,600	20,511	4,000
1.2 staff costs											
staff commuting costs	4,600	1,700	2,900	3,451							
staff training / education / retreats / coaching	1,200	600	600	670							
volunteers, trainees	1,200	500	700	700							
other staff cost	1,800	900	900	1,582							
total staff costs	8,800	3,700	5,100	5,703	0	0	0	0	0	0	0
1.3 secretariat											
housing costs	12,000	6,000	6,000	5,366							
insurances	1,200	600	600								
communication costs, hosting	3,000	1,500	1,500								
supplies	1,800	900	900								
copy, printing	2,000	600	1,400								
representation costs	1,200	600	600								
documentation	900	400	500								
other secretariat costs	800	400	400	8,477							104
travel staff	4,000	0	4,000								
translation	1,200	0	1,200	701							
text writing	0	0	0								
IT, website and design	7,000	1,000	6,000	6,639							
bookkeeping and salary admin	5,500	2,500	3,000								
auditor	3,000	1,500	1,500								
bank costs	600	200	400								
depreciation equipment	2,400	800	1,600								
total secretariat	46,600	17,000	13,843	21,183	0	0	0	0	0	0	104



2013	Budget Items											
	CS Mott	CS Mott expenditures	Okram Novib	Okram expenditures	Rausing Trust	Rausing expenditures	JMG	JMG expenditures	ECF	ECF expenditures	own funds	
2. WORK AREAS												
2.1 network development												
network strategy meetings	7.569		8.385									
training activities (internal, external)	2.000		603									
campaign support members	0											
outreach and presentation	1.600	800	751									
total network development	11.169	800	9.739	0	0	0	0	0	0	0	0	0
2.2 Bank focused campaigns												
travel bank meetings and events	2.000		1.619									
research and publications	4.000											
bank focus campaign other	0											
bank focus stand alone project(s)	0											
total bank focused campaign	6.000	0	1.619	0	0	0	0	0	0	0	0	0
2.3 Project focused campaigns												
travel / fact finding missions	5.211	1.000				4.211						
research and publications (SRF)	4.000	1.000				3.000	3.600					
project focus campaigns other	44											
project focus stand alone project(s)	0											
total project campaign	9.255	0	2.044	0	0	7.211	3.600	0	0	0	0	0
2.4 issue focused campaigns												
travel for campaign meeting and events	4.000		1.783					2.000		2.241		
research and publications (coal report)	10.000		28					10.000		71		
issue focus campaigns other	73		116							9.400		
coal website	9.400											
total focus programmes	23.473	0	1.926	0	0	0	0	21.400	0	2.312	0	0
3. EVALUATION, UNFORESEEN												
unforeseen, exchange correction	1.005		774									
evaluation	0											
total evaluation unforeseen	1.005	0	774	0	0	0	0	0	0	0	0	0
Total BUDGET	74.997	70.458	139.109	121.125	23.511	23.506	7.211	3.600	42.000	22.823	4.000	104



INCOME, PROJECTED AND ACTUAL										
	CS Mott	Oxfam	Rausing	JMG	ECF	own				
Income from grants	total									
mott approved	75.000	133.845								
oxfam approved		130.000								
rausing approved			11.500	11.495						
jmg own estimate					0					
ECF approved						68.000	38.062			
Total funding current year	75.000	133.845	11.500	11.495	0	68.000	38.062	0	0	0
Transfers grants										
from 2012 to 2013 -transferred-	0	29.109	12.011	12.011	7.211	0				
from 2013 to 2014 -reserved-		63.387	37.984		3.611	26.000	15.239			
Total transfers funding	0	-63.387	12.011	12.011	3.600	-26.000	-15.239	0	0	0
Other income										
members support, fees						16.000				17.284
interest earnings						4.000				3.956
donations										229
network support						7.375				8.775
Total other income						27.375				30.245
Total INCOME	75.000	70.458	121.125	23.506	7.211	42.000	22.823	27.375	30.245	
	CS Mott	Oxfam	Rausing	JMG	ECF	own				
Profit / Loss	3	0	0	0	0	0	0	0	0	30.141
From / to reserves										30.141