

Annual report for the year 2013

**International Au Pair Association
Keizersgracht 174
1016 DW Amsterdam
Netherlands**

Approved by the association in general meeting on the /

Chairperson:

Independent Auditors Report

To the Members of the International Au Pair Association

Report on the Financial Statements

We have audited the financial statements of the International Au Pair Association for the financial year 1 January - 31 December 2013, which comprise income statement, balance sheet and notes, including summary of significant accounting policies, for the Association. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish Audit regulation. This requires that we comply with ethical requirements 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 audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but note for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as 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 audit opinion.

The audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements gives a true and fair view of the company's financial position at 31 December 2013 and of the results of its operations for the financial year 1 January - 31 December 2013 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, October,

THORVALD REIN A/S

Jan Nielsen
State Authorized Public Accountant

Association information

The Association

International Au Pair Association
Keizersgracht 174
1016 DW Amsterdam
Netherlands

Homepage: www.iapa.org

E-mail: ~~inquiry@iapa.org~~

Founded: in 1994

Domicile: Amsterdam

Financial Year: 1st January – 31st December

iapa@wysetc.org

Board of Executives

Ms. Patricia Brunner
Mr. Goran Rannefors
Ms. Delphine Vaills
Mr. Michael McHugh

Auditor

Thorvald Rein A/S
Statsautoriseret Revisionsaktieselskab
Øster Alle 56, 1. sal
DK – 2100 Copenhagen

Directors Report

Main activities

The primary aim of the association is to promote au pair programmers among young people and encourage cultural exchange.

Development of activities and financial circumstances

The association's activities are unchanged in relation to the previous financial year.

The profit for the period is regarded as satisfactory.

Events after the end of the financial period

No events occurred after the end of the financial period that might materially affect the association's financial position.

Accounting policies applied

The annual report for the year 2013 for the International Au Pair Association has been presented in accordance with the provisions of the Danish Company Accounts Act.

General information on recognition and valuation

In the profit and loss account income is recognized as it is earned, including value adjustment of financial assets and liabilities. All costs, including depreciation and write-downs, are also included in the profit and loss account.

Assets are recognized in the balance sheet if it is likely that future financial advances will accrue to the association and the asset can be valued reliably.

Liabilities are recognized in the balance sheet if it is likely that the association will be denied future financial advantages and the liability can be valued reliably.

When assets and liabilities are first recognized, they are valued at original cost. Assets and liabilities are subsequently valued as described for each individual item below.

Recognition and valuation take account of predictable losses and risks that will occur before the annual report is presented and confirm or invalidate circumstances that existed on the balance sheet date.

Profit and loss account

Operational income

Income from membership fee is included in the year as it is earned.

Operational expenses

Operational expenses include the cost of production of handbook, fliers etc., distribution, sales, advertising etc.

Administrative expenses

Administrative expenses include the costs of management fee, staff costs, other stationary costs, travel and meetings expenses etc.

Other income and expenses

Financial income and costs are included in the profit and loss account in the amount relating to the financial year. Financial items include interest earned and paid, and realized exchange gains and losses on debts and transactions in foreign currency.

Accounting policies applied

Balance sheet

Debtors

Debtors are valued at amortized original cost, which usually corresponds to nominal value. This value is written down to meet expected losses.

Prepayments and accrued income

Prepayments and accrued income include costs defrayed in respect of the next financial year.

Conversion of foreign currency

Transactions in foreign currency are converted at the exchange rate on the transaction date. Exchange differences that arise between the exchange rate on the transaction date and the exchange rate on the payment date are included in the profit and loss account as a financial item. If currency items are considered to be protection of future cash flow, the value adjustments are included directly in equity.

Debtors, creditors and other monetary items in foreign currency that are not settled on the balance sheet date are valued at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate on the date on which the debtor or creditor originated is included in the profit and loss account under financial income and costs.

Profit and loss account
financial year from 1st January - 31st December 2013

	2013 Euro	2012 Euro	2011 Euro
INCOME			
Annual contribution	83.120	84.417	81.573
Conference surplus	0	0	-2.945
Other income	0	0	0
	<u>83.120</u>	<u>84.417</u>	<u>78.628</u>
TOTAL INCOME			
EXPENSES			
Annual General Meeting	-5.307	-586	-6.783
Membership Directory	0	-10	-4.466
Au Pair of the year	-939	-344	-916
Promotion	-83	-750	-751
Membership Network Opportunities	-1.346	-6.628	-6.311
Computer Development	-22	-102	-96
ECAPS project	-368	-525	-1.344
	<u>-8.065</u>	<u>-8.945</u>	<u>-20.667</u>
TOTAL EXPENSES			
ADMINISTRATIVE EXPENSES			
WYSE Membership fee	-55.000	-42.500	-42.500
Stationary	-15	-51	-276
Communication	-268	0	-21
Executive committee meetings	-6.507	-7.471	-9.808
Travel expenses	-900	-109	-215
Miscellaneous	-278	0	0
Auditors and legal fee	-1.512	-3.000	-1.500
	<u>-64.480</u>	<u>-53.131</u>	<u>-54.320</u>
TOTAL ADMINISTRATIVE EXPENSES			
OTHER INCOME			
Bank interest	1.240	1.449	702
Exchange foreign currency	-49	-13	-318
	<u>1.191</u>	<u>1.436</u>	<u>384</u>
TOTAL OTHER INCOME			
OTHER EXPENSES			
Bank charges	-669	-454	-260
Reserve for bad debts	1.973	-14.100	-3.511
	<u>1.304</u>	<u>-14.554</u>	<u>-3.771</u>
TOTAL OTHER EXPENSES			
PROFIT AND LOSS FOR THE YEAR	<u>13.070</u>	<u>9.223</u>	<u>254</u>

Balance sheet as at 31st December 2013

ASSETS

	2013 Euro	2012 Euro	2011 Euro
CURRENT ASSETS			
Clearing with WYSE Travel Confederation	22.156	22.156	32.156
Clearing with WYSTC	15.940	15.940	15.940
Clearing with WYSE Work (GWEA)	2.200	1.600	0
Accounts receivables	19.596	13.512	0
Provisions for bad debts	0	-12.900	0
Bank deposits	<u>109.315</u>	<u>129.863</u>	<u>73.709</u>
TOTAL CURRENT ASSETS	<u>169.207</u>	<u>170.171</u>	<u>121.805</u>
TOTAL ASSETS	<u>169.207</u>	<u>170.171</u>	<u>121.805</u>

LIABILITIS

PROFIT AND LOSS ACCOUNTS			
Brought forward from previous year	100.955	91.732	91.478
Transfer of profit and loss for the period	<u>13.070</u>	<u>9.223</u>	<u>254</u>
TOTAL RESERVES	<u>114.025</u>	<u>100.955</u>	<u>91.732</u>
OTHER RESERVES			
IAPA development project	0	0	0
Consult work	<u>3.885</u>	<u>3.885</u>	<u>3.885</u>
TOTAL OTHER RESERVES	<u>3.885</u>	<u>3.885</u>	<u>3.885</u>
CREDITORS			
Clearing with WYSE Travel Confederation	0	0	0
Clearing with IAS A/S	21.093	20.383	17.540
Various creditors	<u>30.203</u>	<u>44.948</u>	<u>8.648</u>
TOTAL CREDITORS	<u>51.296</u>	<u>65.331</u>	<u>26.188</u>
TOTAL LIABILITIES	<u>169.206</u>	<u>170.171</u>	<u>121.805</u>