



Children of Prisoners Europe

Financial Report

2022

Dear Members,

Last year was marked by an increase in COPE's activities — and thus expenditure — and a decline in income.

The increase in the level of activities reflected COPE's growing impact and success in achieving systemic change.

COPE's advocacy ensured that the rights and needs of children with a parent in prison were incorporated into the EU Child Rights Strategy, a European Commission Recommendation on pretrial detention procedures and a European Court of Human Rights ruling. COPE raised the visibility of children and highlighted their needs in Estonia, Lithuania, Portugal and Greece, and held its first European roundtable for judges and prosecutors in Cracow.

The activity required increasing the staffing level. We added on a new person and revised a number of employment contracts to make them full-time. The cost of salaries and social security contributions was up 36% at €198,430.

These positive developments weren't matched by success in funding. COPE fell short of its funding targets, which impacted our final result with a loss of €38,574, against a profit of €50,503 the year before.

The deficit partly reflects a prudent move to take some provisions against expected shortfalls in the level of EU subsidies that had been accounted for but are unlikely to be realised. Those provisions totalled €49,809.

Key numbers for 2022:

Total income: €229,175, down 13%

Total expenditure: €268,289, up 26%

Number of staff: 3 + 1 in midyear

**Number of affiliates: 121 in 37 countries,
3 new members and 2 new countries
(Albania and Lithuania)**



The final result also reflects an exceptional gain of 4,757€ on the reimbursement of certain French social security contributions.

And, as we reported a year ago, the profit posted for 2021 was buoyed by non-recurring items. From an operational perspective, COPE's finances are somewhat more balanced.

Operationally, COPE has been functioning at more or less break-even for a number of years. But this hides a deeper truth: the absence of any meaningful financial reserves and recurring cash-flow difficulties.

Be assured that the COPE Board is fully aware of the need to boost fundraising and is addressing the issue. In the meantime, the COPE team is developing new activities that have the potential to attract funding from private foundations and donors.

You will find more details below on COPE's 2022 financial results, in the following order:

- An overview of income and expenditure in 2022
- A breakdown of 2022 revenues
- A budget for 2023
- The 2022 balance sheet ("*Bilan Actif*" and "*Bilan Passif*") and the profit-and-loss statement ("*Compte de Résultat*").

Yours sincerely,

Winie Hanekamp, treasurer



Profit & loss: overview 2022 vs. 2021

	2022	2021	Difference in €	Difference in %
Total revenue, €	229.715	263.554	-33.839	-13%
Total expenditure	268.289	213.051	55.238	26%
Staff salaries (incl. social security & taxes)	198.430	145.824	52.606	36%
Freelance & consultancy support	7.558	23.542	-15.984	-68%
Personnel expenditure	205.988	169.366	36.622	22%
Networking, communication & advocacy costs, incl. ANM	47.370	28.328	19.042	67%
Overhead	14.931	15.357	-426	-3%
Personnel share of total expenditure, %	77%	79%	+2 points	
Profit - Loss	-38.574	50.503	-89.077	

If we look at the revenue side, for 2022 COPE had budgeted income of €362,000, of which €275,000 was realised. The latter figure is before exceptional items such as provisions and non-recurring income. That represents a shortfall of 24% on the budget.

The shortfall was essentially due to less-than-anticipated fund raising from non-EU sources. The resulting crunch has prevented COPE from being in a position to spend its full EU budget.

Revenues 2022: Breakdown	
	€
EU grant (paid)	231.200
EU (receivable)	0
Connecting Hearts (donation)	10.000
Network for Social change (grant)	8.127
AXA (grant)	11.848
Individual donations	7.649
Memberships	3.340
Fees received	2.200
Other revenues	403
TOTAL operating revenue	274.767
Provision EU 2022	-16.569
Provision EU 2021	-33.240
Non-recurring income	4.757
TOTAL net revenue	229.715

For 2023, COPE has budgeted total expenditure of €343,000. We have secured the necessary EU funding representing 80% of that amount. This leaves close to €70,000 to be raised from other sources.

COPE budget for 2023

<i>Description</i>	Staff €	Costs €	Total €	Co-funding requirement €
Running COPE	117.458	37.419	154.877	30.975
Advocacy & Publicity (ANM, football campaign, network development)	59.319	44.040	103.359	20.672
Child agency & Safeguarding (incl. teacher training)	15.242	6.562	21.804	4.361
Equality & Non-discrimination	6.328	800	7.128	1.426
Child-friendly justice (incl. TED, webinar, judges seminar)	20.008	9.290	29.298	5.860
Dissemination & Communication	24.897	1.660	26.557	5.311
TOTAL	243.252	99.771	343.023	68.605