

DANSK FLYGTNINGEHJÆLPS ÅRSRAPPORT 2008

DANISH REFUGEE COUNCIL ANNUAL REPORT 2008

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The following is a translation of the Danish original text. The original Danish text shall be the governing text for all purposes, and in case of any discrepancy, the Danish wording shall be applicable.

STATEMENT BY THE MANAGEMENT AND AUDITORS' REPORT

STATEMENT BY THE MANAGEMENT

The Executive Committee and the Management have today discussed and approved the annual report for 2008 of the Danish Refugee Council.

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

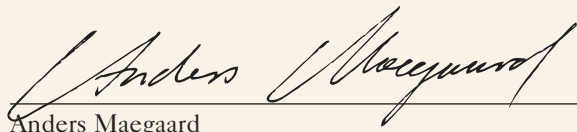
consider the accounting policies used to be appropriate. Accordingly, the annual report gives a true and fair view of the organisation's financial position at 31 December 2008 as well as of the results of the organisation's operations for the financial year ended 31 December 2008.

We recommend that the Council approve the annual report.

Copenhagen, 28 April 2009



Andreas Kamm
Secretary General

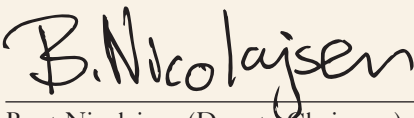


Anders Maegaard
Manager, Resources and Development

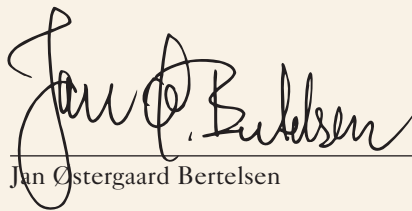
Executive Committee of the Danish Refugee Council



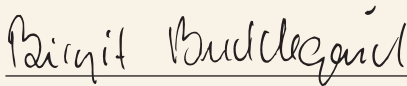
Stig Glent-Madsen (Chairman)



Bent Nicolajsen (Deputy Chairman)



Jan Østergaard Bertelsen



Birgit Buddegård



Bent Lexner



Hans-Henrik Lund



Klaus Løkkegaard

STATEMENT BY THE MANAGEMENT AND AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Council of the Danish Refugee Council

We have audited the annual report of the Danish Refugee Council for the financial year 1 January - 31 December 2008, which comprises the statement by the Management on the annual report, Management's review, accounting policies, income statement, balance sheet and notes. The annual report has been prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the annual report

Management is responsible for the preparation and fair presentation of this annual report in accordance with the Danish Financial Statements Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of an annual report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility and basis of opinion

Our responsibility is to express an opinion on this annual report based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the organisation's preparation and fair presentation of the annual report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organisation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the annual report.

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

Our audit did not result in any qualification.

Opinion

In our opinion, the annual report gives a true and fair view of the organisation's financial position at 31 December 2008 and of the results of its operations for the financial year 1 January - 31 December 2008 in accordance with the Danish Financial Statements Act.

Copenhagen, 28 April 2009

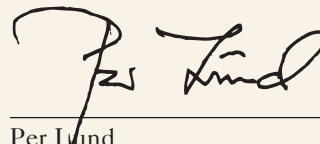
KPMG

Statsautoriseret Revisionspartnerselskab



Jens Frederiksen

State Authorised Public Accountant



Per Lund

State Authorised Public Accountant

DETAILS OF THE ORGANIZATION

Name: The Danish Refugee Council
Address: Borgergade 10, DK-1300 Copenhagen K

Telephone: +45 3373 5000
Fax: +45 3332 8448
Website: www.drc.dk
E-mail: drc@drc.dk

Registration no.: 20699310
Founded: 1956
Registered office: Copenhagen

Executive Committee: Stig Glent-Madsen (Chairman)
Bent Nicolajsen (Deputy Chairman)
Jan Østergaard Bertelsen
Birgit Buddegård
Bent Lexner
Hans-Henrik Lund
Klaus Løkkegaard

General management: Andreas Kamm, Secretary General
Anders Maegaard, Manager Resources & Development
Mik Steenberger, Head of Communications
Lone Tinor-Centi, Head of Volunteers' Department
Gerhard Korbo, acting Head of Integration Department
Anne la Cour Vågen, Head of Asylum Department
Arne Vågen, Head of International Department

Protector: Her Royal Highness Crown Princess Mary of Denmark

Auditors: KPMG, Borups Allé 177, P.O. Box 250, DK-2000 Frederiksberg

Council meeting: The annual council meeting is held on 27 May 2009.

FINANCIAL HIGHLIGHTS

The total activities of the Danish Refugee Council have developed as follows in the years 2004-2008:
DKK m

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Collected funds					
Income	23	31	31	36	47
Collected funds used	18	18	25	33	44
Total collected funds	5	13	6	3	3
Own funds					
Income, language centres	66	62	105	118	158
Income, integration etc.	24	28	29	30	43
Expenses, language centres	65	61	104	112	144
Expences, integration etc.	25	31	29	30	41
Total own funds	0	-2	1	6	16
Donated funds					
Grants/used for international project work ¹	345	396	410	410	486
Grants/used for other projects, funds etc.	11	13	13	14	15
Government Budget appropriations, etc.					
Income/used, all activities	30	29	28	27	28
Danish Refugee Council, total income	499	558	615	636	778
Danish Refugee Council, total expences	494	548	609	628	759
Danish Refugee Council, results	5	10	6	8	19
Balance sheet items					
Total assets	190	197	185	222	288
Equity	26	36	43	51	70
Average number of employees					
Headquarters in Borgergade, Copenhagen	126	127	124	133	142
Language centres	114	112	174	180	210
District employees, integration & volunteers	52	39	52	64	70
Expatriates in international projects	82	106	112	117	133
Local staff in international projects ²	3,700	3,700	4,000	4,000	4,000
Volunteers in Denmark ³	3,200	2,800	3,500	4,000	4,200

1) From 2005, DDG is included in the international activities as a department of the Danish Refugee Council. The comparative figure for 2004 has been adjusted accordingly.

2) The number of local staff comprises both permanent and temporary staff.

3) In 2008, volunteers' work in Denmark is equivalent to approximately 1,000 man-years.

MANAGEMENT'S REVIEW 2008

MAIN OBJECTIVE AND ACTIVITIES OF THE DANISH REFUGEE COUNCIL

The Danish Refugee Council is a non-profit private, humanitarian organisation covering all aspects of the refugee cause on the basis of humanitarian principles and human rights.

The aim of the Danish Refugee Council is to protect refugees and internally displaced people against persecution and to promote durable solutions. In Denmark, the aim of the organisation is to improve the integration of refugees and immigrants.

The vision of the Danish Refugee Council is that no refugee should lack help to find protection and durable solutions. And nobody who wishes to be integrated into the Danish society should lack help to do so.

In its activities, the Danish Refugee Council is seeking to ensure coherence between national and international refugee work.

Financial statements, activities and results for 2008

The annual report of the Danish Refugee Council distinguishes between

- funds collected by the Danish Refugee Council, including funds from annual national collections, funds for special purposes, private and regular contributions, and funds for general purposes;
- the Danish Refugee Council's own funds, including integration work in Denmark, Danish language courses and other income;
- donated funds, including grants for international and national project activities, and pool funds;
- Government Budget appropriations that finance activities according to agreement with the Government, supplemented by local authority appropriations.

The Danish Refugee Council has activities in more than 30 countries

Also in 2008, the activities of the Danish Refugee Council outside Denmark helped approximately two million people who have among other things received temporary shelter, seeds, water supplies, assistance to return to their countries of origin, reconstruction assistance, food, clothing, mine risk education and access to areas that have been demined. In

addition, the support offered included micro-credits and social activities, and special focus has been and remains on helping women becoming self-supporting, on schools and on children's health.

Africa remains the main focus area. Compared to 2007, the level of activities in East Africa almost doubled.

The assistance and immediate relief work of the Danish Refugee Council in conflict areas continued in 2008. This also applies to the war between Russia and Georgia and the escalating conflict in Sri Lanka.

Although a large number of humanitarian organisations were expelled from Darfur at the beginning of 2009, the Danish Refugee Council continues its humanitarian aid in Darfur.

The Danish Refugee Council still has demining activities in eight countries. New activities have been launched in Somaliland with focus on the reduction of accidents caused by hand weapon.

The use of new technology significantly increased the productivity of the Danish Demining Group in Afghanistan in 2008 (25%).

The integration work in Denmark has been successful, both in respect of Danish language courses and other integration activities.

The language centres of the Danish Refugee Council now all share the concept of "Lærdansk"

"Lærdansk" is Denmark's largest network of language centres with a market share of approximately 20%. The total revenue from the language centres increased by approximately 1/3 compared to 2007.

In 2008, the language centres of the Danish Refugee Council supplied 1.4 million Danish language lessons, corresponding to an increase of 31% against last year.

MANAGEMENT'S REVIEW 2008

The sale of integration services to the local authorities increased significantly compared to last year from DKK 16.4 million to DKK 27.7 million (almost 70%). Special focus was on employment programmes and qualification assessment services for particularly vulnerable groups belonging to ethnic minorities.

The number of volunteers continues to rise and now amounts to 4,200. Although in some areas the target figures for the volunteer activities were not met, the results for the year as a whole exceeded the target figures by 35%. An analysis of the effect of the volunteer integration work showed that the activities of the volunteers are of great importance to the individual refugee and contribute to accelerating the integration process.

Quotes from the analysis of the effect of volunteer activities: "The volunteers work so hard. They help us become integrated. Today I am integrated. I have a job and contribute to the society. I owe it to the volunteers".

Counselling services are offered to asylum seekers, and particularly individual counselling is in high demand where the individual asylum seeker is given guidance on understanding at which stage in the asylum process he or she is.

The financial year 2008 saw a significant increase in the activity level, nationally (29.4%) as well as internationally (18.6%) compared to 2007.

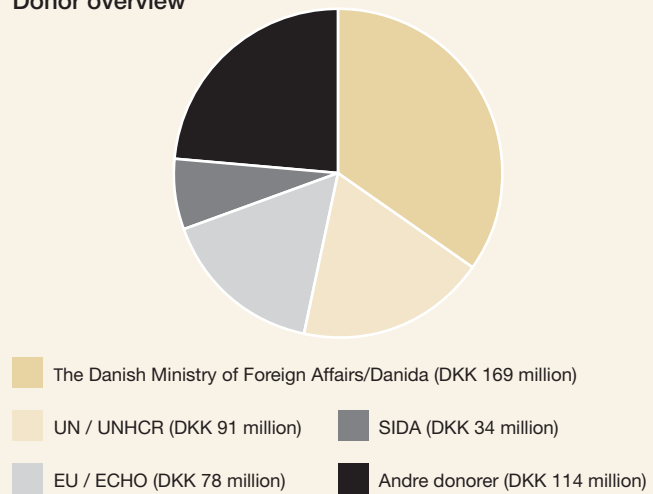
The Danish Refugee Council recorded total revenue of DKK 778 million for 2008, which is an increase of 22.4% against 2007 and almost 10% above budget.

The results for 2008 amounted to DKK 19 million, corresponding to an increase of DKK 11 million (132.4%) compared to 2007, by far the finest results recorded since 1999. The fine results are first and foremost attributable to the integration work where the exceptionally high activity level did not result in a similar increase in capacity costs.

As regards the international project activities (incl. DDG), the activities financed by donors amounted to DKK 486 million in 2008, an increase of DKK 76 million (18.6%) compared to 2007.

The Danish Refugee Council's contributions to international projects amounted to approximately DKK 26 million.

Donor overview



Collected funds amounted to a total of DKK 47.5 million, an improvement of DKK 11.3 million (31.2%) compared to 2007.

Revenue from own funds totalled DKK 201 million, equivalent to an increase of DKK 52.5 million (35.4%). Own funds amounted to DKK 15.7 million, which is a pronounced improvement compared to 2007 when own funds amounted to DKK 5.7 million.

All areas recorded very satisfactory developments with far more activities than expected and very fine results. The fine results have contributed to an increase of equity to DKK 70 million, corresponding to 9% of revenue. This leaves space for the economic and financial security margin required as the activity level increases nationally as well as internationally.

THE DANISH REFUGEE COUNCIL'S ACTIVITIES

Collected funds

The funds collected were acquired from the following sources:

- Events, including the annual national collection and participation in the national charity event "Danmarksindsamlingen"
- Private contributions
- Business partnership contributions
- Foundations

Although not all areas met the expectations, the collected funds for 2008 reflect a more equal contribution from the different types of activities. Total collected funds amounted to DKK 47.5 million against DKK 36.2 million in 2007.

MANAGEMENT'S REVIEW 2008

Collected funds increased by DKK 11.3 million compared to 2007, corresponding to 31.2%.

The increase is attributable to activities launched in 2007 and to new types of activities launched in 2008.

Events

“The world's refugee children” was the overall, main theme in 2008. It was also the recurring theme in the national charity event “Danmarksindsamlingen” which took place at the end of January. For the first time, the Danish Refugee Council was one of the 12 participating organisations. Projects in Liberia and Uganda received funds from the share of the Danish Refugee Council of DKK 2 million.

In connection with the annual national collection, the above theme was also used in some of the recruitment activities that contributed to attracting collectors from many different target groups.

The main focus of the annual national collection in 2008 was: Africa's children

Also in 2008, one of the major challenges was to ensure high attendance among collectors at the collection day. In spite of the bad weather, almost the same number of collectors and the same amount of funds as in 2007 was collected, which is satisfactory.

14,000 collectors collected DKK 14.2 million in the annual national collection in November.

Private contributions

Almost 30,000 private individuals supported the Danish Refugee Council with cash contributions throughout 2008.

A major part of the income for the year comes from regular contributors. Activities aimed at recruiting new contributors continued in 2008. However, recruitment has proved significantly more difficult than previously, and the growth rate has decreased.

Business partnership contributions

In 2008, a number of business partnerships were further developed, and the result was positive. At the same time, new concepts and collaboration forms have been tested, e.g. in relation to the annual national collection campaign. The area will be further developed in 2009.

Foundations

A large ear-marked donation of DKK 5 million from one foundation contributed to the very positive funding results.

The collected funds have among other things been used for projects aimed at limiting infant mortality in Liberia and Uganda and at demining activities in Afghanistan.

Own funds

Integration work in Denmark

The Danish language courses remained the primary activity with revenue of DKK 157.6 million, corresponding to approximately 80% of the total integration activities. Other integration projects accounted for approximately 14% and the interpretation service etc. for 6.5%.

The integration work focuses on Danish language courses, labour market projects for vulnerable refugees and interpretation service/translation.

Total revenue from integration activities, including Danish language courses, increased significantly compared to 2007 – as a result of the expansion in the language centre area as well as the significant increase in other integration activities.

The results for the year from own funds amounted to DKK 15.7 million, which is more than twice as much as in 2007 and is considered very satisfactory.

The fine results for 2008 made it possible to create an internal investment pool of DKK 5 million for method and business development in the integration area.

In 2008, the integration work had special focus on

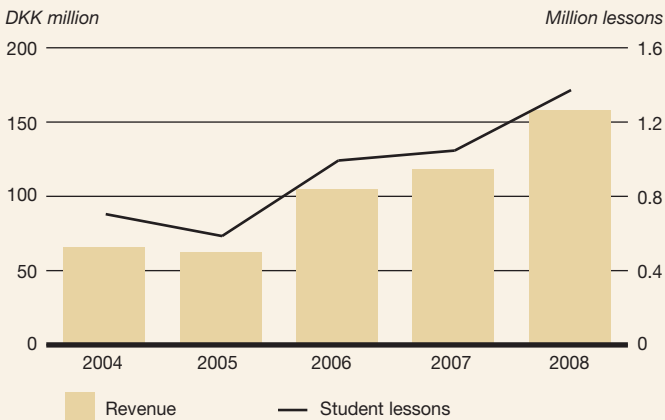
- further promoting the integration work in Denmark, including the establishment of the language centre network “Lærdansk”
- increasing the number of assessment and rehabilitation centres for vulnerable refugees
- developing more niche products, e.g. music therapy
- continuing the information centre: Centre for Vulnerable Refugees.

MANAGEMENT'S REVIEW 2008

Danish language courses

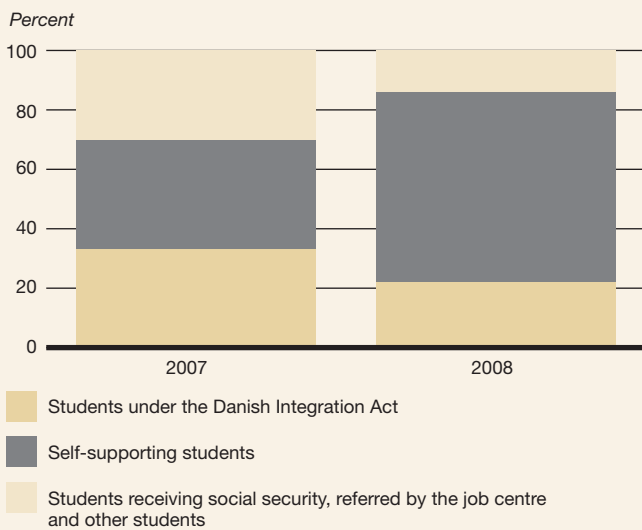
In 2008, the Danish language courses comprised a total of 1,370,948 student lessons against 1,045,231 in 2007, corresponding to an increase of 31%. The increase is due to the fact that the language centre network was expanded with "Lærdansk" Sønderborg on 1 January 2008 and that the activities of the other language centres increased more than expected.

'Lærdansk' / Revenue and student lessons



In 2008, the Danish language courses also represented the main part of the courses offered by the language centres (98%) under the Danish Act on Danish Language Training.

'Lærdansk' / Breakdown by percentage



There has been a marked change in the composition of students from 2007 to 2008. The number of self-supporting students increased significantly, and the number of other students decreased, i.e. students under the Danish Integration Act, students receiving social security, and other students.

In the summer of 2008, The Danish Refugee Council changed the name of its language centre network. All language centres have now been included under the nationwide name "Lærdansk". In the individual towns, the language centres are referred to as Lærdansk|name of town.

The name was changed in order that the language centres may to a greater extent promote and profile their activities from a joint platform. A joint website has been launched, www.laerdansk.dk, with links to the websites of the individual language centres.

In addition to the statutory Danish language courses offered by the language centres, their activities comprise Danish language courses in connection with job activation, practical training and work. The activities offered also comprise special needs education and courses for special target groups, including young people, elderly people and traumatised people.

Focus is still on offering flexible education, including ordinary day classes, evening classes, courses at business enterprises and on the Internet.

The goal set in 2007 that all the language centres of the Danish Refugee Council should offer net-based training has been achieved.

The results of the language centre area amounted to DKK 13.2 million, which is very satisfactory.

Integration work

The integration work for the local authorities includes activities aimed at the labour market and at traumatised refugees and immigrants.

During 2008, 590 refugees and immigrants participated in the activities of the Danish Refugee Council in the labour market area. This is almost a doubling compared to last year. The increase in activities is primarily due to the fact that the Danish Refugee Council won tenders or entered into new agreements on employment programmes for vulnerable refugees and immigrants in several different municipalities.

The Danish Refugee Council has been successful in retaining the participants in the assessment process. The results achieved vary substantially depending on the degree of vulnerability of the target group. A large number of vulnerable and traumatised refugees have been granted disability pension. It is not possible to place all refugees in jobs; however, it is important that the participants complete the assessment process in order that a solution may be found.

52% of the participants in employment programmes continued in jobs, education or other targeted activities.

MANAGEMENT'S REVIEW 2008

A marked increase was also recorded for other activities for vulnerable refugees and immigrants, including activities aimed at individuals or families, such as activities for children and young people. The activities offered comprise refugee support workers dedicated to help the refugees according to agreement with the local authorities, music therapy or a combination.

In 2008, employment programmes and qualification assessment services have been implemented in seven municipalities, including new activities launched in three municipalities at the end of 2008. At the end of 2008, the activities in Helsingør and Kolding were discontinued.

The sale of services to the local authorities showed a marked increase compared to 2007 of DKK 11.3 million to DKK 27.7 million in 2008 – an increase of almost 70%.

Interpretation Service

In 2008, the Interpretation Service etc. recorded revenue of DKK 12.9 million, corresponding to a minor increase of 6%.

Activities offered east of the Great Belt accounted for 83% of the revenue in 2008 after a significant increase, and 17% of the revenue came from activities offered west of the Great Belt.

The increase recorded east of the Great Belt is attributable to the framework agreement entered into at 1 April 2008 between the Danish Refugee Council and the local authorities in Copenhagen for the delivery of interpretation services. In 2008, revenue from this agreement was approximately DKK 4 million, and more than 11,000 hours were sold.

The Danish Refugee Council did not win any tenders west of the Great Belt in 2008, which is why revenue decreased there.

In 2008, the Interpretation Service etc. recorded revenue of DKK 12.9 million. Approximately 34,000 hours in 55 different languages were sold.

It is expected that in 2009 the activities will be at the same level.

Centre for Vulnerable Refugees

In 2008, Centre for Vulnerable Refugees was financed via funds from an appropriation from the Danish Ministry of Integration which expired at the end of the year.

The centre aims to enhance the qualifications of professionals working with vulnerable refugees, to improve the framework for the fine integration work and to facilitate the knowledge sharing between local authorities and between professionals. The principal goal of the centre is to be the knowledge centre which is the supplier of choice when it comes to knowledge and sparring and which is at the head of the development of methods in the work with vulnerable refugees.

The work of the Centre for Vulnerable Refugees continues in 2009-2012 based on funds from a new appropriation of DKK 1.1 million per year.

Donated funds

International project aid

In its international activities, the Danish Refugee Council focuses on providing humanitarian aid in the regions of origin of the refugees. As a consequence, the Danish Refugee Council contributes to creating solutions to international displacement issues, including long-term humanitarian aid to refugees and internally displaced people with focus on rehabilitation, capacity building and community development. At the same time, the ability and capacity of the Danish Refugee Council to provide emergency aid are retained. This aid is provided in the form of basic necessities of life, support for temporary shelter and support to local communities that provide housing for refugees and internally displaced people.

The Danish Refugee Council often carries out the activities in collaboration with UN organisations, especially UNHCR. In addition, the Danish Refugee Council has maintained a broad variety of donors, including Danida, ECHO/EU and several countries in Europe and the USA. Danida is the largest donor and is still very important for the Council's ability to raise funds from other donors.

The strategic Memorandum of Understanding with UNHCR, which was concluded in 2007, has strengthened the collaboration centrally as well as in the field.

In 2008, the Danish Refugee Council continued to be a very active participant in the Humanitarian Accountability Partnership (HAP), among other things through follow-up on the certification achieved in 2007.

Africa continues to be the main focus area.

In 2008, the Danish Refugee Council further consolidated and strengthened its efforts in East and West Africa, the Middle East and Central Africa. In the Balkans, the Danish Refugee Council is one of very few international players that continue to help the large groups of people who have a right to return to their country of origin.

MANAGEMENT'S REVIEW 2008

West Africa

In West Africa, focus is still on refugees and internally displaced people, first and foremost in Liberia, but since 2007 also the Ivory Coast, Sierra Leone and Guinea. The programme has been consolidated, and focus is primarily on helping women becoming self-supporting.

East Africa

The activities in the Horn of Africa - Somalia, Somaliland, Puntland and in the refugee camps in Northeast Kenya - increased considerably in 2008. Compared to 2007, the activities almost doubled. A large project was established to distribute food for approximately 80,000 persons in Somalia/Mogadishu. All activities are aimed at providing relief aid as well as support to build up a new basis for living, reconstruction of infrastructure and long-term support for and capacity building of local structures, including schools and health care programmes for children.

In relation to the programme in East Africa, in 2008, activities have been launched in Yemen where the Danish Refugee Council helps a large number of boat refugees and immigrants from Somaliland/Puntland and Ethiopia.

In Uganda, the Danish Refugee Council continued its long-running assistance to refugees from Sudan. In 2008, the assistance continued to the many internally displaced people in North Uganda.

The Danish Refugee Council's intervention in Darfur continues to focus – through an international presence - on securing access to humanitarian aid and on providing protection for the many internally displaced people.

In the Central African Republic, the Danish Refugee Council established a programme in 2008 which focuses on issues of internal displacement and on early recovery.

North Caucasus

The activities in North Caucasus have decreased. Focus is now on durable solutions in the form of rehabilitation, support for social activities and income-generating projects, e.g. on the basis of micro-credits.

The war between Russia and Georgia in the summer of 2008 resulted in new internal displacements and a deterioration of the humanitarian situation. Through its presence in the area, the Danish Refugee Council could offer new activities aimed at helping the civilian victims of the conflict.

The Balkans

The activities in the Balkans continue. The resolution of Kosovo's status has made it possible to continue the activities aimed at vulnerable groups in Kosovo and Serbia. The activities in Bosnia continued in 2008.

Ukraine and Central Asia

The humanitarian activities in this region continued in 2008. The activities have concentrated on projects aimed at establishing and strengthening asylum authorities and supporting civil society organisations concerned with refugee issues.

Middle East

In 2008, the Danish Refugee Council achieved registration in Syria and therefore could establish activities for Iraqi refugees in Syria.

The work in Iraq continues and to some extent benefits from the improvement of the security situation in 2008. The activities in Iraq comprise legal assistance, rehabilitation and income-generating activities.

In Lebanon, the activities aimed at internally displaced people as a result of the conflict in 2006, Iraqi refugees and the non-registered Palestinian refugees continue.

Sri Lanka

The situation in Sri Lanka deteriorated dramatically in 2008. The conflict has resulted in a substantial pressure on the civilian population, and the Danish Refugee Council has therefore enhanced its relief work in the area.

More than two million people received humanitarian aid from the Danish Refugee Council in 2008. The major activities comprised food for 80,000 people in Somalia on a daily basis, relief aid to 220,000 people in Darfur and aid to approximately 130,000 people in Sri Lanka.

The stand-by roster

The specialists of the Danish Refugee Council's stand-by roster were also in high demand in 2008. Especially logistics and protection officers are in high demand. Revenue amounted to approximately DKK 17 million, including DKK 13 million from Danida and approximately DKK 3.8 million from the UN.

MANAGEMENT'S REVIEW 2008

Demining

The Danish Refugee Council's humanitarian Mine Action section, Danish Demining Group (DDG) works in eight countries: Afghanistan, Iraq, Chechnya, Somalia, Somaliland, Sri Lanka, Uganda and Sudan.

DDG's activities are governed by the five pillars of the Ottawa Convention for humanitarian mine action: Demining, removal of remnants of war, mine risk education, prohibition of the use of mines and assistance to mine victims. In 2008, DDG primarily worked with the four first pillars.

DDG has strengthened its activities in Uganda which aim at supporting and counselling the local demining activities. In 2008, UNDP asked DDG to take over the central coordination, which meant that DDG placed technical and management consultants in the Ministry. The purpose was to support Uganda in achieving the goals set in relation to the Ottawa Convention.

As a result of the renewed outbreak of the civil war in Sri Lanka in 2008 and the large number of internally displaced people, DDG focused on emergency demining. The activities aimed at quickly clearing areas to which displaced people wish to return and at clearing high priority areas. This work is carried out in close collaboration with the government and UNHCR. In this way, DDG's demining activities contribute to the safe return of internally displaced people to their home and to relieving the pressure on refugee camps.

In Afghanistan, DDG introduced a new tool for mechanical demining. With support from the Dutch government, DDG acquired a so-called Mini Mine Wolf (a remote-controlled demining machine) which became ground-breaking for the use of new optimised technology. The effect was immediately evident: DDG increased its productivity in Afghanistan by 25% during 2008 and expects to further increase productivity in 2009.

The programme in Iraq was affected by the violent unrest at the beginning of 2008. However, owing to a significantly improved security situation during the last six months of 2008, the programme could implement two new projects. DDG launched projects near Basra in an area with favourable agricultural conditions and to which refugees have started to return.

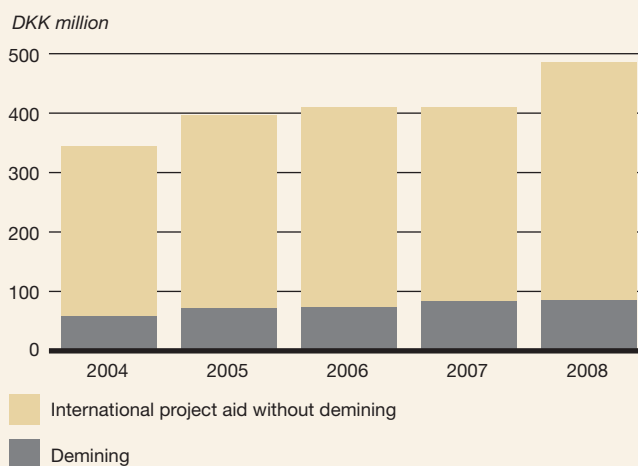
DDG also started to plan the establishment of an entirely new operation in Nassarija where problems with cluster bombs are particularly widespread.

More than 100 countries signed a historic global treaty in December 2008 which prohibits the production, use and sale of cluster bombs. Especially in Iraq, cluster bombs are widespread and pose a serious threat to civilians.

In Somaliland, DDG launched a new focus area aimed at reducing the number of accidents caused by hand weapon. The project is related to the other activities carried out by the Danish Refugee Council in Somaliland concerning the strengthening of security and reconciliation between local communities. DDG's programme has attracted much attention as a result of the innovative approach and has been presented at several international conferences and in periodicals.

Revenue from total international activities amounted to DKK 486 million in 2008.

International project aid



Government Budget appropriations etc.

The work financed directly through Government Budget appropriations etc. constituted approximately 3.5% of the total activities of the Danish Refugee Council.

MANAGEMENT'S REVIEW 2008

The Danish Refugee Council's main activities in relation to government appropriations in 2008:

- Secretariat work (maintenance of a basic structure and contingency)
- Organisation of volunteer work to encourage the integration of refugees into local communities, including cultural and information activities.
- Documentation work and counselling
- Participation in quota selection trips, mission planning for reunited family members, etc.
- Participation in the processing of cases regarding the manifestly unfounded procedure in connection with the Danish Immigration Service's processing of these cases
- Repatriation activities

The Danish Refugee Council has prepared a report on the results of the performance contract at the end of November 2008 with focus on the professional performance, activities and measures in relation to the performance objectives (November status). A final report for 2008 will be prepared in April, coordinated with the preparation of the annual report of the Danish Refugee Council. In 2008, the reporting continues to include quantitative statements as well as experience gained in the form of memoranda and analyses.

The work in relation to the manifestly unfounded procedure and booking and reception regarding reunited family members is not included in the performance contract, but in the framework agreement with the Danish Immigration Service. Counselling of refugees who wish to return to their countries of origin (repatriation) etc. is included in a special contract with the Ministry for the period 2007-2009.

Overall, 97.9% of the 20 objectives for 2008 were fulfilled, against 91.1% in 2007, i.e. an improvement of 6.8 percentage point.

In 2008 17 objectives were fulfilled, and three objectives were partly fulfilled. The performance is regarded as very satisfactory.

Government Budget appropriations in 2008 totalled DKK 26.4 million. In addition to this are funds from local authorities of DKK 1.9 million.

Volunteer work

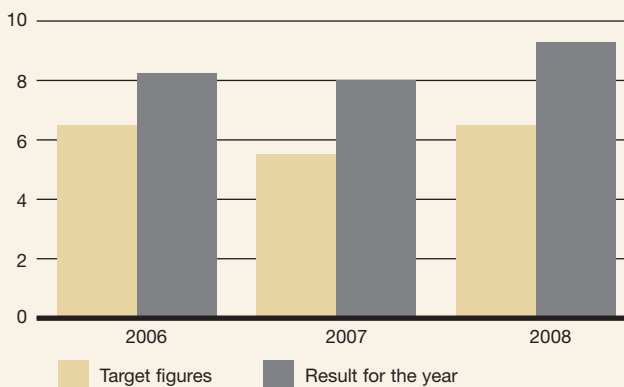
The three-year strategy for the volunteer integration work launched in 2007 continued in 2008. The most important areas of the volunteer integration work in 2008 comprised homework assistance and language training for children and grown-ups, contact family schemes for refugees/immigrants, direct and indirect labour market-related activities, activities for women, clubs for teenage girls, traumatised refugees, etc. Although it has not been possible to fulfil some of the objectives, in general the results achieved by far exceed the objectives set for the volunteer work as a whole.

Overall, the number of users of the activities offered by volunteers in 2008 exceeded the objective by 31%.

In 2008, the number of ethnic minorities receiving help to prepare for the labour market, and in several cases also to find a job, continued to increase.

Labour market-related activities with volunteer assistance

Number of ethnic minorities, thousands



The number of users and volunteers continues to rise in accordance with the strategy.

Year	Number of volunteers	Number of volunteer groups	Beneficiaries
2005	2,800	216	11,200
2006	3,500	225	12,800
2007	4,000	241	13,400
2008	4,200	250	14,900

MANAGEMENT'S REVIEW 2008

In 2008, the Danish Refugee Council had special focus on analysing the effect of the volunteer integration work for the individual refugee. On this background, an analysis was carried out in June 2008.

The analysis among other things showed that:

- the volunteer integration work contributes to accelerating the integration process
- for many refugees, the volunteer work means that an inactive life is turned to personal development and active participation in education programmes and access to the labour market
- the refugees feel accepted and that they are full members of society when Danes voluntarily place time, resources and network at their disposal.

In the opinion of the refugees, language training and homework assistance are the most important activities. Refugees explain that language skills are a deciding factor in the prospects of refugees for education, employment and for learning to deal with the everyday situation, including shopping in the supermarket, understanding letters from the authorities, communicating with their children's day care centre, etc.

This quotation from the analysis illustrates the great importance of the volunteer work:

“As a new citizen, I feel almost like a blind person who does not know his way around. It is important that volunteers offer to help me in my everyday life. Volunteers act almost as friends who will be there for me if I have questions”.

Generally, the participants in the analysis express their deep gratitude to the volunteers.

Asylum area

Documentation: The documentation work continued in 2008 and among other things comprised an update of four of the existing country profiles and preparation of three legal memoranda concerning

- International guidelines for the return of among others rejected asylum seekers.
- Repatriation to Iraq with special focus on the Iraqi interpreters.
- The Refugee Board's decisions in cases where the residence permit is withdrawn in connection with “re-education trips” to Somalia.

In connection with the documentation work, the Danish Refugee Council has participated in a fact finding mission to Iran together with the Danish Immigration Service for the purpose of describing the human rights situation in the country.

Asylum counselling: The counselling services to asylum seekers continued, and the demand for individual counselling remained high. In order to spread the knowledge of the asylum procedures and the counselling services offered by the Danish Refugee Council, a workshop has been held for employees at asylum centres.

During the year, the Danish Refugee Council participated in three quota selection trips to Malaysia, Zambia and Nepal.

Repatriation activities

In 2008, a total of 206 persons repatriated. The largest group of refugees that decided to return to their home country was from Iraq (133), including some of the Iraqi interpreters with families who came to Denmark in 2007 under a special agreement. The special agreement was established because many of the previously employed interpreters had been exposed to serious threats and harassments as a result of their job-related involvement in the Danish activities in South Iraq. The main reasons for the return of the group are that the security situation has improved in the Basra area, that, when the Danish soldiers left, focus on the persons who have worked for the allied forces shifted, that the British troops keep a lower profile in the area, and that the members of the group miss their families and home country.

2008 was the second year of a three-year contract with the Ministry of Integration for repatriation activities in a total amount of DKK 7.2 million.

Return of rejected asylum seekers

In connection with a special project-funded activity, the Danish Refugee Council in collaboration with the aliens' division of the Danish national police has arranged training programmes for police officers dealing with the return of rejected asylum seekers. These programmes aim at creating fair and durable returns.

Events after the balance sheet date

No events of significance to the annual report for 2008 have taken place after the end of 2008 that have not been disclosed in the annual report.

MANAGEMENT'S REVIEW 2008

Outlook

The Danish Refugee Council has launched a strategic development process, "Danish Refugee Council – Version 2012", which aims to create the strategic platform for the development of the organisation and its activities for the coming years.

The main objective is to help more refugees and internally displaced people through increased focus on growth potentials, growth management, increased efficiency, systematic promotion of innovation, and development of the professional qualifications of leaders and employees.

The total budget for 2009 of the Danish Refugee Council shows activities of DKK 819 million.

In addition to the Danish Refugee Council's own annual national collection, the organisation now also participates in the national charity event "Danmarksindsamlingen" which in 2009 took place at the beginning of the year.

In the international area, activities amounting to DKK 534 million are budgeted, including demining activities of DKK 100 million. Africa will continue to be the most important activity area, and focus will remain on East Africa and the Horn of Africa. New activities are expected in Ethiopia and Central Africa (Congo). In the demining area, increased activities are expected in Iraq, Sri Lanka and Afghanistan.

In Denmark, it is expected that the language centre activities will continue to represent a substantial part of the activities in 2009. On 1 January, "Lærdansk"/Southwest Jutland was established with activities in Vejen, Varde, Ribe and Esbjerg. On 1 August, the Danish Refugee Council takes over the language school in Svendborg. The Danish Refugee Council will continue to tender for relevant language activities and other integration activities, including employment programmes.

It is expected that activities financed by Government Budget appropriations will amount to DKK 29.6 million, corresponding to 3.6% of the total budget. This includes repatriation activities under the Refugee Council's three-year contract with the Ministry and the framework agreement regarding the manifestly unfounded procedure, quota trips and travel planning for reunited refugees. 2009 is the last year under the three-year contract for repatriation activities.

A performance contract has been made with the Ministry of Refugee, Immigration and Integration Affairs regarding a total of 16 performance targets for 2009. The performance targets comprise the volunteer work and documentation and counselling in the asylum area.

A separate performance contract has been made between the Centre for Vulnerable Refugees and the Ministry of Refugee, Immigration and Integration Affairs for 2009 under a four-year appropriation agreement.

The overall performance for 2009 will continue to be affected by developments in the refugee area, nationally as well as internationally, and by the conditions for the work of the Danish Refugee Council. It is expected that the activity level for 2009 will be somewhat higher than for 2008.

Particular risks

General risks

The Danish Refugee Council's activities are always subject to the special conditions applying to international emergency aid and reconstruction work, including the challenges of carrying out activities in areas that lack well-functioning structures and institutions. The administrative funds allocated in connection with donated funds are restricted to such an extent that it is not possible to cover unforeseen expenses, which inevitably arise in relation to the international activities. In the areas where the Danish Refugee Council works, there is a potential risk of expenses due to offences against property. Such expenses will be covered by the organisation's own funds.

A particular risk is a rapid change in the overall composition of activities, including the total level of activity. This requires flexibility and rapid adjustment and adaptation in relation to contracts, donor terms, personnel and leases.

Financial risks

Financial risks relate to the following areas:

- 1) Unstable foreign exchange rates
- 2) Uncertainty regarding banking and transfer conditions related to international activities.
- 3) Political decisions regarding refugee issues both nationally and internationally.

Human resources

The Danish Refugee Council carries out a broad variety of activities. These activities require comprehensive, all-round professional qualifications as well as specific qualifications in relation to the individual activity areas.

The organisation is continuously striving to strengthen and develop qualifications in national as well as international activities, and the organisation aims to ensure knowledge sharing and knowledge retention.

Below, the qualifications pertaining to the individual specialist areas are listed with emphasis on the development activities carried out in 2008 to strengthen the professional qualifications.

MANAGEMENT'S REVIEW 2008

International advocate and networker

As a result of its qualifications, the Danish Refugee Council is on the board of several international organisations, including:

- Humanitarian Accountability Partnership (HAP), established in 2003. The Danish Refugee Council has been on the board since 2003. The Secretary General of the Danish Refugee Council is chairman of the board in the period 2007–2009.
- International Council of Voluntary Agencies (ICVA), established in 1962. The Danish Refugee Council has been on the board since 2000 and in several previous periods.
- European Council on Refugees and Exiles (ECRE), established in 1974 with the Danish Refugee Council as co-organiser. The Danish Refugee Council has been on the board since 2004.
- International Mine Action Standards (Review Board), established in 2001. The Danish Refugee Council became a member of the board in 2008.

International project work

The international project work comprises emergency aid in the form of provision of basic necessities of life and temporary shelter for refugees and internally displaced people and solutions for humanitarian aid of long duration in the form of rehabilitation, income-generating activities and support for community development. This work requires a broad range of professional qualifications and adaptability.

In the development activities of the Danish Refugee Council, focus is always on transparency, quality and accountability in respect of donors as well as beneficiaries in the international humanitarian work.

Development activities in 2008:

- Strengthening of the financial and administrative capacity of the Danish Refugee Council through the preparation of an Operations Handbook. The handbook will be completed in the course of 2009.
- Preparation of a new Programme Handbook aimed at strengthening the human resources base of the Danish Refugee Council through systematic training and introduction activities. The guidelines of the handbook will be fully implemented in 2009.
- Resolution of the position of the Danish Refugee Council in relation to global migration and asylum issues. A policy paper has been approved at the council meeting on 28 May 2008: "The Danish Refugee Council's work regarding complex migration".
- Evaluation of the performance of the Danish Refugee Council in respect of the coherence between protection and livelihood. The evaluation should create a platform for the development of this area in 2009.
- Implementation of annual reviews of all programmes.

The stand-by roster

The Danish Refugee Council's stand-by roster provides special fixed-term assistance in emergency situations as a supplement to the capacity of the UN organisations. The roster consists of approximately 250 highly qualified and trained specialists who possess extensive experience of humanitarian activities. The specialists on the roster are available for rapid secondment at 72 hours' notice.

Development activities in 2008:

- Development of the Danish Refugee Council Stand-By Roster Handbook on secondment of members to the UN. The handbook contains information about the Danish Refugee Council and the UN and describes the procedures for secondment.
- Development of internal and external guidelines for the procedures for secondment.
- Revision of the procedures for recruitment.
- Further development of the introduction course for new members of the emergency roster aimed at upgrading qualifications.

Demining

Danish Demining Group (DDG) has special qualifications in demining and other clearing of remnants of war to improve safety and stimulate and create growth and stability in conflict areas. The activities are prioritised on the basis of information provided by the local communities.

Development activities in 2008:

- Development and test of a new Impact Monitoring Handbook to strengthen the ability of operations to document and measure the effect of the activities.
- Revision of standard operations procedures (SOP) and training plans for all operations.
- General programme extension with a component to strengthen local capacity.
- Continued development of qualifications related to information, collection and destruction of hand weapons.
- Participation in international demining networks.
- Participation in strategy development under the auspices of the UN and in collaboration with donors.

International asylum law

The Danish Refugee Council possesses unique expertise in asylum law with knowledge of Danish and international immigration law, including international law on return of rejected asylum seekers, and knowledge of the human rights position of refugee-producing countries.

MANAGEMENT'S REVIEW 2008

Development activities in 2008:

- Concept development of return programmes aimed at offering fair and durable solutions for rejected asylum seekers in Europe (especially Kosovans from other European countries).
- Development of best-practice courses concerning the role of the police when foreigners are returned to their country of origin. Three courses have been held for police officers aimed at creating a basis for fair and durable returns.

Resettlement and repatriation

For many years, the Danish Refugee Council has been involved in among other things the selection of quota refugees and has therefore accumulated in-depth knowledge of resettlement issues and the role of NGOs. The knowledge and experience of the Danish Refugee Council are in demand in connection with lectures, participation in conferences, etc.

Repatriation (voluntary return) represents a special focus area where the Danish Refugee Council has developed expert knowledge on counselling of and support to refugees planning to return to their countries of origin.

Development activities in 2008:

- Preparation of a pamphlet about repatriation and three country information reports in connection with the participation of the Danish Refugee Council in the project: Country of Return Information (CRI). The purpose of the project is to provide thorough information about the home country to persons considering the repatriation option.
- Development of an assessment process for severely traumatised refugees from Bosnia and Herzegovina: Integration into Denmark or return to the country of origin.

Danish language courses

The Danish Refugee Council is the largest provider of Danish language courses in Denmark for refugees, immigrants and other foreigners in Denmark, and as such the Danish Refugee Council is committed to developing methods, including flexible Danish language courses.

Development activities in 2008:

- Establishment of Danish language courses on the internet offered by all the "Lærdansk" language centres.
- Development of a common, individual learning plan that is tested at the language centres in 2009.
- Preparation of proposal to amend the Ministry's module tests after a critical examination (included in the revision work of the Ministry of Refugee, Immigration and Integration Affairs).

Integration work

The integration work comprises labour-market activities and activities for traumatised refugees and immigrants.

Development activities in 2008:

- Method development of qualification assessment services offered to vulnerable refugees and immigrants.
- Expansion of the services offered to traumatised refugees and immigrants (e.g. music therapy).

The Danish Refugee Council's integration work carried out by volunteers

The integration work for the local authorities is combined with the integration work carried out by volunteers. Volunteers offer to share their networks, resources and experiences and to help refugees and immigrants be included in the active citizenship in the local community. Children and youngsters receive homework assistance, language training and counselling. Volunteers contribute actively to helping persons belonging to ethnic minorities gain a foothold in the Danish society and thereby directly or indirectly integrate them into the labour market.

Development activities in 2008:

- Assessment of the effect of the volunteer integration work for the individual refugee, including the support of volunteers to traumatised refugees.
- Development of volunteer activities aimed at special groups, including women and girls belonging to ethnic minorities.
- Exchange of experience with other volunteer organisations regarding the prospects for result-oriented management.

The Interpreter Services of the Danish Refugee Council

The Interpreter Services provides interpretation and written translations in 55 different languages.

It is important that the interpreter is a serious provider of qualified interpretations. The interpreters are subject to quality requirements including ethics and neutrality, knowledge of Danish culture, Danish institutions and legislation.

Written translations by the Interpreter Services of the Danish Refugee Council are recognised by among others CIRIUS (an information centre where persons with foreign qualifications can have these assessed and recognised), hospitals, the Danish National Board of Health, the Danish Ministry of Foreign Affairs, and the Danish Immigration Service.

Development activities in 2008:

- Analysis of procedures with a view to ensuring effective communication.

ACCOUNTING POLICIES

GENERAL

The annual report of the Danish Refugee Council for 2008 has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act. In certain respects, the financial information exceeds the minimum disclosure requirements for reporting class B enterprises.

The accounting policies are consistent with those applied last year except for the following two changes:

- The activities in the consortium Dacaar are no longer included in the financial statements. The change does not affect the income statement or the balance sheet. The comparative figures for 2007 have been adjusted accordingly.
- Revenue from donated funds is recognised when used. Previously, donor funds were recognised on a straight line basis in accordance with the donor budget. The change has a negative effect on the income statement of DKK 3.2 million. The figures for 2007 have not been adjusted.

Terms and classifications have been adjusted to the general provisions of the Danish Financial Statements Act, taking into account the special structure of the enterprise.

Foreign currency translation

Foreign currency spent on international projects is calculated on a regular basis against Danish kroner as a weighted average of the exchange rates at the payment date of the projects.

INCOME STATEMENT

Collected funds are recognised as income when received and recognised as expenses when allocated, provided that the projects etc. are in progress.

Costs concerning planned national collection campaigns are recognised in the collection year.

Consulting services and interpretation hours are recognised when invoiced. School-related grants are recognised as earned. The results of these activities are recognised in equity as "own funds".

Donated funds are recognised as income when used. Any deficit on projects will be covered by an allocation from the Refugee Council's own funds and be included as an expense under collected funds. Income and expenses for the year on international project assistance will, consequently, be equal in size.

Costs incurred in generating the revenue for the year are recognised in the income statement, including depreciation and lease expenses.

Financial income and expense comprise interest, gains and losses on securities, payables and transactions denominated in foreign currencies and amortisation of financial assets and liabilities. Financial income and expense are included in the specific main categories of the income statement.

BALANCE SHEET

Property, plant and equipment

Land and buildings, fixtures and fittings and equipment are measured at cost less accumulated depreciation. Land is not depreciated. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Depreciation is provided according to the straight-line method, based on the following expected useful lives:

• Cars	3 years
• Fixtures and fittings	3 years
• IT	3 years
• Buildings	50 years
	depreciated at expected scrap value

Depreciation is recognised in the income statement under own funds and donated funds, respectively.

Minor acquisitions with a cost of less than DKK 11,900 and most assets for international projects are recognised in the year of acquisition.

Property, plant and equipment are written down to their recoverable amount if this is lower than the carrying amount.

Gains and losses on the disposal of property, plant and equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement.

Donated funds

Donated funds received before the time of use are recognised in the balance sheet as payables. Donated funds used which have not been received at the time of use are recognised as receivables.

Receivables

Receivables are measured at amortised cost. Write-down is made for bad debt losses according to an individual assessment.

Prepayments

Prepayments comprise costs paid concerning subsequent financial years.

ACCOUNTING POLICIES

Securities

Listed securities recognised as current assets are measured at fair value at the balance sheet date.

Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

Provisions

Provisions comprise anticipated costs in connection with winding up activities. Provisions are recognised when, as a result of past events, the enterprise has a legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at net realisable value.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Deferred income

Deferred income comprises payments received concerning income in subsequent years.

INCOME STATEMENT

INCOME STATEMENT FOR THE FINANCIAL YEAR 1 JANUARY - 31 DECEMBER

Note	<u>2008</u>	<u>2007</u>
	DKK'000	DKK'000
1 Collected funds		
Collected funds - income	47,527	36,216
Collected funds used	44,208	33,285
Total collected funds	<u>3,319</u>	<u>2,931</u>
2 Own funds		
Own funds - income	200,980	148,439
Own funds used	185,300	142,764
Total own funds	<u>15,680</u>	<u>5,675</u>
3 Donated funds		
Donated funds - income	501,299	424,342
Donated funds used	501,299	424,342
Total donated funds	<u>0</u>	<u>0</u>
4 Activities funded by Government Budget appropriations etc.		
Activities funded by Government Budget appropriations etc. - income	28,313	26,780
Activities funded by Government Budget appropriations etc. used	27,989	27,072
Total Government Budget appropriations etc.	<u>324</u>	<u>-292</u>
RESULTS FOR THE YEAR	<u><u>19,323</u></u>	<u><u>8,314</u></u>
Total income	778,119	635,777
Total expenses	-758,796	-627,483
Results for the year	<u><u>19,323</u></u>	<u><u>8,314</u></u>

The results for the year are transferred to equity as follows

Total collected funds	3,319	2,931
Total own funds	15,680	5,675
Total Government Budget appropriations etc.	324	-292
Total appropriation of results	<u><u>19,323</u></u>	<u><u>8,314</u></u>

BALANCE SHEET – ASSETS**BALANCE SHEET AT 31 DECEMBER**

Note	<u>2008</u> DKK'000	<u>2007</u> DKK'000
ASSETS		
5 Property, plant and equipment		
Land and buildings	5,000	5,475
Fixtures and fittings and equipment	1,368	518
Total property, plant and equipment	<u>6,368</u>	<u>5,993</u>
Total fixed assets	<u>6,368</u>	<u>5,993</u>
Current assets		
Receivables		
3 International project aid	97,774	99,087
3 Other project aid	8,151	4,483
Trade receivables	33,818	31,545
Other receivables	13,585	12,545
Prepayments	2,895	971
Total receivables	<u>156,223</u>	<u>148,631</u>
Securities	<u>4,684</u>	<u>4,740</u>
6 Cash at bank and in hand	<u>120,983</u>	<u>62,293</u>
Total current assets	<u>281,890</u>	<u>215,664</u>
TOTAL ASSETS	<u><u>288,258</u></u>	<u><u>221,657</u></u>

BALANCE SHEET – EQUITY AND LIABILITIES

BALANCE SHEET AT 31 DECEMBER

Note	<u>2008</u> DKK'000	<u>2007</u> DKK'000
EQUITY AND LIABILITIES		
Equity		
	33,291	29,972
	36,322	20,642
	655	331
7	<u>70,268</u>	<u>50,945</u>
	<u>3,091</u>	<u>2,480</u>
Short-term liabilities other than provisions		
	22,931	18,228
3	129,984	105,458
3	2,385	4,683
8	37,722	25,142
	21,877	14,721
	<u>214,899</u>	<u>168,232</u>
	<u><u>288,258</u></u>	<u><u>221,657</u></u>

Note 9 Financial items

Note 10 Contingent liabilities

Note 11 Wages and salaries

Note 12 Related parties

NOTES

NOTES	2008	2007
	DKK'000	DKK'000
1 Collected funds		
Annual national collection	14,213	14,923
Special purposes, lottery funds	2,462	2,224
Special purposes, other	9,237	2,876
Private and regular contributions	18,784	12,172
Collected funds, general	2,277	994
New activities	554	3,027
Total income	47,527	36,216
 Collected funds used		
Collection related costs, information and recruitment of volunteer workers	3,437	3,702
Transferred to international activities (project support)	1,713	6,413
Transferred to international activities (project support), granted in 2008, but not used	5,307	-
From annual national collection to international project activities, used in 2008	8,442	10,716
From annual national collection to international project activities, granted in 2008, but not used	1,377	21
For special purposes	3,541	4,245
Private and regular contributions	18,784	3,429
Collected funds, general	1,055	583
New activities	552	3,326
Information, development and campaign costs	-	850
Collected funds used	44,208	33,285
 Total collected funds	3,319	2,931

NOTES

	<u>2008</u>	<u>2007</u>
	DKK'000	DKK'000
2 Own funds		
Integration, language centres not included		
Sale of other consulting services	27,749	16,386
Interpretation etc.	12,878	12,125
Total income	<u>40,627</u>	<u>28,511</u>
Wages and salaries	22,947	18,156
Other external costs	13,325	8,935
Total expenses	<u>36,272</u>	<u>27,091</u>
Total	<u><u>4,355</u></u>	<u><u>1,420</u></u>
Language centre activities		
Local authorities income	154,410	116,290
Teaching services sold etc.	3,236	2,065
Total income	<u>157,646</u>	<u>118,355</u>
Wages and salaries	106,594	85,196
Other external costs	37,806	26,603
Total expenses	<u>144,400</u>	<u>111,799</u>
Total	<u><u>13,246</u></u>	<u><u>6,556</u></u>
Other own funds		
Membership fees from member organisations	302	312
Glamsbjerg, leasehold income	278	335
Financial income	2,127	926
Total income	<u>2,707</u>	<u>1,573</u>
Property expenses	497	67
Other	4,131	3,807
Total expenses	<u>4,628</u>	<u>3,874</u>
Total	<u><u>-1,921</u></u>	<u><u>-2,301</u></u>
Own funds - total income	200,980	148,439
Own funds - total expenses	185,300	142,764
Total own funds	<u><u>15,680</u></u>	<u><u>5,675</u></u>

NOTES

	<u>2008</u>	<u>2007</u>
	DKK'000	DKK'000
3 Donated funds		
International projects		
Balance at 1 January	6,371	9,371
Grants received for international project aid	519,734	415,385
EU grants used	78,098	74,075
Danida grants used	153,932	157,813
UN grants used	91,377	73,754
Ministry of Foreign Affairs, European Neighbourhood and Russia grants used	14,852	23,774
Other grants used	148,034	80,765
Net movement cash/bank	569	9,696
Net movement outlays	2,391	1,070
Funds returned re. completed projects	4,258	1,886
Net provision for bad debt losses	383	-4,448
Balance at 31 December	32,211	6,371
Balance at 31 December, international projects, is distributed in the balance sheet		
Receivables	97,774	99,087
Payables, grants not used	129,984	105,458
Other project grants and pool funds		
Balance at 1 January	201	1,836
Grants, projects and pool funds	9,040	12,525
Used, projects and pool funds	15,006	14,161
Balance at 31 December	-5,765	200
Balance at 31 December, other project grants and pool funds is distributed in the balance sheet as follows:		
Receivables	8,151	4,483
Payables, grants not used	2,385	4,683
Donated funds - income	501,299	424,342
Donated funds - expenses	501,299	424,342

NOTES

	<u>2008</u>	<u>2007</u>
	DKK'000	DKK'000
Activities funded by Government Budget appropriations etc.		
4 Secretariat work etc.		
Secretariat work and General Secretariat	4,257	4,200
Total income	<u>4,257</u>	<u>4,200</u>
General Secretariat, international legal protection and information re. international refugee work		
information re. international refugee work	4,257	4,200
Total expenses	<u>4,257</u>	<u>4,200</u>
Total	<u><u>0</u></u>	<u><u>0</u></u>
Volunteer work		
Grants for volunteer work	15,543	15,300
Income from local authorities, own contributions etc.	1,905	609
Total income	<u>17,448</u>	<u>15,909</u>
Wages and salaries, incl. holiday allowance	9,302	8,437
Other external costs	7,584	7,996
Approved transfer from previous year	-	-500
Total expenses	<u>16,886</u>	<u>15,933</u>
Total	<u><u>562</u></u>	<u><u>-24</u></u>
Asylum work		
Ministry of Integration grant for asylum counselling etc.	2,178	2,300
Ministry of Integration grant for quota work, travel planning etc.	756	704
Danish Immigration Service grant for the manifestly unfounded procedure	1,274	1,267
Total income	<u>4,208</u>	<u>4,271</u>
Wages and salaries, incl. holiday allowance	2,869	2,736
Other external costs	1,577	1,863
Approved transfer from previous year	-	-60
Total expenses	<u>4,446</u>	<u>4,539</u>
Total	<u><u>-238</u></u>	<u><u>-268</u></u>

NOTES

	<u>2008</u>		<u>2007</u>
	DKK'000		DKK'000
Activities funded by Government Budget appropriations etc. (continued)			
Repatriation work			
Repatriation grant, Ministry of Integration	2,400		2,400
Total income	<u>2,400</u>		<u>2,400</u>
Wages and salaries, incl. holiday allowance	1,699		1,648
Other external costs	701		752
Total expenses	<u>2,400</u>		<u>2,400</u>
Total	<u><u>0</u></u>		<u><u>0</u></u>
Government Budget appropriations etc. - total income	28,313		26,780
Government Budget appropriations etc. - total expenses	<u>27,989</u>		<u>27,072</u>
Total Government Budget appropriations etc.	<u><u>324</u></u>		<u><u>-292</u></u>
5 Property, plant and equipment			
	Land and buildings	Cars	Fixtures, fit- tings and IT
	DKK'000	DKK'000	DKK'000
Cost			
Balance at 1 January	7,594	304	749
Additions	-	1,081	297
Disposals	-	-	-
Balance at 31 December	<u>7,594</u>	<u>1,385</u>	<u>1,046</u>
Depreciation			
Balance at 1 January	2,119	261	274
Depreciation and impairment for the year	475	191	337
Reversed depreciation	-	-	-
Balance at 31 December	<u>2,594</u>	<u>452</u>	<u>611</u>
Carrying amount at 31 December 2008	<u><u>5,000</u></u>	<u><u>933</u></u>	<u><u>435</u></u>

The official property valuation of the property in Glamsbjerg amounts to DKK 4,050 thousand at 1 October 2008.

NOTES

	2008		2007
	DKK'000		DKK'000
6 Cash at bank and in hand			
Language centres	52,286		23,603
Danish Refugee Council, other	68,697		38,690
Total cash at bank and in hand	120,983		62,293
	Balance	Transferred	Balance 31
	1 January	result for	December
	DKK'000	DKK'000	DKK'000
7 Equity			
Collected funds	29,972	3,319	33,291
Own funds	20,642	15,680	36,322
Government Budget appropriations etc.	331	324	655
Total equity	50,945	19,323	70,268
	2008		2007
	DKK'000		DKK'000
8 Other payables			
Interest payable	694		502
Holiday allowances	27,866		22,556
Special purposes and annual national collection, granted in 2008, but not used	6,684		21
Other	2,478		2,063
Total	37,722		25,142
9 Financial items			
Interest, banks	4,622		1,495
Interest, securities	206		193
Other financial income	156		292
Total financial income	4,984		1,980
Interest, banks	1		79
Interest, mortgages and other creditors	4		3
Capital loss, securities	56		85
Interest, projects	326		320
Net capital loss and other interest expenses	2,263		282
Total financial expenses	2,594		769
Net financial items	2,390		1,211

NOTES

10 Contingent liabilities

Operating leases for copiers, faxes, drink dispensers expiring in 2009-2012 amount to DKK 1.548 million over the lease term. Guarantee obligations amount to DKK 20.156 million

	<u>2008</u>	<u>2007</u>
	DKK'000	DKK'000
11 Wage and salary costs		
Wages and salaries	127,432	108,510
Expat supplements	9,504	7,366
Wages, local project staff abroad	72,587	69,581
Salaries, language centres	98,519	80,869
Adjustment of holiday allowance reserve	5,089	3,585
Total wages and salaries	<u>313,131</u>	<u>269,911</u>
Pensions	14,610	11,891
Social security costs	1,376	1,160
Total	<u>329,117</u>	<u>282,962</u>
The average number of employees in Denmark and expats is	555	494
The average number of local staff abroad is	4,000	4,000

12 Related parties

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

Related parties are the Executive Committee and the Organisational Management.

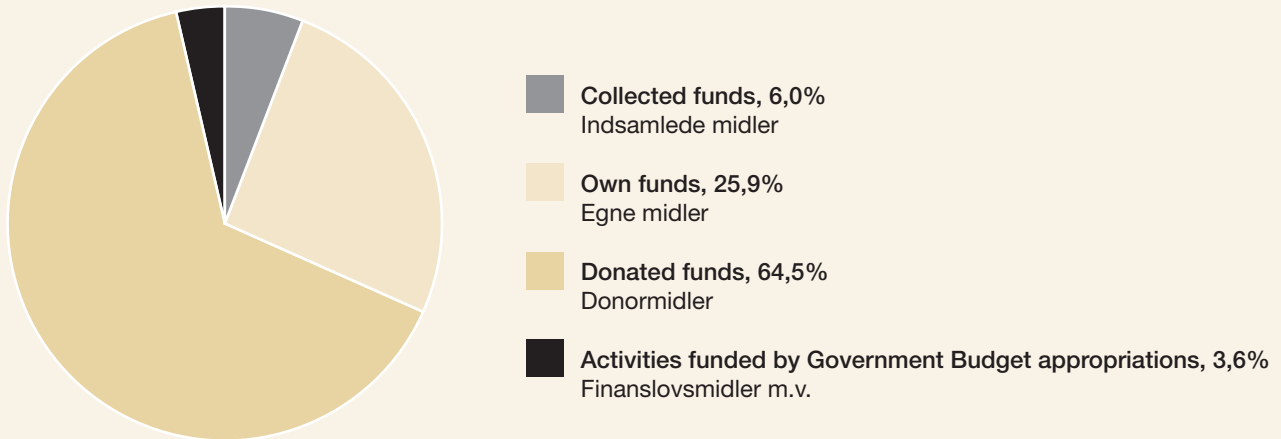
The Organisational Management receives normal remuneration.

The Executive Committee receives no remuneration.

DRC ACTIVITIES / DANSK FLYGTNINGEHJÆLPS AKTIVITETER

TOTAL ACTIVITIES DRC, 2008

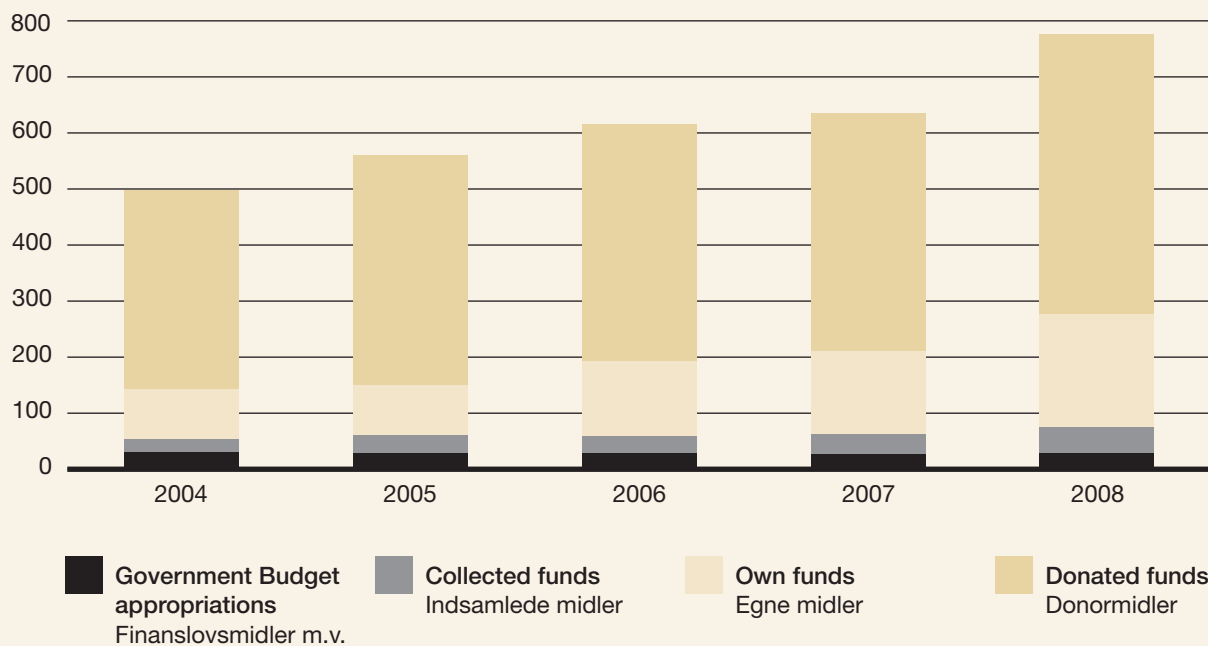
SAMLEDE AKTIVITETER DANSK FLYGTNINGEHJÆLP, 2008



TOTAL ACTIVITIES, 2004-2008

SAMLEDE AKTIVITETER, 2004-2008

DKK million



DRC OPERATES HERE / HER ARBEJDER DANSK FLYGTNINGEHJÆLP

