



TRANSACTION SERVICES

Stairway Danmark

NGO Profile

2009

ADVISORY

[SIDEN SKAL VÆRE TOM]

2006	Financial year from 1 January to 31 December 2006
2007	Financial year from 1 January to 31 December 2007
2008	Financial year from 1 January to 31 December 2008
CAGR	Compound Annual Growth Rate
DKK	Danish kroner
DKK'000	Danish kroner, thousands
NGO	Non-governmental organisation
PTB	Pulmonary Tuberculosis
Restricted Funds	Funds, that have been given to Stairway for a specific purpose or funds that Stairway has earmarked for specific purposes
Stairway	Overall description for Stairway Denmark and Stairway Foundation Inc.
Stairway Danmark	The Danish part of Stairway that works with fundraising and strategic development
Stairway Foundation Inc.	Stairway in the Philippines is the operating part of the organisation who uses the fund raised by Stairway Denmark and other donors
SFI	Stairway Foundation Inc.
SWOT	Structural analysis tool (Strengths, Weaknesses, Opportunities and Threats)
TB	Tuberculosis



KPMG
Statsautoriseret Revisionspartnerselskab
Transaction Services
Borups Allé 177
P.O. Box 250
2000 Frederiksberg
Denmark

20 July 2009

Dear reader

Investing in Charity

KPMG's Transaction Services has prepared the following report, "NGO Profile" by performing a limited financial and commercial due diligence of selected non-governmental organisations ("NGO"). This report provides an independent analysis of each NGO that can support a potential contributor's decision-making process.

Our procedures did not constitute an audit or assurance engagement conducted in accordance with any generally accepted assurance standards and consequently no assurance opinion is expressed. Further, we have not sought to verify information obtained from the NGOs by reference to sources other than those provided by the NGO. This report does not constitute recommendations as to whether or not a potential donor should invest in any particular charity. The Important notice within each report should be read in conjunction with this letter.

Our report is for the benefit and information of the selected NGOs and potential contributors to the NGOs. Since this report is issued by KPMG on non-commercial terms, to the fullest extent permitted by law we will not accept responsibility or liability to any party in respect of our work or this report.

Yours faithfully

KPMG
Statsautoriseret Revisionspartnerselskab



Important notice

KPMG Transaction Services has performed a limited financial and commercial analysis of Stairway Danmark and 10 other NGOs, collectively, the "Investing in Charity" project. This report can be read in conjunction with the other reports that have been produced under the project. However, care should be taken in comparing the performance of each participating NGO as there is no common standard with respect to the classification of activities and accordingly, financial activities may be presented differently by each NGO. Further, the nature of each NGO's activities may require different capital and expenditure requirements, so the NGO's underlying activities should be considered when analysing financial results and key performance indicators.

Our work commenced on 20 May 2009 and our fieldwork was completed on 24 June 2009. We have not undertaken to update our report for events or circumstances arising after that date.

In preparing our report, our primary source has been Stairway Danmark internal management information and representations made to us by management of Stairway Danmark. We do not accept responsibility for such information which remains the responsibility of management. Details of our principal information sources are set out in the report and we have satisfied ourselves, so far as possible, that the information presented in our report is consistent with other information which was made available to us in the course of our work. We have not, however, sought to establish the reliability of the sources by reference to other evidence.

This engagement is not an audit or assurance engagement conducted in accordance with any generally accepted assurance standards and consequently no assurance opinion is expressed.

The analyses in this report were limited to procedures agreed upon with Stairway Danmark. Our procedures did not include an analysis of Stairway Danmark's actual or relative effectiveness or whether contributions have been optimised and used for the best purposes. Further, we have not been able to measure the value that Stairway Danmark provides. The analysis provided generally relates to tangible benefits (e.g., number of schools built, financial value transferred) and does not constitute a measurement or ranking of the benefits these results provide for the beneficiary.

In our financial analysis, we have sought to categorise costs in a manner that reflects the true cost. However, we have not had access to Stairway Danmark's auditors and therefore we assume no responsibility for any errors in the classification of revenues and costs.

Our report makes reference to 'KPMG Analysis'; this indicates only that we have (where specified) undertaken certain analytical activities on the underlying data to arrive at the information presented; we do not accept responsibility for the underlying data.

This report may contain forward-looking information prepared or presented by Stairway Danmark; such information is the responsibility of Stairway Danmark's management and we accept no responsibility for the realisation of such information. Actual results are likely to be different from those expected because events and circumstances frequently do not occur as expected, and the differences may be material.

[The contents of our report have been reviewed in detail by the directors of Stairway Danmark who have confirmed in writing the factual accuracy of this report.]

Since this report is issued by KPMG on non-commercial terms, to the fullest extent permitted by law, we will not accept responsibility or liability to any party in respect of our work or this report.

Contacts in relation to this report are:

Søren H. Sørensen,
Stairway Danmark,
Chairman of the board

Tel: +45 2014 5505
shs@se.dk

Claus Abildgaard,
Stairway Danmark,
Fundraiser

Tel: +45 2174 1878
clausabildgaard@webspeed.dk

Jesper Koefoed, KPMG
Audit
Senior Partner

Tel: + 45 3818 3000
ngo-profile@kpmg.dk

Dale Treloggen, KPMG
Transaction Services
Partner

Janne Bonde, KPMG
Transaction Services
Associate

	Side
Executive summary	6
Organisational overview	7
Overview	8
Geographical presence	10
SWOT	11
Activities	12
Financial results	13

Subject	Commentary	Analysis
Mission and vision	<p>Stairway Denmark was founded in 1994 and works for children's rights and prevention of child sexual abuse</p> <ul style="list-style-type: none"> ● The primary focus area is the Philippines, and the work is carried out in four ways: <ul style="list-style-type: none"> – direct care and rehabilitation of street children in Manila of a children's centre on the island of Mindoro – awareness on child rights and child sexual abuse through training, teaching materials, films, etc. – education, experience and creation of network among social workers, teachers, educators, policemen and others, as part of the processing of the attitude towards and handling of violence against children – helping the community with amongst other things scholarships and assistance for battered and sexually abused children 	Pages 10 & 12
Financial results	<p>Stairway Danmark experienced growth in revenue from 2006 to 2008 by a CAGR of 37.7%</p> <ul style="list-style-type: none"> ● From 2006 to 2007 Stairway experienced an increase in revenue of DKK0.5 million primarily due to an increase in donations and grants driven by a higher focus on applications to foundations and donations in general ● From 2007 to 2008 revenue increased by DKK0.2 million also mainly due to an increase in donations and grants ● Stairway experienced a significant drop in disbursements from 94.6% in 2006 to 52.1% in 2007. The drop was caused by a unusually high income in 2007, and the disbursement level returned to 92.1% in 2008 	Pages 13 & 14
Qualitative results	<p>In 2007 and 2008, Stairway Denmark made a number of measures to improve children's well being</p> <ul style="list-style-type: none"> ● With help from a number of Danish funds Stairway has built two new buildings to improve facilities at the children centre on Mindoro. The buildings include combined kitchen, administration and training facilities ● A 3-year training project of public servants and other professionals working with children has now been implemented. The purpose of the project was to inform and educate public officials so that they may help prevent attacks on children and help children who have suffered abuse. The project was supported by Danida ● Two films "Daughter" and "A Good Boy" has been completed, which have been translated and distributed in seven different languages. The films and related comic books are used as educational materials on courses and workshops and distributed in the network in the Philippines and other neighbouring countries. Stairway has also finalised a third movie "Red Leaves Falling" about trafficking and children, which premiered in June 2009 ● The Danish Vietnamese Association has made an agreement with Stairway regarding the three movies, with the purpose of translating them into Vietnamese. Furthermore, Stairway is helping with the training of Vietnamese instructors ● Stairway Foundation Inc. has completed a restructuring of the organisation after hiring a new deputy manager as well as middle managers, each responsible for their own department 	Page 12

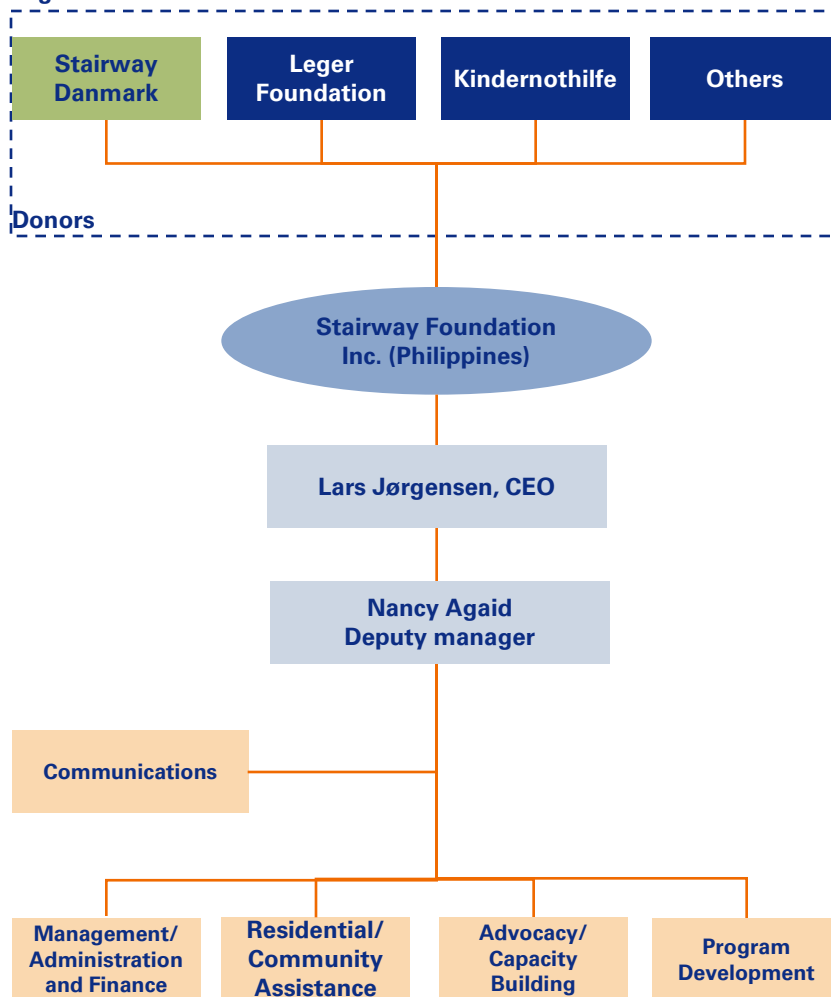
Organisational overview

Stairway Danmark is the main donor and partner of the Stairway Foundation Inc. that carries out Stairway's work in the Philippines. In addition, Stairway Danmark is the strategic sparring partner for Lars Jørgensen, who is the head of operations in the children's centre

The organisational structure of the Stairway Foundation Inc. has been expanded, so each activity now has its own head

In addition, the organisation has strengthened the management through the appointment of a deputy manager

Organisational chart



Source: (1) Stairway Danmark's board of directors

Stairway Danmark

- Stairway Danmark serves as support agency for Stairway Foundation Inc. The support can be defined as:
 - major donor and fundraiser for the children's centre and other projects in the Philippines
 - strategic sparring partner for Lars Jørgensen and the employees in the Philippines
- Stairway Danmark has a board of 8 people who all work on a voluntary basis. Furthermore, individual volunteers work on an ad hoc basis

Stairway Foundation Inc.

- Stairway Foundation Inc. is the operative part of the organization that works with Stairway projects in the Philippines
- Stairway Foundation Inc. has its own Board of Directors, which consists primarily of stakeholders in the Stairway network in the Philippines. The Chairman of the Board is a native Filipino, who currently resides in California, where he is employed as a human rights attorney
- Lars Jørgensen is also a member of the Board

CEO

- Lars Jørgensen is the founder of Stairway and he lives in the Philippines with his wife, Monica Ray Jørgensen. Lars Jørgensen serves as Managing Director of the children's centre on Mindoro and coordinates other activities for Stairway

Organisational structure

- To sustain Stairway's operation in case Lars Jørgensen would no longer be available, the board has appointed a new Deputy Manager, Nancy Agaid. She is also responsible for the Advocacy activities on a day to day basis
- The organisation has furthermore created a new and expanded organisational structure with the appointment of four middle managers, one for each of the activities depicted opposite

Stairway works to prevent child sexual abuse through education and training of public servants who work with children and parents of children at risk of being exploited

Activities are centred in the Philippines, but Stairway's material has been translated into seven languages, and through partnerships the material has been distributed to other Asian countries

Stairway Danmark works on a voluntary basis and therefore has limited resources to carry out fundraising. At the same time, the awareness of Stairway's work is relatively limited in the Danish population

Status of Stairway	
Factor	Criteria
Time perspective: short term relief (i.e. emergency aid) or longer term assistance (i.e. development assistance)	<p>Short term Long term</p>
Width: how broad are the organisation's projects in numbers and demographics	<p>Few Many</p>
Main Focus: focus of the activities	<p>Individual Family Village/city Society</p>
Risk: risks in relation to the completion of projects	<p>Low High</p>
Geographical spread: the activities' geographical focus	<p>Local Global</p>
Contributor base: composition of contributors	<p>Private Public</p>
Funding: difficulty in obtaining funding related to the specific purpose of the NGO	<p>Simple Difficult</p>
Establishment: development stage of the organisation	<p>Starting phase Mature phase</p>

Source: (1) Annual report, (2) Web site, (3) Interview

Stairway Danmark has three major private contributors besides the public contributions from Danida and lottery funds

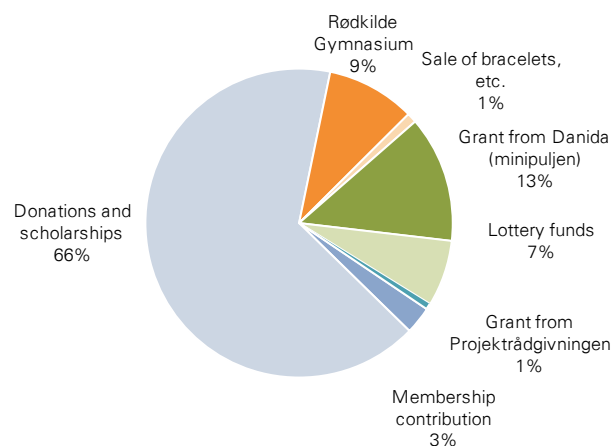
The Board actively seeks grants from foundations

In 2008, Stairway finished a three year project funded by Danida. A new 1-year project with funds of DKK400,000 was approved in November 2008 and paid out over 2008 and 2009

NGO data	
Stairway Danmark	
Established	1994
Full time employees	-
Part time employees	-
Members	Approximately 500
Revenue 2008	DKK1.6 million
Accountant	KPMG
Main donor in 2008	Paula & Alex Nissens grant of DKK625,000
Geographical focus	The Philippines

Source: (1) Website, (2) Annual Report, (3) Board of directors

Sources of income 2008, total of DKK1.6 million



Source: (1) Annual report 2008

Stairway Foundation Inc.

- Stairway was established in 1990 by Lars and Monica Ray Jørgensen, who started to build an orphanage on the island of Mindoro. Later the orphanage was expanded with better facilities and has today become the children's centre. The children's centre in Mindoro is the starting point for Stairway's activities in the Philippines
- The Danish part of the organisation was founded in 1994
- The children's centre employs more than 20 people, of which seven are junior staff. Junior staff are former street children
- All wages are paid by unallocated funds in Stairway Inc except Lars Jørgensen and Monica Ray Jørgensen, who receive DKK50,000 in total annually from Stairway Denmark

Donations and scholarships

- Applications for grants and appropriate funds are sent annually. In addition, lectures and events are held by Stairway's Fundraiser and other volunteers, to the extent they are able to do so alongside their full-time job, in order to attract interest from companies and other donors. In 2008, the major contributors were:
 - Paula & Axel Nissen's grant of DKK625,000
 - Birthe Justesen's foundation of DKK100,000

Danida

- In the spring of 2008, Stairway finished a 3 year project funded by Danida, with the purpose of educating thousands of policemen, social workers, teachers and ministers about children's rights and prevention of sexual abuse of children
- In November 2008, Stairway received a contribution of DKK400,000 for a one year project with the purpose of establishing a network of local NGO organisations in the Philippines. The purpose is to be able to reach more people with Stairway's ideas and philosophy by establishing a network

Rødkilde Gymnasium

- For the last 15 years, Rødkilde Gymnasium has raised approximately DKK150,000 annually for Stairway Danmark. In 2008, Rødkilde Gymnasium raised a total of DKK150,914, representing 9.3% of Stairway's total income
- Lars Jørgensen is a former student at Rødkilde Gymnasium. Each year he visits the gymnasium as preparation for the annual Stairway day

Geographical presence

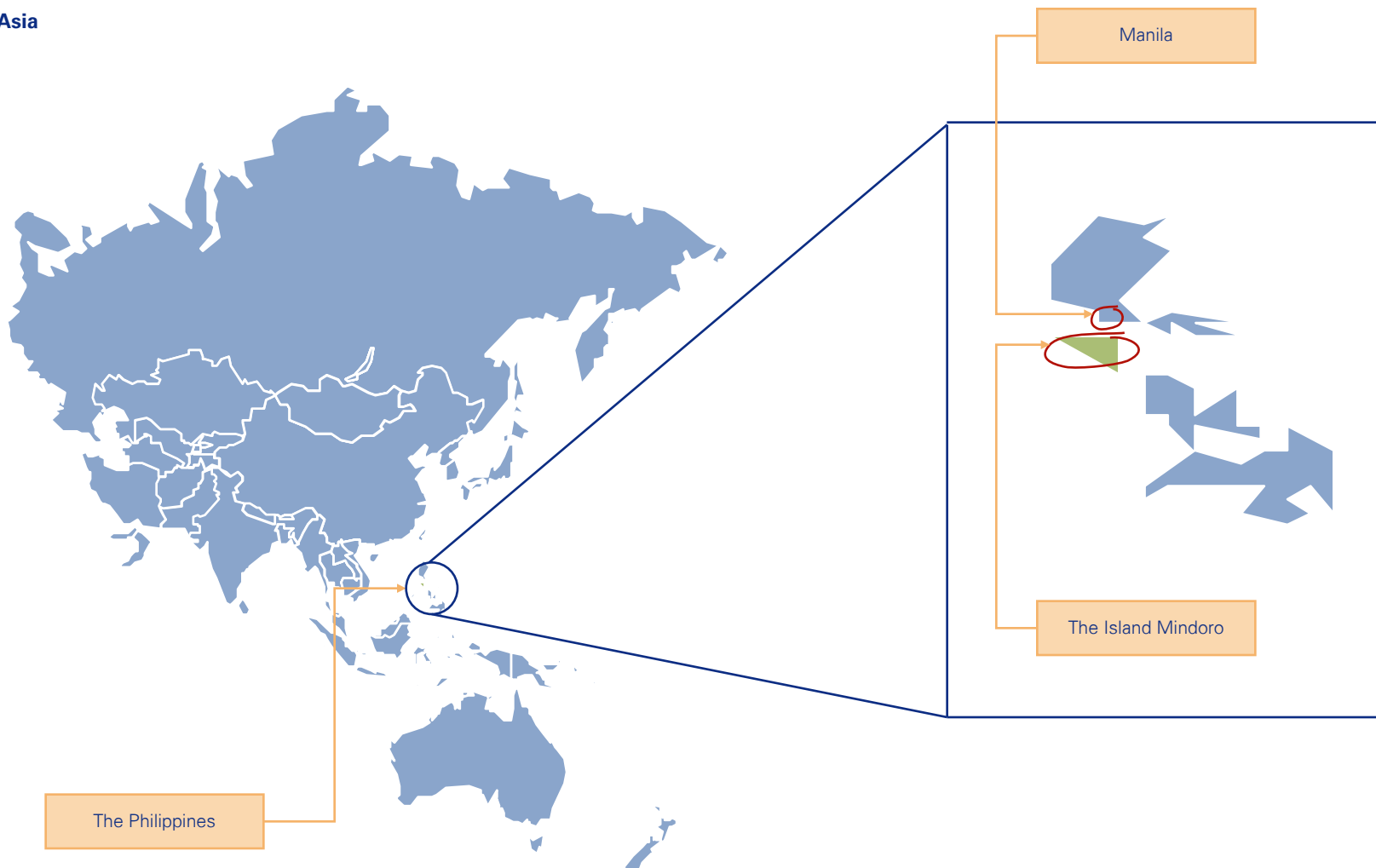
SFI is working in the Philippines, primarily on the island of Mindoro, where the children's centre is located

All activities are coordinated from or with resources from the children's centre in Mindoro

Stairway's information material is translated into seven different languages, with the ultimate purpose of spreading to other countries in Asia through cooperation with other aid agencies

The Danish Vietnamese Association has made an agreement with Stairway about their three movies, with the purpose of translating them into Vietnamese. Furthermore, Stairway is helping in the training of Vietnamese instructors

Asia



Source: (1) Stairway Danmark's website

The SWOT analysis is based on written material, interviews and KPMG analysis

Strengths

- Low administrative costs and no wages in Denmark
- High utilization of the funds raised in Denmark directly for the purpose of the organisation
- Works long term to prevent child abuse
- Strong and solid international partners

Weaknesses

- Volunteer resources to make fundraising work in Denmark
- Few major donors

Opportunities

- Greater geographical spread of Stairway material which is currently translated into 7 different languages
- Translate material into more languages
- Cooperation with other relief organizations working in other Asian countries

Threats

- Low awareness of Stairway among potential donors in Denmark
- Difficulty in recruiting staff to work outside of Manila, since many have a preference for working in the city
- The financial crises could make it difficult to find new donors

Source: (1) Interview, (2) Written material, (3) KPMG analysis

Stairway has experienced high growth in recent years and has developed from being dependent on the founder to an organisation that is not dependent on any single person

Going forward Stairway will focus on distributing the information material and expand training of public servants through collaboration with Kindernothilfe and other local organisations to cover the entire Philippines

Establishment of network and collaboration with organisations in other Asian countries to expand their work will also be pursued

Mission/Vision

- Stairway Denmark is fighting for the rights of children and preventing child sexual abuse
- Work focuses on four main areas and is based on the UN children convention:
 1. Direct care and rehabilitation of the street children of Manila. The assistance includes accommodation, therapeutic treatment and education at the Stairway children's centre
 2. Awareness about child rights and child sexual abuse through training, workshops, educational materials, cartoons and theatre
 3. Education, experience, development and networking. The target audience is social workers, teachers, policemen and other officials and organizations in the Philippines as well as church-based groups and NGOs
 4. Community assistance programs as treatment of sexually abused children and a scholarship program to assure that the children from the poorest families are enrolled in school and a school bus system

Project activities

- The Children's Centre is an orphanage that can house between 16-20 children and adolescents. Some are street children who have been victims of abuse, while others are taken from prisons in Manila, where they have been subject to abuse by adult prisoners. Attending an orphanage means that:
 - children who are infected with TB are treated
 - children receive psychological support and the opportunity to meet other children who have experienced the similar abuse
 - the children receive training that enables them to find work or pursue other training when they leave the orphanage
 - in November 2008, Stairway began a new 1 year project funded by Danida, with the purpose of establishing a network of approximately eight other NGO organisations in and around the Philippines, with the sole purpose of reaching more people to fight for children's rights
- Stairway has made an agreement with The Danish Vietnamese Association about Stairway's three movies, with the purpose of translating these into Vietnamese. Furthermore, Stairway is helping in the training of Vietnamese instructors
- Stairway provides scholarships to children to ensure proper education. In addition, SFI has by acquiring a school bus, established a system in Mindoro that ensures that 80 children are able to go to school

Results (continued)

- Management explains that there has been a change in attitude towards sex tourism since they started working on Mindoro. 10 years ago European tourists could be seen walking around on the beach with Philippine boys. That has changed as this behaviour is no longer so prevalent
- Stairway completed in FY2008 a 3-year training project for policemen, teachers, etc. in an attempt to raise awareness and change attitudes towards the exploitation of children.
- Training opportunities for poor children through scholarships and the school bus system have also been established
- Stairway has produced two movies "A good boy" and "Daughter", and relating comic books that act as information and training material. In the conclusion of a trilogy of animated movies about child sexual abuse, Stairway has completed the movie "Red Leaves Falling", which is about sex trafficking of children and abused children in pornography. The movie was launched in Manila in June 2009

Organization capacity

- In Denmark, Stairway's work is based on the work of volunteers. This works well, but according to the Board of Directors in Denmark, they could use more assistance to help with fundraising. The Board estimates that if they had more volunteers, they would be able to have more presentations and work more on raising funds from private companies
- Stairway in the Philippines has implemented a new organisational structure where each of the four activities has been divided into separate departments with a middle manager responsible for each department
- Stairway has furthermore established a management group with Lars Jørgensen, his new deputy manager, as well as the middle managers

Ambitions and strategic plans for the future

- Plans for the organization in the Philippines are to make it more professional and further decrease the dependency on Lars Jørgensen
- Further dissemination of Stairway's material and training through the network that has been established in the Philippines. Stairway uses Kindernothilfes centres and cooperates in dissemination and training of public servants
- Education and training of civil servants and professionals who work with children in Vietnam. Stairway helps the Danish Vietnamese Association in implementing the same curriculum as Stairway has implemented and continues to apply to the Philippines

Stairway Danmark had a high percentage payout of 94.6% in 2006 and 92.1% in 2008

An unexpected increase in revenue lead to the decrease in payout percentage to 52.1% in 2007

Profit and loss				CAGR FY2006- FY2008
DKK'000	FY2006	FY2007	FY2008	FY2008
Revenue				
Donations and grants	185	765	1,072	140.5%
Rødkilde Gymnasium	154	142	151	(1.0)%
Danida	370	307	216	(23.5)%
Lottery funds	35	105	113	80.1%
Other	114	64	74	(19.4)%
Total Revenue	858	1,384	1,627	37.7%
Project related costs				
Transferred to SFI from Danida	(299)	(240)	(216)	(15.0)%
Transferred to SFI from Stairway DK	(417)	(428)	(1,150)	66.0%
Salary Lars Jørgensen	(50)	(50)	(132)	62.8%
Film costs	(45)	(2)	-	n/a
Total project related costs	(812)	(721)	(1,499)	35.9%
% of revenue	94.6%	52.1%	92.1%	n/a
Earnings after project related costs	46	663	128	66.8%
Other costs				
Travelling expenses to the Philippines	(77)	(68)	(27)	(40.7)%
Office supply	(27)	(19)	(22)	(10.5)%
IT costs	(12)	(15)	(29)	52.8%
Postage to newsletters	(12)	(11)	(16)	17.0%
Other	(27)	(15)	(24)	(4.9)%
Total other costs	(156)	(129)	(118)	(12.8)%
% of revenue	18.1%	9.3%	7.3%	n/a
Net profit	(110)	534	10	n/a

Source: (1) Annual reports FY2006-2008

Income

- Stairway Danmark has experienced increasing revenues from 2006 to 2008 with a total of DKK0.8 million or an average annual growth rate of 37.7%
 - from 2006 to 2007 revenue increased by DKK0.5 million. The increase was primarily due to an increase of DKK0.6 million in private donations and grants
 - from 2007 to 2008 revenue increased by DKK0.2 million. The increase was driven by an increase in donations and grants of DKK0.3 million

Income (continued)

- Income from Danida fell in 2008 primarily as a result of Stairway not receiving administration subsidy
- According to Management, the board in Stairway Danmark has in recent years been professionalised, with a new board member assuming responsibility of the fundraising activities. Since then, the applications for funds have been streamlined and a more structured process for the selection of funds has been implemented

Project payments

- Disbursement from Stairway Danmark to Stairway Foundation Inc. fell from 94.6% in 2006 to 52.1% in 2007
 - the Board originally expected the same size of revenue and expenditure as in 2006, but the increase in revenues from contributions and grants was better than expected. Project costs were DKK0.1 million lower in 2007 than in 2006, but the unexpected increase in revenue lead to a reduction in payment rates
 - generally funds are transferred to the Philippines when they are needed because of the Philippine currency's instability against DKK
- From 2007 to 2008 the disbursement level returned to 92.1%, as Stairway Danmark in 2008 transferred DKK1.15 million to Stairway on the Philippines. There has not been an increase in cost of operations in the Philippines, but additional funds have been transferred and placed as a reserve in SFI
- Lars Jørgensen's salary increased from 2007 to 2008 by DKK82,000. The increase was a result of an extra salary payment. An extra salary payment was made to compensate for the modest annual salary in previous years. The extraordinary salary is not fixed to DKK82,000

Other costs

- Travel expenses relate to the board member's visit to Mindoro. Each board member has the opportunity to travel to the Philippines every two to three years to follow up on the work on site
- IT costs have over the period been increasing by a CAGR of 52.8%, and especially from 2007 to 2008, when the increase was 89.6% or DKK13,767
 - according to Management the increase is due to the organisation's internet solution that over the years has become too expensive. The internet solution is scheduled to be renegotiated during 2009

Stairway has no offices in Denmark and all the work is performed by volunteers, thus according to information, Stairway Danmark has no assets besides cash

Balance sheet			
DKK'000	FY2006	FY2007	FY2008
Assets			
Cash	356	810	859
Total assets	356	810	859
Liabilities			
Equity	275	810	819
Provisions	80	-	40
Total liabilities	356	810	859

Source: (1) Annual Reports 2007 and 2008

Cash

- DKK500,000 of cash is placed in an account at Danske Bank with an interest between 1.5-2% per annum
- The remaining cash is placed in an operating account that yields no interest

Provisions

- Provisions relate to Danida contributions that have yet to be used

Equity

- Stairway has a goal to always have a minimum of DKK0.5 million in cash reserve in Denmark. The reserve is maintained for emergencies in order to keep the children's centre running if a major donor discontinues donations

- There is no maximum level for free funds/equity

Other

- Stairway Danmark has no offices available. Volunteers work out of their private homes and board meetings are held in the home of the Chairman of the Board

Stairway Foundation Inc. received a total of DKK1.2 million in contributions and donations in 2008

The partnership agreement with Kindernoethilfe, one of SFI's largest contributors expires at the end of 2009, but according to Management, the partnership is expected to be extended

Income			
DKK'000	FY2007	FY2008	Growth FY2007-FY2008
Kindernoethilfe	292	352	20.9%
Leger foundation	305	340	11.3%
Danida	276	-	n/a
Stairway Danmark	426	250	(41.3)%
Other Income	5	241	4,508.2%
Total income	1,304	1,183	(9.3)%

Note: (a) Numbers for FY2006 could not be obtained on a comparable level
 (b) Figures presented has been translated from Philippine Peso to Danish Kroner
 Source: (1) Stairway Foundation Inc. annual report 2008

Kindernoethilfe

- In 2005, Stairway Foundation Inc. entered into a four-year agreement with Kindernoethilfe which generates approximately DKK0.3 million per year
- In 2008, Stairway received a total of DKK352,482 which can be broken down into support to the following:
 - residential programs of DKK222,747
 - advocacy programs of DKK34,722
 - management and administration of DKK86,008
 - fundraising and publicity of DKK9,005
- The agreement with Kindernoethilfe expires in late 2009, but according to Management the partnership between the two organizations will continue

Danida

- In December 2008, SFI received DKK216,283 in Danida funds which has been classified as deferred grant under payables, as expenses will not occur before 2009

Stairway Danmark

- Stairway Danmark contributed with DKK1,150,000 in 2008. The DKK1,150,000 are presented in SFI's accounts as the following:
 - DKK250,000 has been included in the income statement as shown in the table
 - DKK500,000 has been reflected in equity under restricted funds
 - DKK84,108 is stated as Building Fund and the remaining
 - DKK415,892 as other general funds
 - The remaining DKK400,000 has according to management not been reflected as SFI received the money in 2009, as they were transferred during the holidays close to year end

Other Income

- Other income of DKK240,654 comprises of interest income and other gains and donations

Total expenses decreased by 19.8% from FY2007 to FY2008 primarily due to lower advocacy expenses

Expenditure			
DKK'000	FY2007	FY2008	Growth FY2007-FY2008
Residential program			
Basic services			
- Food and household	(132)	(139)	5.3%
- Clothing and hygiene	(12)	(9)	(23.7)%
- Health services	(47)	(8)	(83.0)%
- Maintenance of residential center	(13)	(23)	81.1%
- Rent (residential center)	-	(17)	n/a
Total basic services	(204)	(196)	(3.5)%
Basic social services	(7)	(3)	(63.0)%
Support services	(52)	(74)	40.8%
Resource people	(152)	(114)	(25.0)%
Consumable goods	(49)	(28)	(42.1)%
Crisis intervention	-	(2)	n/a
Total residential programs	(464)	(417)	(10.1)%
Advocacy			
Development and distribution of advocacy materials	(67)	-	n/a
Networking, communication and documentation	(46)	(23)	(48.9)%
Theatre (production and therapy)	(69)	(34)	(51.0)%
Resource people	(192)	(110)	(42.8)%
Other	(154)	(127)	(17.8)%
Total Advocacy	(529)	(294)	(44.4)%
Management and Administration			
Admin. salaries and fringe benefits	(113)	(50)	(55.5)%
Expat cost	(32)	(110)	241.7%
Office equipment, furniture and fixture	(51)	(3)	(93.3)%
Other	(72)	(116)	62.4%
Total management & administration	(268)	(280)	4.6%
Community Assistance	(101)	(120)	18.6%
Fund raising and publicity	(34)	(9)	(73.6)%
Other expenses	(5)	(3)	(45.9)%
Total expenses	(1,401)	(1,123)	(19.8)%

Note: (a) Numbers for FY2006 could not be obtained on a comparable level
 Source: (1) Stairway Foundation Inc. annual report 2008

Residential programs

- Residential program expenses decreased by DKK46,819 primarily due to changes in the following:
 - SFI incurred a drop in health services expenses of DKK38,786 due to fewer PTB patients in FY2008. Furthermore, health expenses were according to Management extraordinarily high due to a single patient in 2007, who required extensive care
 - the rent for FY2007 was according to Management on the same level as for FY2008, but SFI failed to account for the rent expense, which would level out the difference
 - over the period support services have increased by DKK21,318 which according to Management is a result of more socio-cultural activities such as trips, camps, birthday parties etc.

Advocacy

- Advocacy expenses decreased from FY2007 to FY2008 by DKK234,882 as a result of the following:
 - expenses for development and distribution of advocacy material decreased from FY2007 to FY2008 to zero, as the expenses decreased under one special project the movie "Red Leaves Falling"
 - the drop in Networking expenses over the period of DKK22,407 was due to a Danida specific project ending in FY2007, which required extraordinary networking and communication expenses
 - theatre expenses have also decreased by DKK35,390. In FY2007, SFI toured with a theatre piece called "Cracked Mirror" and in FY2008, a delay of the film "Red Leaves Falling" meant that there was no tour, thus decreasing costs
 - the drop of DKK82,220 in expenses to Resource People mainly relates to salaries to expats, which in FY2008 was transferred to Expat costs under Management and Administration

Management and administration

- The increase in expat costs of DKK78,000 is caused by a reclassification of salaries from Resource People under Advocacy and administrative salaries
 - there has been no real increase in expat costs over the last 4-5 years. The increase only relates to reclassifications
- The decrease in administrative salaries is explained by:
 - reclassifications of salaries
 - lower salary to a new book keeper than paid to previous