



# Annual Report

## 2018-2019

care Nederland

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## Foreword

Through this report, we aim to share the work CARE Nederland has done over the past year and the results we have achieved together with our local and global partners.

*“Ongoing conflict and protracted crises have compelled us to continue working in conflict-affected areas like Yemen and Syria, as well as in fragile settings like Somalia and South Sudan. At the same time, we have also been able to continue our work with excluded and vulnerable groups in more stable contexts like the Philippines and Guatemala. In all our work, we focus not only on the immediate needs of the community but also on supporting people in building a better future for themselves.”*

*We are impressed by the resilience of the communities we serve: even in the most difficult circumstances, they are able to take advantage of the opportunities the context affords, and we are proud to be part of their solutions. At the same time, we know that some of these circumstances are beyond*

*the communities' control. That is why we support local community members in advocating changes that will benefit them, while at the same time using our global position to generate attention among politicians and the general public. Our goal is to compel the government to address fundamental issues, such as the causes and consequences of conflict and the immediate effects of climate change on vulnerable communities.*

*CARE Nederland has had a productive year with positive results, leading to the growth of our organisation. However, we do not see organisational growth as a goal in itself. Instead, we support the allocation of funding directly to local partners, thereby enhancing their decision-making power. We're also working to improve the conditions for local organisations so they can thrive and become eligible for funding themselves.*

*To this end, over the next year we will increasingly invest in the quality and efficiency of processes, services and products aimed at strengthening local capacities. We need to make sure that solutions are co-created with local partners and communities so that our support will be both timely and effective. To do so, we rely not only on institutional funding but also on the funding from our private and individual givers, as these funds offer more flexibility in terms of allocation.*

*I am therefore very grateful for the growing number of CARE Nederland supporters who make it possible for us to go the necessary extra mile, as well as for the vital institutional support from partners such as the Dutch government and the European Union. In addition, we couldn't do without the engagement and knowledge of civil society and corporate partners. You all offer us a unique potential to make a difference. Your involvement in our networks helps us to bring new ideas and solutions to our partners worldwide.*

*I hope you enjoy the stories we bring to you in this report, and I look forward to our continued collaboration!"*

*Reintje van Haeringen*

**Reintje van Haeringen, Executive Director**



# About us

## Chapter 1

CARE Nederland is one of CARE International's 18 member and candidate/affiliate organisations. CARE helps people in some of the world's most challenging locations to establish a better existence. We fight poverty by battling inequality. We do this by providing emergency assistance, by facilitating women's entrepreneurship and by stimulating participation in the decision-making process. We also help improve communities' resilience to the effects of climate change and natural disasters. We distinguish ourselves by our tailored approach: we consult closely with local partners and communities to determine what is required and what works. Because only by working together can we achieve sustainable results.



**We work in the most challenging parts of the world to support the poorest, the most affected and the least heard people.**

### Our vision and mission

- **Vision:** We seek a world of hope, tolerance and social justice, where poverty has been overcome and all people live with dignity and security.
- **Mission:** CARE works around the globe to save lives, defeat poverty and achieve social justice. We believe that gender-equality and local leadership are key to achieving this.

### Our strategic objectives

- To help save and improve the lives of people in fragile and conflict-affected settings.
- To develop knowledge about proven methods enabling change on a larger scale.
- To influence policies in support of people living in fragile and conflict-affected settings.
- To raise funds from a variety of donors, enabling us to implement our programmes.

### Our role

CARE Nederland raises funds from institutional and private donors in the Netherlands and Europe for the implementation of projects and programmes. Together with CARE country offices and local partners, we improve conditions at the target community level in order to fulfil our mission. CARE Nederland manages contracts with donors and provides country

offices and local partners with support during project implementation. We focus on strengthening the capacities of local organisations and enhancing their ownership of projects and project outcomes. Furthermore, we raise awareness in the Netherlands for our cause and advocate for favourable conditions for the communities with which our country offices and partner organisations work. We are convinced that the only way we can achieve our goals is by working with others. Participating in partnerships and networks enables us to achieve greater impact, work more efficiently and increase influence at all levels. We are a member of the branch organisations Partos, Goede Doelen Nederland and VOICE.

### Our values

- **Respect:** We affirm the dignity, potential and contribution of participants, donors, partners and staff.
- **Reliability:** We practice what we preach, we are transparent in what we do, and we accept responsibility for our collective and individual actions.
- **Commitment:** We work together effectively to serve the larger community.
- **Quality:** We constantly challenge ourselves to reach the highest levels of knowledge and performance to achieve greater impact.

## Our areas of expertise



### Humanitarian Emergencies

CARE responds quickly when emergencies arise and helps people recover and rebuild afterwards. Through our humanitarian work, we address the specific needs and opportunities of the most marginalised. Furthermore, we raise awareness of humanitarian emergencies and mobilise funds, which can then be channelled quickly and efficiently to those in need. Our flagship Humanitarian Emergencies programme is made up of the Joint Response projects that we implement with our partners in the Dutch Relief Alliance.



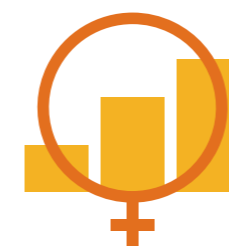
### Climate Change & Resilience

Climate change is the single most significant contributor to the increase in unpredictable natural disasters, both large and small. Poor communities living in deprived conditions are affected most. We implement innovative solutions to help communities become more resilient to their changing environments and alleviate poverty. In addition, we raise awareness of the devastating effects of climate change. Our Climate Change & Resilience flagship programme is Partners for Resilience.



### Governance & Stability

Many of the world's poor live in fragile settings where the government is unable or unwilling to fulfil its core responsibilities. Inclusive governance processes are essential for these countries to transition out of fragility into more stable societies. We promote inclusive governance in fragile settings, enabling marginalised people to voice their demands and influence decisions, from the community to the local and national levels. Our Governance & Stability flagship programme is Every Voice Counts.



### Women's Economic Empowerment

The majority of the world's poor are women and girls. Opportunities for them to generate an income are often limited. By empowering women to develop small enterprises, either on their own or in groups, we offer an effective and sustainable means of long-term support. Therefore, we strengthen women's capacities and strive to create environments and conditions for women to be successful as entrepreneurs. Our Women's Economic Empowerment flagship programme is Women in Enterprise.



# Our flagship programmes

## Chapter 2

### Joint Humanitarian Response

Every year, CARE responds to emergencies that affect the lives of people around the world. We respond quickly when emergencies arise, make sure support gets to those who need it most, and help people recover and rebuild afterwards. In the past year, conflict remained the main cause of humanitarian need, while natural disasters continued to drive the need for emergency aid. Overall, more than 134 million people around the world needed humanitarian assistance and protection.



### Collaborative impact

The Dutch Relief Alliance (DRA) is a coalition of 16 Dutch aid organisations that partners with the Netherlands Ministry of Foreign Affairs. The goal of the DRA is to provide urgent humanitarian assistance and response

**Within the Dutch Relief Alliance, we have different visions, missions and target groups.**

**But we share a common goal: saving lives in emergency situations.**

*Nok van de Langenberg, Head of Humanitarian Action, CARE Nederland*



to major international crises in a timely, relevant, effective and efficient manner. The DRA responds to humanitarian crises by designing Joint Responses drawn up and implemented by the members best placed to respond to a crisis. As part of the DRA, CARE responded to crises in Bangladesh, Cameroon, the Democratic Republic of Congo, Indonesia, Mozambique, Somalia, South Sudan, Syria and Yemen in 2018–2019.

### Yemen Joint Response

Four years of war in Yemen has led to one of the worst humanitarian crises in the world. Over 80% of the population is struggling to access enough food and water to survive the day. Since 2015, CARE is leading the Yemen Joint Response focusing on saving and sustaining lives in this complex and protracted emergency setting. Other members are Save the Children and Stichting Vluchteling. In this project, CARE provides cash for community work, such as the rehabilitation of water channels and public infrastructures, as well as unconditional cash for the most vulnerable and food-insecure households. “Cash is the best way to help people in Yemen. It is often the quickest way of offering support and it also stimulates the local economy. With the Cash for Work projects, people are able to earn their own money while also contributing to the betterment of the community,” says Yousef Qutari, Yemen Joint Response field coordinator.

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## Partners for Resilience

Disasters have increased dramatically, both in terms of frequency and impact, and climate change is leading to weather that is more extreme and unpredictable. The degradation and loss of ecosystems intensify natural hazards. This, combined with the high vulnerability of communities in the Global South, produces an increased risk of disaster. Despite these many challenges, there are solutions to help create a more sustainable future. When provided with the necessary resources, communities mobilise to adapt to and prepare for increasing risks.



### Increasing resilience

**Partners for Resilience** is an alliance of CARE Nederland, Cordaid, the Netherlands Red Cross, the Red Cross Red Crescent Climate Centre and Wetlands International. The name represents the five members' fundamental belief that resilience plays a central role in effectively dealing with disasters. Partners for Resilience uses an integrated approach to increase resilience by mitigating disaster risk, enhancing livelihoods, and influencing policies to the advantage of vulnerable groups. Strengthening civil society to engage in enhancing resilience is key to the programme. CARE Nederland implements Partners for Resilience in collaboration with CARE country offices and partners in six countries: Ethiopia, Guatemala, Mali, Indonesia, Philippines and Uganda.

### Providing community perspective

As part of Partners for Resilience, CARE advocates for the implementation of the Sendai framework for Disaster Risk Reduction, as well as the commitments of the Paris Climate Agreement. At the Global Platform for Disaster Risk Reduction in May 2019, the team presented **ten policy recommendations** for more sustainable and inclusive societies through the integration of climate and ecosystems into Disaster Risk Reduction. CARE also showcased its integrated approach for resilient communities during the launch of the publication

'We bend, we do not break'. We will continue to provide the community perspective on climate and disaster issues while advocating for a more integrated and inclusive approach towards promoting resilience.

**Climate change affects us all; however, women, children, and older people living in the Global South are affected most. By increasing community resilience, we help people facing adversity to bend and not break.**

*Bart Weijs, Programme Manager, Partners for Resilience, CARE Nederland*





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## Every Voice Counts

Many of the world's poor live in fragile settings where the government is unable or unwilling to fulfil its core responsibilities to protect and care for its citizens. Enabling the poor and marginalised, particularly women and youth, to have a stronger voice and demand good governance is essential to transitioning out of fragility and into more just and stable societies. Thus, CARE promotes inclusive governance in fragile settings, allowing women and youth to voice their demands and influence decisions from the community to the local and national levels.

### Creating space for dialogue

CARE's Every Voice Counts programme helps to create and expand spaces for dialogue between citizens and powerholders in Afghanistan, Burundi, Pakistan, Rwanda, Somalia and Sudan. The aim is for authorities,

particularly at the local level, to become more responsive and accountable to the needs of marginalised groups, in particular women and youth. In cooperation with CARE country offices and partners, The Hague Academy for Local Governance and RNW media, we fight discriminatory social norms, help empower women and youth, and train local authorities and civil society organisations to establish more inclusive governance processes.



### Community Scorecard approach

The Community Scorecard (CSC) is a social accountability approach developed by CARE. It has been adopted in Every Voice Counts to create and promote space for dialogue between citizens, service providers and local authorities. During CSC sessions, community members provide feedback to service providers and local authorities on the services that are important to them. This process results in agreements between citizens and local authorities on how services will be improved. The Community Scorecard enhances the transparency and accountability of local authorities and service providers while, at the same time, raising awareness among citizens of their rights and responsibilities. It can also empower citizens to speak out. In February 2019, we published a [learning brief](#) to share what we've learned about the use of the CSC within Every Voice Counts.

**Through the Community Scorecard approach, community members have been mobilised to report cases of domestic violence, leading to the prosecution of perpetrators.**

*Innocent Mazuru, Executive Secretary of Social Affairs, Kamonyi District Office, Rwanda*



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## Women in Enterprise

A lack of access to financial resources is one of the major barriers that women entrepreneurs in low-income communities face. The financial inclusion of women is one of the best ways to break the cycle of poverty. Investing in women's economic empowerment is critical to unlocking their economic and social potential. Women are proven to be better savers, more prudent borrowers, calculated risk-takers and successful entrepreneurs. With the right resources, they are able to build successful businesses, increase their income and strengthen their communities.

### Promoting women's entrepreneurship

CARE's Women in Enterprise Programme, supported by H&M Foundation, has reached 162,000 women entrepreneurs globally since 2014. By training women on how to collectively save money, developing their business skills and facilitating access to affordable loans, we are able to support them in successfully building their own enterprises. Through the programme, we also encourage men and boys to abandon harmful stereotypes, embrace respectful relationships, and support women's rights. CARE and its partners are currently implementing the programme in seven countries: Guatemala, Ivory Coast, Jordan, Peru, Sierra Leone, Sri Lanka and Yemen.

### Women's access to finance

CARE also calls on the financial sector to improve products and services for women. Through our global #AccessApproved campaign, we reached 2.7 million people in the 2018–2019 fiscal year. In June 2019, over 50 professionals and leaders in gender finance gathered for a side event of the Global Entrepreneurship Summit 2019. The event focused on the way forward for helping female entrepreneurs in emerging markets access financing. The group made **seven recommendations** to achieve progress for women entrepreneurs' access to finance. The event was organised by CARE Nederland,



**Investing in women entrepreneurs is a triple opportunity: it offers a business structure for financial institutions, it improves women's lives and enterprises, and it triggers a domino effect of equality that can be felt in their communities and beyond.**

*Reintje van Haeringen, Executive Director, CARE Nederland*



*Sigrid Kaag, Dutch Minister for Foreign Trade and Development Cooperation, spoke at the official side event of the Global Entrepreneurship Summit 2019*

Dutch Development Bank FMO, the Netherlands Enterprise Agency, the Netherlands Ministry of Foreign Affairs, Women’s World Banking, and the Embassy of Sweden in The Netherlands. Sigrid Kaag, Dutch Minister for Foreign Trade and Development Cooperation, spoke at the event: “Financial institutions need to realise that investing in female entrepreneurs and financial inclusion for women is not only the right thing to do, it’s also the smart thing to do.”





# Our global results

## Chapter 3

CARE works around the globe to save lives, defeat poverty and achieve social justice. We believe that gender equality and local leadership are key to achieving our mission and constantly seek opportunities to multiply our impact on a larger scale. We offer emergency assistance, promote climate change resilience and help people protect themselves against natural hazards. In addition, we support inclusive decision-making processes and empower women to unlock their economic and social potential through entrepreneurship. Working in partnership enables us to achieve greater impact, work more efficiently and increase influence at all levels. We do what is needed, learn from failure, persevere and get things done.



### Save and improve lives

Between 2016 and 2020, we aim to reach 8 million people in fragile and conflict-affected settings.

In 2018–2019, we reached 3,238,897 people in 27 countries.



#### Humanitarian emergencies

- 1,069,186 people were provided with access to sufficient and safe water.
- 158,273 people were provided with soap or hygiene kits.
- 127,358 were provided with conditional and unconditional cash.



#### Climate Change & Resilience

- 9,747 community members were strengthened in their capacity to prepare for disasters.
- 62,498 people were supported to rebuild better livelihoods and become more resilient.
- 6,373 people were involved in actions to change policies and plans related to climate change and resilience.

## In 2018–2019, we reached

**3,238,897 people**

**in 27 countries.**



#### Governance & Stability

- 85,830 people learned more about their rights and responsibilities as citizens.
- 1,053 women and youth groups were strengthened in their lobbying and advocacy skills.
- 8 policies were influenced to enhance women's political participation.



#### Women's Economic Empowerment

- 34,163 women were strengthened in their capacity to build a successful business.
- 79,748 women gained access to loans from joint savings.
- 3,872 men and boys were engaged to support women entrepreneurs.

### Develop knowledge

Each of our projects is carried out according to a sequence, beginning with an agreed strategy that leads to a plan of action, which is then implemented, monitored and evaluated with to the goal of learning and improving the strategy and further actions. As part of our flagship programmes, we develop and share knowledge to facilitate change on a larger scale.



#### Humanitarian emergencies

- We defined concrete challenges to be solved through humanitarian innovation related to the topic of Safety and Protection.



#### Climate Change & Resilience

- We developed a [policy checklist](#) for partners of the Partners for Resilience Alliance and their in-country counterparts to identify areas for improvement within current legislation, policies and implementation.

**As part of our flagship programmes, we develop and share knowledge to facilitate change on a larger scale.**



#### Governance & Stability

- We conducted a study and developed a [learning brief](#) to inform stakeholders of recommendations to further strengthen women's political participation and influence.



#### Women's Economic Empowerment

- We contextualised an academic framework for women's empowerment to better understand the changes in agency that take place as a consequence of the programme's interventions.

### Influence policies

The overall aim of our advocacy work is to influence policies and practices that affect the lives of people living in fragile and conflict-affected settings. We therefore raise awareness for our cause and advocate for favourable conditions for the communities with which our country offices and partner organisations work.



#### Humanitarian Emergencies

- We advocated for funding and attention for major crises, with a particular focus on Yemen.



#### Climate Change & Resilience

- We stressed the importance of implementation of the Sendai framework for Disaster Risk Reduction, as well as the commitments of the Paris Climate Agreement.

**Our advocacy work aims to influence policies and practices that affect the lives of people living in fragile and conflict-affected settings.**



#### Governance & Stability

- We showcased how inclusive governance approaches can raise the voices of those who are so often marginalised.



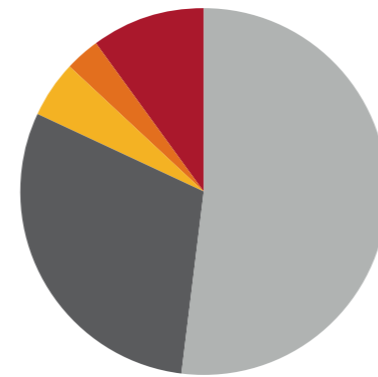
#### Women's Economic Empowerment

- We actively called on the global financial sector and policymakers to improve products and services for women entrepreneurs.

### Raise funds

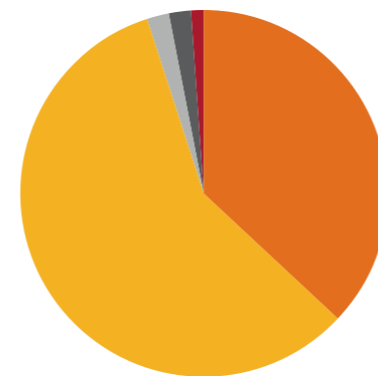
Our projects are made possible with the support of institutional and private donors. This wide range of funders helps the organisation stay financially viable and plays a vital role in ensuring long-term support for the people in need that CARE Nederland and its partners work with. The Netherlands Ministry of Foreign Affairs and the European Commission are our most important institutional donors. Private donors include lotteries, corporate donors and individual donors. In the 2018–2019, the number of individual donors was 59,000. All donors received monthly newsletters with updates on CARE Nederland’s developments and projects. New donors received several additional themed newsletters. We received 359 individual donor complaints over the past year. Each complaint was dealt with according to our complaints policy.

In 2018–2019, we raised €68,938,918



- 52% from the European Commission
- 30% from the Netherlands Ministry of Foreign Affairs
- 5% from individuals and corporate donors
- 3% from lotteries
- 10% from others

Our total expenses in 2018–2019 were €70,785,961



- 58% on Sustainable Development
- 37% on Humanitarian Action
- 2% on Multiplying Impact<sup>1</sup>
- 2% on Income Generation
- 1% on Management & Administration

<sup>1</sup> Multiplying Impact refers to knowledge development, policy influencing and engagement of broader society which all enable change on a larger scale.



# Our work in Latin America

## Chapter 4

Latin America is the most unequal region in the world. Not only is inequality undermining the region's economic potential, it is also impacting the well-being of marginalised groups, particularly women, as it increases poverty. Moreover, the region is extremely vulnerable to natural disasters, such as earthquakes, floods and hurricanes. Our work in Latin America is thus focused on reducing inequalities through women's economic empowerment and increasing community resilience through disaster risk reduction and climate change adaptation. Where possible, we work with private sector stakeholders to increase the scale of our work.

**In 2018–2019, we reached  
50,957 people in Latin America  
through 8 projects**



**Women’s Economic Empowerment**

In Guatemala and Peru, we implemented the Women in Enterprise programme, funded by the H&M Foundation, to help women collectively save money, develop their business skills, and access affordable loans so they can successfully build their own enterprises. With funding from the Lidl retail corporation, we were also able to enhance the coffee productivity and income generation of small-scale women coffee producers in Guatemala.

**Increasing community resilience**

We increased the resilience to natural disasters and climate change of communities in Bolivia, Ecuador, Guatemala and Peru with funding from the European Union and the Netherlands Ministry of Foreign Affairs. In these projects, we worked towards better risk management practices through interaction with civil society and local and national authorities. We also provided communities with the necessary resources to adapt to and prepare for increasing disaster risks.

**I started out offering  
a typing and printing  
service from home.**



## Martha from Peru

As a schoolgirl, she was already running a business to pay for her lunch. Now Martha Socola Morales from Peru runs her own office supply store. With CARE's support, she has been able to successfully grow her business.

Martha is married and has two children. Her husband works on nearby banana plantations, and she runs her own business. She and her two sisters had a happy childhood. However, when her father was out of work, the family struggled to get by.

### A born entrepreneur

There was just enough money for the bus to school, but not for something to eat at lunchtime. The enterprising young Martha earned her lunch money by buying sweets cheap and selling them for a profit on the schoolyard. Later, she started selling beauty products to help pay for her studies and earned some extra money on the side by typing up assignments for her fellow students.

"I started out offering a typing and printing service from home," Martha says. "Then I began selling other things



that people needed, such as envelopes, pens and office supplies. I discovered that there was also a demand for a photocopying service, but I didn't have enough money to buy a copy machine.”

### A better life

Because of her husband's debt, Martha couldn't get a loan from the bank to invest in her business. But she didn't give up and eventually found an institution that provides group loans to women entrepreneurs. Through CARE's Women in Enterprise programme, she followed a course in business management. Thanks to the loan and training, Martha was able to expand her business further and offer her children a better life. Now she supports other families by providing credit for the purchase of school supplies. For many people in her community, school supplies are just one expense too many at the beginning of the school year. “I am a mother too, and I couldn't always afford them myself.”

### It pays off

It pays to give women better access to financing. It is estimated that loans for women could generate \$330 billion in income worldwide every year. Martha hopes that in the future it will be easier for women to get a loan: “We women are punctual and focused on repaying our loans. And when banks help us, they help a whole family.”



**We women are punctual and focused on repaying our loans. And when banks help us, they help a whole family.**

# Our work in Africa

## Chapter 5

In the African Great Lakes region, the Horn of Africa and the Sahel, political and security developments in recent decades have led to significant challenges for local communities. Furthermore, in large parts of the Horn and the Sahel drought is leading to food insecurity. Our work in these regions entails an integrated approach, ensuring a strong nexus between our humanitarian response and development work. Our work aims to address chronic humanitarian needs and livelihood recovery and promote social cohesion, economic empowerment, resilience and inclusive governance.



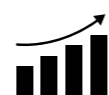
**In 2018–2019, we reached  
1,976,703 people in Africa  
through 37 projects**



**387,763**

people

were provided with access to sufficient and safe water



**54,745**

people

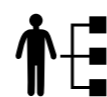
were supported to rebuild better livelihoods and become more resilient



**79,308**

women

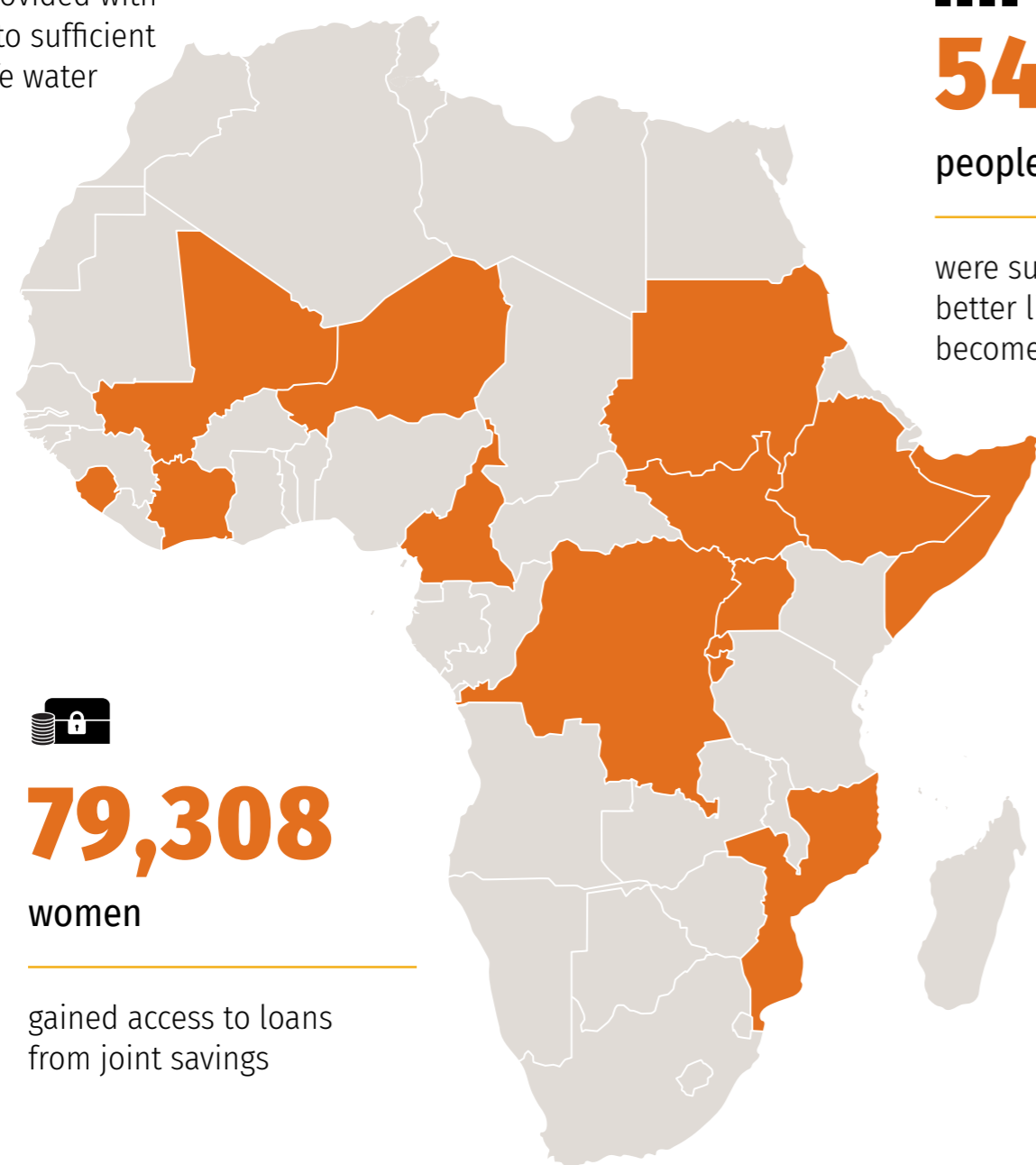
gained access to loans from joint savings



**73,804**

people

learned more about their rights and responsibilities as citizens



**Great Lakes region**

The border areas between Burundi, the Democratic Republic of the Congo, Rwanda, and Uganda remain the main stage for instability in the region. In Burundi and Rwanda, we implemented Every Voice Counts, aimed at addressing instability by increasing women’s participation in decision-making processes. In Burundi, we implemented projects to address the root causes of violence and instability and promote resilient livelihoods. Uganda is one of the six countries where we implemented Partners for Resilience. In the Democratic Republic of the Congo, we responded to the humanitarian crisis in North and South Kivu and also implemented projects specifically aimed at enhancing gender equality.

**Horn of Africa**

The Horn of Africa is one of the most complex and conflicted regions of the world. Poor rainfall is causing drought in Ethiopia, Somalia, and parts of Sudan and South Sudan. We responded to the food insecurity caused by this drought through various projects funded by the Netherlands Ministry of Foreign Affairs and the European Union. Furthermore, we promoted women’s economic empowerment and resilient livelihoods in Ethiopia and inclusive governance and resilient livelihoods in Somalia. In South Sudan, the mid-term

review of the Addressing Root Causes programme showed promising results: access to loans and training is empowering women and youth to engage in income-generating activities, and peace committees are appreciated and recognised for mitigating and resolving conflicts.

### Sahel

The combined effects of extreme weather, armed conflicts, high insecurity and volatile prices are increasingly contributing to severe food insecurity and malnutrition in many areas of the Sahel. In Mali and Niger, our programming is focussed on improving livelihoods and resilience to climate change. In Mali, we implemented the Partners for Resilience programme to help women diversify their sources of income. In Niger, we helped to improve the livelihoods, food security and resilience to climate change of farmers, particularly through climate-smart agriculture.

### Other regions

In 2018–2019, we also responded to humanitarian emergencies in Cameroon and Mozambique as part of the Dutch Relief Alliance with funding from the Netherlands Ministry of Foreign Affairs. In the Ivory Coast and Sierra Leone, we implemented the H&M Foundation-funded Women in Enterprise programme.



**The women in my village are now empowered and well aware of the laws protecting them.**



## Drosca from Rwanda

Drosca Uwiongabiye lives with her husband and two children in Kabambe, a village in Rwanda. In her spare time, she works to support other women in her community by informing them of their rights and helping them stand up for their own interests.

Drosca works the land. She grows beans, corn and onions to take care of her family. She is also actively involved in CARE's Every Voice Counts programme. The aim of this programme is to give vulnerable groups a voice in local decision-making.

### Effective

One way to increase engagement is by using the Community Scorecard approach. This effective tool brings residents together with local authorities and agencies to evaluate and improve facilities and services for the population. An important aspect of the approach is that it gets the entire community involved, including groups that are often excluded from the decision-making process, such as women and youth. And it's

successful: the meetings lead to concrete action plans and greater involvement of all parties. Drosca leads the Community Scorecard meetings in Kabambe and provides training. She also helps fellow villagers with problems ranging from family issues to sexual and domestic violence.

### Empowered

“I inform the women in my community about their rights and show them that they can play a role in the decision-making process in our village. The Community Scorecard gives everyone the opportunity to express their views on the issues at stake,” explains Drosca. “It takes a lot of time, and it’s sometimes a challenge to do this in addition to my own work and caring for my family. But I am very proud of the result: the women in my village are now empowered and well aware of the laws protecting them.”



**The Community Scorecard gives everyone the opportunity to express their views on the issues at stake.**

# Our work in the Middle East

## Chapter 6

In the Middle East, we focus our work on two major crises: the Syrian conflict, which has led over 5 million refugees to seek refuge in neighbouring countries, and the conflict in Yemen, where an estimated 3 out of 4 people are in need of humanitarian aid. In both crises, there seems to be no end in sight. We therefore combine humanitarian aid with an increased focus on creating a viable future for affected communities. In addition to shelter, food security, and water, sanitation and hygiene (WASH) interventions, we promote income generation and meaningful employment through our projects.



**In 2018–2019, we reached  
865,805 people in the Middle East  
through 11 projects**



**593,998**

people

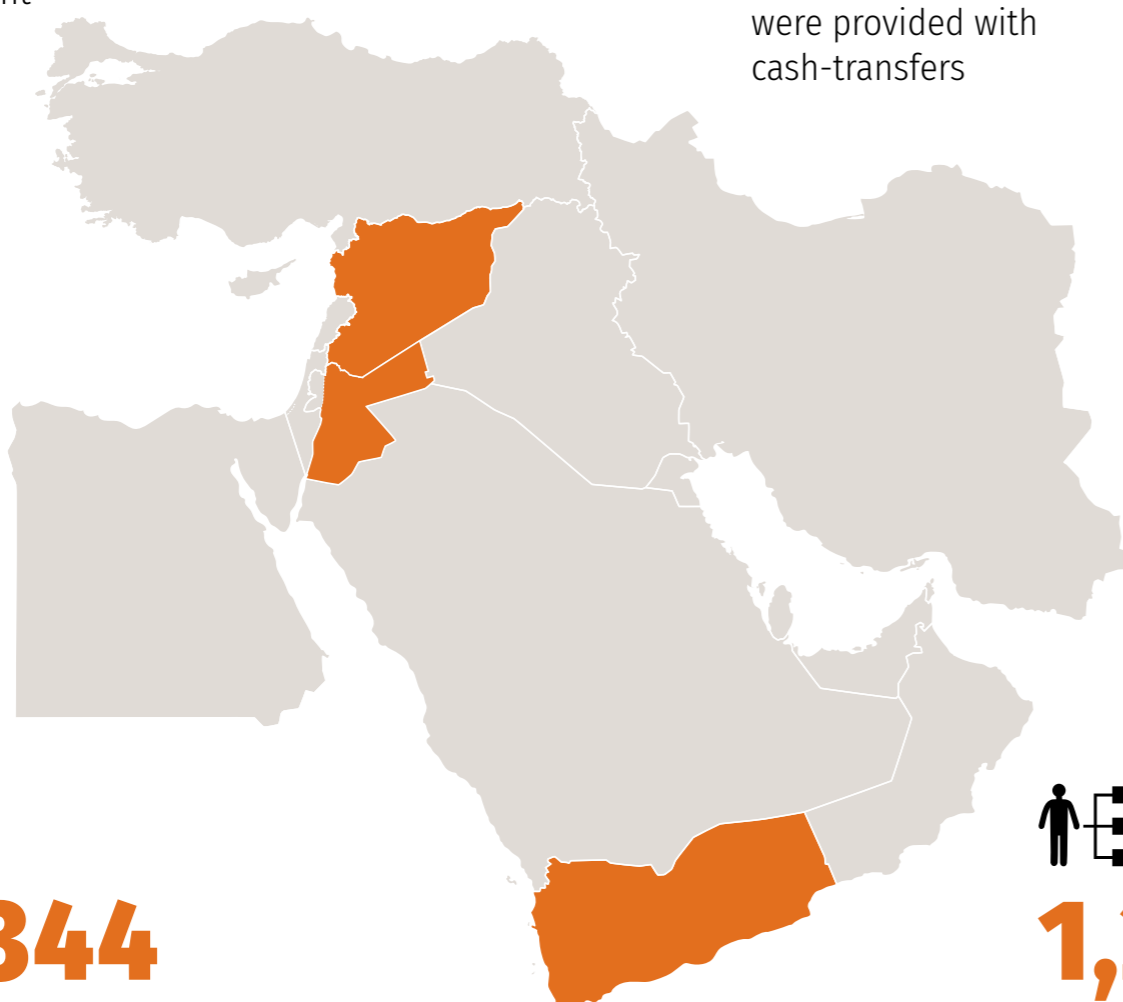
were provided with access to sufficient and safe water



**71,601**

people

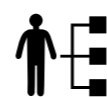
were provided with cash-transfers



**1,344**

women

were strengthened in their capacity to build a successful business



**1,246**

people

learned more about their rights and responsibilities as citizens

**Syria**

With financial support from the Netherlands Ministry of Foreign Affairs and in partnership with several Dutch NGOs, we provided humanitarian aid in different regions in Syria. In Jordan, where many Syrian refugees have sought refuge, over 80% of refugees live in urban settings and are not expected to return to Syria soon. Here, host communities and refugees are struggling for the same scarce resources. In the geographical areas affected by the Syrian crisis, we helped Jordanian women collectively save money, develop their business skills and facilitate access to affordable loans so they can successfully build their own enterprises. A grant from the Dutch Postcode Lottery enabled us to also start working with Syrian women to enhance their access to income-generating opportunities.



Reintje van Haeringen, Executive Director of CARE Nederland, with the grant from the Dutch Postcode Lottery



## Yemen

In Yemen, CARE leads the Joint Humanitarian Responses funded by the Netherlands Ministry of Foreign Affairs. Through a European Union-funded project, we also provide cash to the people who need it most. They can use it to buy food or medicines to improve their health, or they can decide to invest it in the future. A public appeal in December 2018 raised enough funds to start working in a region in Yemen that we had been unable to cover before. Two projects in Yemen are specifically aimed at empowering women. One project funded by the H&M Foundation is aimed at economically empowering women by supporting them in starting their own businesses. Another project funded by the Netherlands Ministry of Foreign Affairs involves sparking a community dialogue on women's rights.

**Two projects in Yemen  
are specifically aimed at  
empowering women.**



**This project has  
changed everything  
for me.**



## Amina from Yemen

Nowhere else in the world is the humanitarian crisis greater than it is in Yemen, which has been dominated by war for many years. Millions of people are struggling to survive, and the vast majority of the population does not have enough to eat and drink. Thanks to CARE's Cash for Work programme, 24-year-old Amina Ahmed can provide for her family.

Almost everyone is hungry and needs help in Yemen. There is virtually no infrastructure left, food and fuel prices have risen sharply, and many people have lost their jobs. Yemeni people are doing their best to cope with these difficult circumstances. Thanks to the support of the Ministry of Foreign Affairs, CARE can help families like Amina's survive.

### Saving Lives

Since 2015, CARE has led the Joint Response programme in Yemen in collaboration with Save the Children and

Stichting Vluchteling. Saving lives is a top priority here. CARE does this by providing information on hygiene to prevent the spread of deadly diseases, such as cholera. In addition, we offer work to people who need income the most. One of the projects in which CARE provides employment is the rebuilding or renovation of schools, since most school buildings have been destroyed or seriously damaged by the war.

### Food on the table

As part of the Joint Response programme, CARE is committed to reopening 24 schools in Dar Saad, a district in the province of Aden. This project has provided Amina and her sister with work. They help refurbish old school tables and earn enough to put food on the table at home. The two women live together with another sister and a brother. The four siblings rely on each other, as their mother is dead, and their father now lives with his new wife and children. Amina: “This project has changed everything for me. It allows me not only to provide for my own basic needs but also to help my brother and sisters. I can buy food and clothes for them and pay the rent. I hope that such projects will continue because they help us financially and are valuable for the community.”



**I hope that such projects will continue because they help us financially and are valuable for the community.**



# Our work in Asia

## Chapter 7

In Asia, we focus our work on middle-income countries in two regions: Southern Asia and Southeast Asia. In Southern Asia, we aim to increase social justice by promoting gender equality. On the one hand, we support women in raising their voice and demanding good governance, and on the other, we help them to increase their own income. In Southeast Asia, a hazard-prone region where disasters happen frequently, the focus of our work is promoting resilience to climate change and natural disasters. In both regions, we respond in the event of a humanitarian emergency.

**In 2018–2019, we reached  
345,432 people in Asia  
through 14 projects**



**120,153**

people

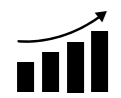
were provided with soap or hygiene kits



**87,425**

people

were provided with access to sufficient and safe water



**1,362**

people

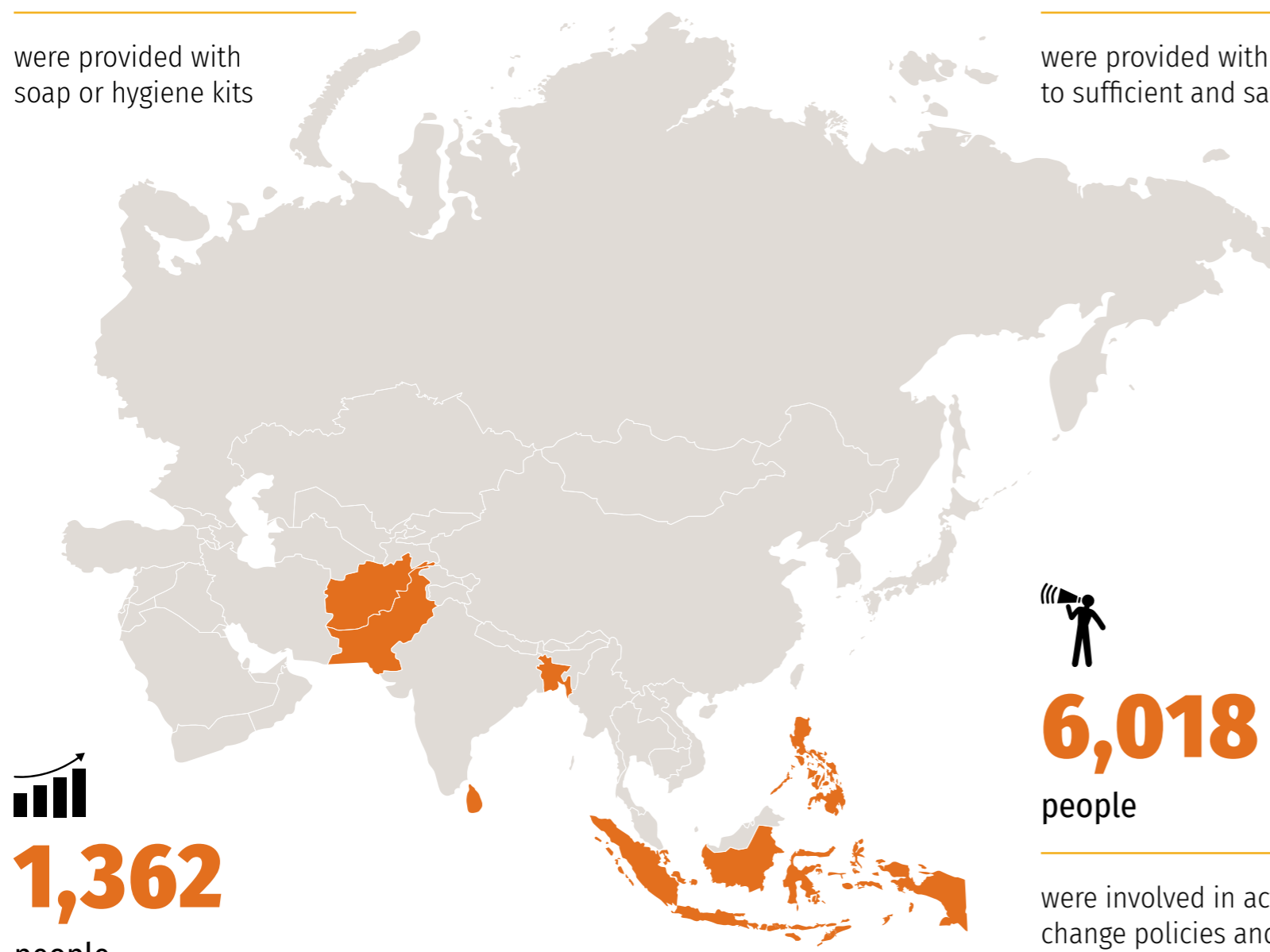
were supported to rebuild better livelihoods and become more resilient



**6,018**

people

were involved in actions to change policies and plans related to climate change and resilience



**Southern Asia**

In Southern Asia, we are active in Afghanistan, Bangladesh, Pakistan and Sri Lanka. In Bangladesh, we responded to the Rohingya crisis through the Dutch Relief Alliance. Here, CARE focused on providing shelter and non-food items in the city of Cox’s Bazar, to which many of the Rohingya people have fled. In Afghanistan and Pakistan, we implemented the programme Every Voice Counts, a strategic partnership with the Netherlands Ministry of Foreign Affairs aimed at increasing women’s participation in decision-making processes. In Sri Lanka, we worked on the economic empowerment of women through the Women in Enterprise programme.

### Southeast Asia

Several earthquakes struck Central Sulawesi province in Indonesia in September 2019. Together with Dutch Relief Alliance partners, CARE provided emergency shelter kits, food, non-food items, including kitchen, hygiene and bedding kits, and access to safe and sufficient water. Additional funding raised from the Dutch public through the Dutch Cooperating Aid Agencies enabled us to also provide multi-purpose cash assistance to a select number of vulnerable households. In Indonesia and the Philippines, we focused on mitigating disaster risk and enhancing livelihoods through the Partners for Resilience partnership funded by the Netherlands Ministry of Foreign Affairs. In the Philippines, we worked on community resilience with funds from the European Union.



**My goal is to help women.  
As long as I am healthy,  
I will work for them.**



## Jupiter from Indonesia

Every year, the residents of the village of Oekiu, in the province of East Nusa Tenggara, suffer from a long period of drought. Sixty-year-old Jupiter Tenistuan saw this suffering as a challenge and worked tirelessly to find a solution. He is proof that you can achieve great things by starting small.

In the past, there was always enough water in Oekiu, but in recent years things have changed. In the dry season, the water runs out, and the women have to walk for hours to collect water outside the village. Thanks to Jupiter's inspiring initiative, this is no longer necessary.

### Personal water supply

Jupiter decided to install a well next to his house so he would have clean water in times of drought. After a year of digging, he'd reached a depth of 24 meters but still hadn't struck water. His plan seemed to have failed, but he didn't give up. He made the hole watertight with cement and converted the well into a reservoir. By channelling rainwater to the reservoir during the rainy



season, Jupiter now has his own water supply for the dry months. The water he collects is enough for the entire household, animals and the plants around his house.

With the support of CARE and the Partners for Resilience programme, Jupiter is now helping many other villagers access clean water. There are already 97 rainwater reservoirs in Oekiu. The residents dig the wells themselves, but they receive financial support from the government to buy materials like cement, buckets and rope.

### High impact

The reservoirs have brought much good to the village. Women no longer have to walk for hours to collect water. They can now get clean water in their own village or even on their own land. Thus, the small-scale initiative of one man has grown into something that is having a major positive impact. Jupiter is proud of the result and remains committed to installing more reservoirs: “My goal is to help women. As long as I am healthy, I will work for them.”



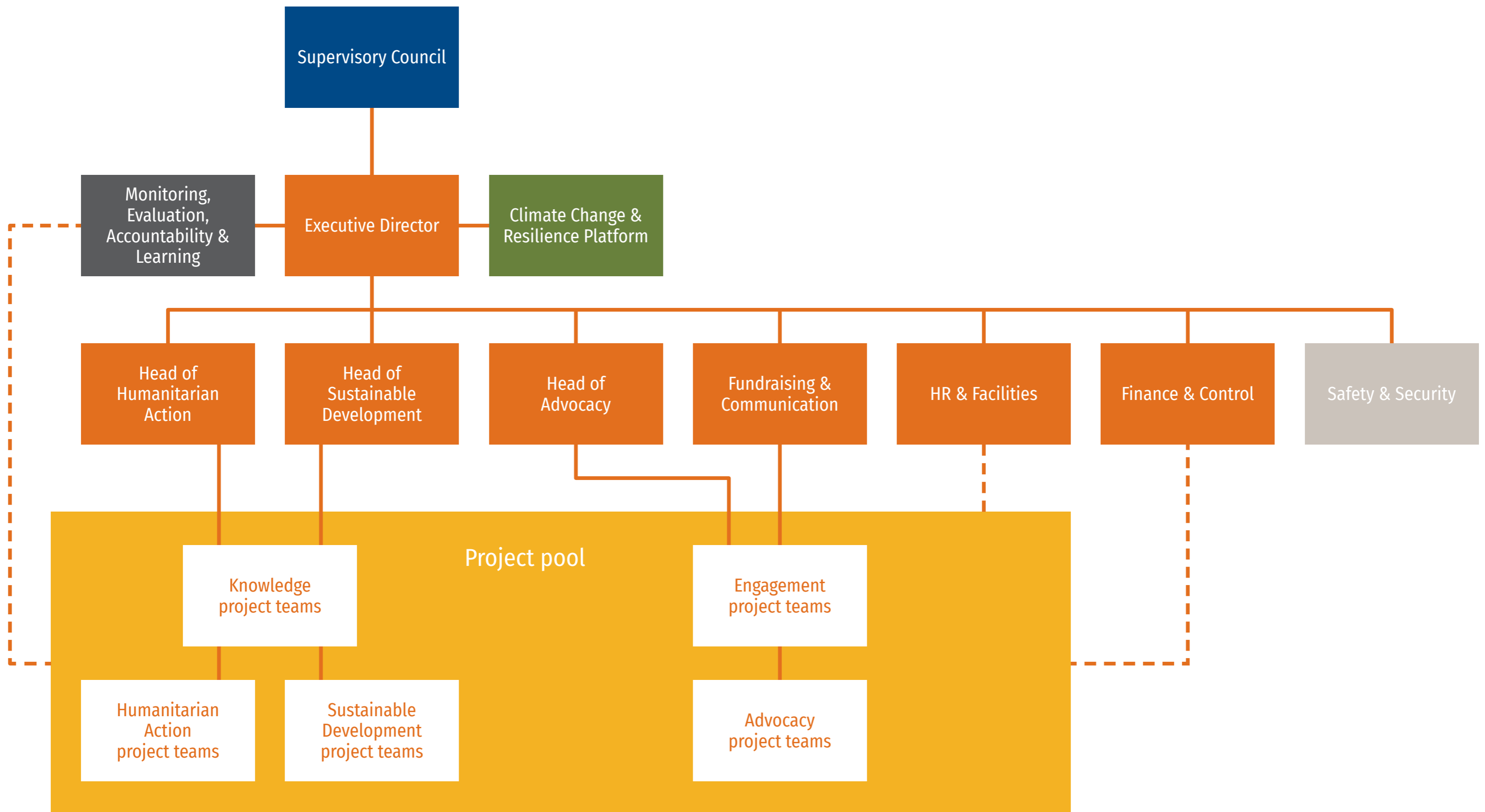
# Our people and culture

## Chapter 8

At the end of the fiscal year 2018–2019, CARE Nederland employed a total of 60 people. Employees are represented by the works council. To generate synergy between CARE’s programming, knowledge management, advocacy and fundraising activities, projects are implemented by teams in a ‘pool’ of specialised project staff. Operational and strategic decisions are coordinated and discussed by the Leadership Team, which consists of the Executive Director, the heads of Humanitarian Action, Sustainable Development and Advocacy, and the managers of Finance & Control, HR & Facilities and Fundraising & Communication.



### Organisational chart



## Board

CARE Nederland has a board and a supervisory body known as the Supervisory Council. The CARE Nederland Board currently comprises one member. Ms Reintje van Haeringen has filled this position since April 2018, when she became the executive director of CARE Nederland. The Board is charged with the organisation's management under the supervision of the Supervisory Council. The duties, responsibilities and mode of operation of the Board are set out in the [Rules for the Board](#). Salaries, fixed allowances and other terms of employment for the Board are determined based on the Advisory Remuneration Scheme for Directors of Charities in the Netherlands, as established in the codes of ['Goede Doelen Nederland'](#). The remuneration policy is periodically updated and adopted by the Supervisory Council. Remuneration, allowances and other terms of employment are reported in the annual accounts section of this report.

Reintje van Haeringen represents CARE Nederland on the CARE International National Directors' Committee and within other CARE International advisory bodies. She also represents CARE Nederland on the Boards of the following Dutch organisations:

- Samenwerkende Hulp Organisaties / SHO in the Netherlands
- Dutch Coalition for Humanitarian Innovation
- Dutch Relief Alliance (Chair of the Executive Directors meeting in 2018)

Reintje van Haeringen is also member of the Advisory Board of the Credit4Cuba (C4C) Foundation.

## Supervisory Council

### Duties of the Supervisory Council

The Supervisory Council monitors the Board’s policy, as well as CARE Nederland’s overall performance. The Council is responsible for ensuring that the implementation of projects and programmes conforms to the organisation’s long-term strategic plan and budget. The Council is specifically focussed on internal risk management and control systems, as well as the reporting of risks associated with implementing projects and programmes, efficient fundraising, and the deployment of donations. The Council has two sub-committees: an Audit Committee and a Remuneration Committee. A complete overview of the Supervisory Council’s duties are listed in the [Articles of Association](#), in the [Supervisory Council Rules](#), the [Audit Committee Rules](#) and the [Remuneration Committee Rules](#). The chair of the Supervisory Council is a member of the CARE International Council, which is overseen by an independent Supervisory Board. She is also a member and the chair of the CARE International Governance and Nominations Committee. Full biographies of Supervisory Council members can be found [here](#).

**The Supervisory Council is responsible for ensuring that the implementation of projects and programmes conforms to the organisation’s long-term strategic plan and budget.**

### Supervisory Council Retirement Schedule

Supervisory Council members	First term	Second term	Audit Committee	Remuneration Committee
Mariëtte Doornekamp (chair)	December 2013 - December 2017	December 2017 - December 2021		■
Karen Bakhuisen	October 2016 - October 2020			
Jan Broekhuizen	January 2015 - January 2019	January 2019 - January 2023	■	
Jochem Ijbema	September 2011 - September 2015	September 2015 - September 2019	■	■
Fleur de Nijs	April 2018 - April 2022			
Wietze Smid	April 2018 - April 2022			
Pieter van de Stadt	April 2018 - April 2022			

### Appointment and term of office

The Supervisory Council consists of at least three and at most seven members, all of whom are appointed by the Supervisory Council itself. When a vacancy arises, the Supervisory Council is obliged to take measures to meet the minimum number of members. Resolutions to appoint new members require a two-thirds majority vote, which must be taken in a meeting where all Supervisory Council members are present or represented. The selection and appointment of new members is based on profiles drawn up by the Supervisory Council, which may be viewed upon request. Each member is appointed for a four-year term and is subsequently eligible for reappointment for one more four-year term. There may be no close personal relationships among Supervisory Council members, their family or otherwise. CARE Nederland employees are not eligible for membership.

### Composition of the Supervisory Council

The Supervisory Council is composed in such a way that its members:

- have sufficient affinity with the organisation's objectives;
- have enough time to carry out their activities for CARE Nederland;
- have broad social ties and a relevant network;
- have diverse social backgrounds/disciplines and various areas of expertise;
- operate independently and critically towards each other and the Board;
- offer the Board adequate advisory and sounding-board capacity.

### Supervisory Council compensation policy

The Supervisory Council performs its duties in an honorary capacity. Members are only entitled to reimbursement for expenses incurred. Reimbursement is accounted for and explained in the annual accounts.

### Supervisory Council Report

*“In the past financial year, the Supervisory Council formally convened on six occasions. In September 2018, we approved an additional investment in individual fundraising aimed at increasing service, trust and satisfaction. The financial statements and the annual report for the 2017–2018 financial year were adopted in November 2018. In February 2019, the revised version of CARE Nederland’s 2020+ Strategic Plan was approved, and in April 2018, the Midterm Review of the Annual Operating Plan 2018–2019 was discussed. In June 2019, the planning and budget for the 2019–2020 financial year were approved. A self-evaluation by the Supervisory Council took place in June 2019 using guidelines provided by the consulting firm PwC.*

*The audit committee convened with the manager of Finance and Compliance on two occasions: in November 2018 to approve the annual report and financial statements, and in June 2019 to approve the annual operating plan and budget for the following financial year. After the appointment of the Executive Director in April 2018, the remuneration committee held an evaluation with the Executive Director in October 2018, six months after her instalment. Based on this evaluation, the Supervisory Council unanimously agreed to a contract extension. Meanwhile the leadership team made efforts to bring more synergy to the way they*

*work, and we are happy to see that employee satisfaction has increased significantly, as measured in April 2019. In the 2018–2019 fiscal year, the Supervisory Council started a recruitment procedure to find a successor for Jochem IJbema, who is a member of the Audit Committee as well as the Remuneration Committee.*

*In terms of revenue, 2018–2019 was an exceptional year. In 2019–2020, the revenue is expected to return to previous levels. Within CARE International, we are focused on the development of the CARE International 2030 Agenda, the need to rethink CARE’s role in a changing world, and the necessary adaptation of our business models. To this end, the chairs of the Supervisory Councils of the different CARE members convened in June 2019 in presence of the Executive Directors to discuss improved collaboration and complementarity in CARE’s global presence. Outcomes of the discussion, which include the need for clearer differentiation of roles and more sharing of responsibilities, will be reflected in the 2030 Agenda. CARE Nederland’s Supervisory Council sees the inclusion of Southern members in the confederation’s decision-making bodies as a positive development. We need to make sure that solutions to poverty are co-created with local actors so that our support will be both timely and effective.*

*Meanwhile, in the Netherlands, the Supervisory Council promoted interaction with CARE Nederland staff by inviting staff members to share their points of view in Council meetings. In September 2018, the Fundraising and Communications (F&C) manager updated us on the new F&C strategy and related activities. We commend the efforts that have been undertaken to strengthen the relationship with Dutch corporations. Staff from the Climate Change & Resilience Platform (CCRP) presented CCRP's strategy and short-term priorities in February 2019. As climate change impacts poverty, particularly in low-income communities, we see a need to urgently act on climate change and increase the resilience of impacted communities. In April 2019, the project 'A new way for Syrian refugees', which was awarded funding from the Dutch Postcode Lottery, was presented to us.*

*We are delighted with the continued support of the Netherlands Ministry of Foreign Affairs, the European Union, the Dutch Postcode Lottery, and the H&M Foundation. We particularly appreciate the long-term support provided by the Ministry of Foreign Affairs via Strategic Partnerships, as*

*we are convinced it is important for organisations like CARE to show other stakeholders (including private partners) that we are in it for the long run. We would also like to thank all individual donors for their kind donations. Their generous contributions make CARE Nederland's work possible. This year's annual report illustrates how and where CARE Nederland has responded to emergencies, addressed poverty and its root causes, and scaled its impact beyond community boundaries. The Supervisory Council would like to thank all staff members for their hard work over the past year."*

**On behalf of the Supervisory Council,  
Mariëtte Doornekamp, Chair**



### Accountability

We report to our stakeholders in accordance with relevant requirements and standards, such as the Dutch Accounting Standards Board guidelines RJ650 and RJ400. An external auditor audits CARE Nederland's internal organisation, as well as its annual accounts. The Supervisory Council appoints the auditor, which then reports to both the Board and the Supervisory Council. The annual report and financial statements are adopted and signed by the Board within six months of the end of the financial year, following the Supervisory Council's approval. In addition, we respect the following quality standards and codes of conduct:

- **The CARE International code**
- ISO 9001:2015 Quality Standard including the Partos 9001:2015 sector specific application
- Erkenningregeling Goede Doelen
- The SBF Code for Good Governance
- Partos Code of Conduct
- The Code of Conduct for the International Red Cross and Red Crescent Movement and NGOs in Disaster Relief
- The Core Humanitarian Standard on Quality and Accountability (CHS)
- The Sphere Project

### Corporate Social Responsibility

While working internationally against poverty and climate change, we feel the need to critically assess our own organisation and the ways in which we work. Therefore, we follow the Corporate Social Responsibility (CSR) guidelines of the ISO 9001 Quality Standard. CARE Nederland has formalised all CSR activities into a CSR strategy that was developed with input from relevant stakeholders in the Netherlands. CSR priorities for the coming years are:

- **Minimise the carbon footprint of CARE Nederland**  
In the 2018–2019 financial year, offset and reduction of emissions from flights were included in the new travel policy and procedure.
- **Implement CSR criteria in agreements with partners and suppliers**  
We assessed the CSR programme of two of our suppliers when renewing their contracts in 2018–2019.
- **Ensure safety and security for all our staff**  
Staff traveling abroad attended an external Safety and Security training. Staff traveling to high-risk destinations attended a specialised external Hostile Environment Awareness training.
- **Take a respectful approach to (potential) donors and impact groups**  
In 2018–2019, we changed our Code of Conduct, placing more emphasis on zero tolerance towards fraud and sexual exploitation and abuse. Furthermore,



CARE International's Policy on Protection from Sexual Exploitation and Abuse and Child Protection was introduced to all staff during a one-day training.

- **Have transparent cost accounting**

To enhance transparent cost accounting, the finance controllers and the finance team attended an advanced PeopleSoft training in the third quarter of 2018–2019.

### **Integrity**

CARE has a zero-tolerance policy toward fraud, sexual exploitation and abuse, and child abuse. We take seriously all concerns and complaints about fraud, sexual exploitation and abuse, and child abuse involving CARE employees and related personnel. CARE International's Policy on Fraud and Corruption reflects the fundamentals and core concept that all CARE Members agree to abide by regarding the prevention of and response to fraud and corruption. CARE International's Policy on Protection from Sexual Exploitation and Abuse and Child Protection defines CARE's commitment to protecting adults and children from sexual exploitation and abuse by CARE employees and related personnel. We initiate rigorous investigation of complaints that indicate a possible violation of this policy and take appropriate disciplinary action, if necessary. A single global CARE Line has been put in place for receiving reports of fraud, misappropriation,

discrimination, sexual harassment, exploitation and abuse, support of terrorism, and other wrongful conduct – including support in over 100 languages, online and phone options, and anonymous reporting options. Any CARE employee, volunteer, partner, vendor, programme participant, or other outside party may use this service to report wrongful conduct. CARE International's Sexual Harassment, Exploitation and Abuse Transparency report (2018) can be found [here](#). Our Code of Conduct, articulating zero tolerance towards fraud and sexual exploitation and abuse can be found [here](#).

### **Risk Management**

The risks affecting CARE Nederland can have serious consequences for our economic performance and professional reputation, not to mention a negative impact on our environmental, safety and societal outcomes. CARE Nederland uses a risk matrix to help determine the size and scope of each risk it faces. In 2018–2019, no events have taken place that significantly affected the organisation in an adverse way.

- **Strategic risks:** These are political, economic, social, technological, environmental and legal risks external to the organisation that can affect CARE's strategic direction. CARE Nederland strives to reduce these risks where possible. As climate change impacts

poverty and social justice, particularly in low-income communities, we are increasingly influencing policies related to climate change to the advantage of vulnerable groups.

- **Operational risks:** Operational risks are related to staff capacity in terms of quality and quantity, both at headquarters and in our country offices. We mitigate risk related to staff at headquarters by carefully selecting and managing a team of core staff, as well as a flexible layer of project staff and consultants. In addition, we constantly strive to maintain collaborative relationships with CARE country offices. Travelling to high-risk regions can have serious consequences for employees, as well as for CARE Nederland. We mitigate this risk by implementing safety and security procedures and providing training. Despite these measures, some level of residual risk remains, which is inherent to the nature of our work.
- **Financial risks:** Financial risks are primarily related to the possible decrease in restricted or unrestricted funds. To minimise these risks, CARE Nederland seeks to diversify its sources of funding by engaging a range of donors. We follow the guidelines established by Goede Doelen Nederland and the CBF to ensure that the risk of insufficient funding

does not endanger the continuity of our activities. Moreover, we maintain several reserves to cushion financial setbacks, and our investment policy is conservative. As of 2018–2019, a new Fundraising & Communication strategy is being rolled out to increase revenue from individual donors. To decrease the risk of ineligible costs, we increased the number of monitoring visits conducted by financial controllers to country offices.

- **Reputation risks:** These are risks that could result in damage to our reputation, such as media articles that report negative views of the development cooperation sector, CARE International, CARE Nederland, or the CARE partners. We adhere to strict transparency criteria and follow specific procedures when entering into partnerships to minimise the risk of reputational damage. In 2018–2019, our Code of Conduct was changed, placing more emphasis on zero tolerance towards fraud and sexual exploitation and abuse. Furthermore, CARE International's Policy on Protection from Sexual Exploitation and Abuse and Child Protection was introduced to all staff during a one-day training. Following up on the Inter-Agency Misconduct Disclosure Scheme, we restructured our recruitment process to place more emphasis on this policy in the recruitment phase.



# Our annual accounts 2018-2019

## Chapter 9

CARE Nederland's financial statements are prepared according to the RJ650 Dutch Annual Accounting Standard for Fundraising Institutions as per October 2016 (RJ-Uiting 2016-13) issued by the Dutch Accounting Standards Board. The financial statements cover the period from 1 July 2018 to 30 June 2019 (indicated as 2018-2019). All amounts are in EURO unless stated otherwise.

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## 1 About CARE Nederland

Name (under the Articles):	Stichting CARE Nederland
Cited:	The Hague, The Netherlands
Address:	Parkstraat 19
Telephone:	+31 (0)70 310 50 50
Legal form:	Stichting (Foundation under Dutch law)
Chamber of Commerce registration:	Articles of Association filed on 2 December 1993 (41158230)
Latest amendment Articles:	April 12, 2013
Membership:	CARE International Confederation, located in Geneva, Switzerland

### 1.1 Who we are

CARE Nederland is a member of the CARE International Confederation, which consists of 14 member organisations and four candidate/affiliate organisations. We adhere to CARE International's vision and mission.

### 1.2 What we do

We contribute to the projected outcomes of CARE International through our work in several countries in five regions: Latin America, Sahel, the Horn of Africa, the Middle East and Southeast Asia. We work in cooperation with CARE country offices, which in turn implement the programmes and projects that are funded through CARE Nederland. To ensure a solid base for the development of local capacity, we concentrate our work in four thematic areas: Humanitarian Emergencies, Climate Change & Resilience, Governance & Stability, and Women's Economic Empowerment. In line with the CARE International strategy, CARE Nederland aims to impact poverty and achieve social injustice by saving lives, promoting lasting change and multiplying impact.

## 2 Financial management report

### 2.1 Income and expenditure

In financial year 2018–2019 (FY19), CARE Nederland's total revenue was EUR 68.9 million, almost a 60% increase compared to financial year 2017–2018 (FY18). For FY19, CARE Nederland budgeted a total revenue of EUR 43.8 million.

- The income from institutional donors was EUR 24.2 million more than expected; the revenue for our Humanitarian Action activities exceeded the budget by EUR 15.4 million, and the revenue for our Sustainable Development activities by EUR 8.8 million.
- We received a EUR 1.5 million donation from the Dutch Postcode Lottery (Nationale Postcode Loterij or NPL) for our project 'A new way for Syrian Refugees' in Jordan.
- We received a EUR 0.9 million donation from the Samenwerkende Hulporganisaties (the Cooperating Aid Organisations) for our 'SHO Sulawesi' project in Indonesia.

As a result, our Humanitarian Action activities were – at EUR 26.1 million – 151% above budget, while the Sustainable Development activities exceeded the budget by 34% (EUR 41.1 million). Our fundraising investment was not as high as budgeted, but it grew by 17% compared to FY18. Organisational costs grew as well, but they stayed well within budget (6%).

### 2.2 Financial position

After withdrawing from earmarked reserves and other funds to cover for our project activities and adding to other earmarked reserves, CARE Nederland realised a positive result of EUR 53,000, which will be added to the continuity reserve. This reserve would allow CARE Nederland to continue its activities for more than eight months in the event that all (new) funding would stop.

## 3 Financial statements

### 3.1 Reporting period

These financial statements cover the period from 1 July 2018 to 30 June 2019 (indicated as 2018–2019).

### 3.2 Balance sheet

Assets	30 June 2019	30 June 2018
I. Tangible fixed assets (ref. 5.1)	19,383	24,521
II. Financial fixed assets (ref. 5.2)	54,040	54,021
	73,423	78,542
III. Receivables, prepayments and accrued income (ref. 5.3)	18,915,317	19,456,726
IV. Cash and cash equivalents (ref. 5.4)	20,881,893	17,908,482
	39,797,210	37,365,208
<b>Total assets</b>	<b>39,870,633</b>	<b>37,443,750</b>

Liabilities	30 June 2019	30 June 2018
V. Reserves and funds (ref. 5.5 and 5.6)	7,230,967	9,075,512
• Continuity reserve	3,373,393	3,319,907
• Earmarked reserves	2,189,213	2,566,204
• Earmarked funds	1,668,361	3,189,401
VI. Current liabilities (ref. 5.7)	30,666,445	27,937,916
VII. Non-current liabilities (ref. 5.8)	1,973,221	430,322
<b>Total liabilities</b>	<b>39,870,633</b>	<b>37,443,750</b>

### 3.3 Statement of income and expenditure

	Result 2018–2019	Budget 2018–2019	Result 2017–2018
<b>Revenue</b>			
I. Individual donations (ref. 6.1.1)	3,225,137	3,403,000	3,322,013
II. Corporate donations (ref. 6.1.1)	79,226	274,000	142,396
III. Lotteries (ref. 6.1.2)	2,400,000	1,000,000	900,000
IV. Government grants (ref. 6.1.3)	62,230,156	37,995,000	36,958,239
V. Other fundraising organisations (ref. 6.1.4)	969,131	1,090,000	151,575
<b>Other revenue</b>			
VI. Other income (ref. 6.1.5)	35,268	-	32,933
<b>Total revenue</b>	<b>68,938,918</b>	<b>43,762,000</b>	<b>41,507,156</b>
<b>Expense</b>			
VII. Expenditure on objectives (ref. 6.2.2)	68,465,638	43,520,000	42,460,311
Humanitarian Action	26,079,624	10,367,000	16,589,890
Sustainable Development	41,138,820	30,813,000	24,558,207
Multiplying Impact	1,247,194	2,340,000	1,312,214
VIII. Fundraising (ref. 6.2.3)	1,364,671	2,001,000	1,163,089
IX. Management and administration costs (ref. 6.2.3)	955,652	1,017,000	878,699
<b>Total expenses</b>	<b>70,785,961</b>	<b>46,538,000</b>	<b>44,502,099</b>
Result before change financial revenue/expense	-1,847,043	-2,776,000	-2,994,943
Result financial revenue/expense (ref. 6.1.6)	2,498	-18,000	41,283
<b>Result after change Finance Revenue/Expense</b>	<b>-1,844,545</b>	<b>-2,794,000</b>	<b>-2,953,660</b>

### 3.4 Appropriation of the result

	Result 2018–2019	Budget 2018–2019	Result 2017–2018
<b>Result</b>	<b>-1,844,545</b>	<b>-2,794,000</b>	<b>-2,953,660</b>
Continuity reserve	53,486	124,000	157,887
Earmarked reserves	-376,991	-705,000	-265,813
Earmarked funds	-1,521,040	-2,213,000	-2,845,735

### 3.5 Cash flow statement

	2018–2019	2017–2018
<b>Total liquid assets as of 1 July</b>	<b>17,908,482</b>	<b>26,704,048</b>
<b>Cash flow from operational activities</b>		
Cash received from donors	4,252,458	4,260,588
Cash received from subsidies	64,575,392	35,064,634
Payments in the context of subsidies	-59,287,829	-41,289,690
Payments to suppliers and employees	-6,575,479	-6,785,770
	2,964,542	-8,750,238
Received interest	4,766	24,979
Paid interest	-	-
Revenue from other income and expenses	-	-
Payments for other income and expenses	-	-
	4,766	24,979
<b>Cash flow from investing activities</b>		
Investments in tangible fixed assets	11,795	12,189
Disposals of tangible fixed assets	-	-
	11,795	12,189
	2,981,102	-8,713,070
<b>Exchange rate differences of funds</b>	<b>-7,692</b>	<b>-82,496</b>
<b>Increase / Decrease in funds</b>	<b>2,973,411</b>	<b>-8,795,566</b>
<b>Total liquid assets as of June 30</b>	<b>20,881,893</b>	<b>17,908,482</b>



### 3.6 Key performance indicators

	Result 2018–2019	Target 2018–2019	Result 2017–2018
Expenditure on objective as a percentage of total income	99	99	102
Expenditure on objective as a percentage of total expenditure	97	94	95
Management and administration expenses as a percentage of total expenditure	1	2	2

The expenditure on strategic objectives divided by the total income is relatively high because the total revenue and expenditure on strategic objectives increased significantly. The other expenses are in line with (or below) the budget. The expenditure on strategic objectives is even higher than projected because the implementation of the NPL project in Jordan has already started. Because the expenditure on strategic objectives rose significantly and the other expenditures did not, the percentage ‘expenditure on strategic objectives / total expense’ is high as well. Because of the very high expenditure on strategic objectives, the percentage of ‘Management & Administration Costs’ is quite low (1.4%).

## 4 Accounting principles

### 4.1 General

#### 4.1.1 Reporting standards

The CARE Nederland financial statements are prepared according to the RJ650 Dutch Annual Accounting Standard for Fundraising Institutions as per October 2016 (RJ-Uiting 2016–13) issued by the Dutch Accounting Standards Board.

#### 4.1.2 Currency

The financial statements are denominated in EURO unless stated otherwise. The EURO is both the functional and presentation currency of CARE Nederland.

#### 4.1.3 Use of estimates

The preparation of the financial statements requires management to make judgments, estimates, and assumptions that affect the application of the accounting policies as well as the reported amounts of assets and liabilities, income, and expenses. Actual results may differ from these estimates. The estimates and the underlying assumptions behind them are reviewed on an ongoing basis. Revisions to accounting estimates are recognised both in the current period and in any future period affected.

### 4.2 Assets and liabilities

#### 4.2.1 General

The valuation of assets and liabilities are based on the acquisition cost. Unless indicated otherwise, assets and liabilities are stated at face value.

#### 4.2.2 Assets and liabilities in foreign currencies

Monetary assets and liabilities in a foreign currency are converted into the functional currency at the exchange rate prevailing on the balance sheet date. Non-monetary assets and liabilities in a foreign currency entered at historical cost are converted into euro at the exchange rate prevailing on the transaction date. The exchange differences resulting from conversion are recorded as expenditure in the statement of income and expenditure.

### 4.2.3 Tangible fixed assets

Tangible fixed assets are valued at historical cost and depreciate over the expected future useful life of the asset. The depreciation periods vary between asset types and have been determined as follows:

Asset type	Depreciation period
Fixtures and fittings	Five-year period
Communication equipment	Three-year period
Computers / Computer equipment	Three-year period

If the estimated future useful life of an asset is altered, the future amount of depreciation is adjusted accordingly. The depreciation figures include gains and losses on the sale of tangible fixed assets.

On each balance sheet date, CARE Nederland assesses whether there are any indications that a fixed asset may be subject to impairment. An impairment occurs when an asset suffers a depreciation in fair market value that is greater than the book value of the asset on the financial statements.

### 4.2.4 Financial fixed assets

Financial fixed assets are valued at real value.

### 4.2.5 Receivables

Receivables are initially recognised at fair value. After initial recognition, receivables are stated at amortised costs, that is the amount received adjusted for the share premium or discount, and after deduction of transaction costs. Bad receivable provisions are deducted from the receivable carrying value.

### 4.2.6 Cash and cash equivalents

The cash flow statement is prepared according to the direct method. Cash and cash equivalents comprise cash, bank balances and demand deposits falling due within a 12-month period. Cash flows denominated in foreign currencies have been translated at the ask-rate published by OANDA.com on the balance sheet

date. Interest paid and received is included in cash from operational activities. Transactions not resulting in inflow or outflow of cash, including finance leases, are not recognised in the cash flow statement. Current account credits with banks are recognised as current liabilities under amounts due to credit institutions. Cash and cash equivalents are stated at nominal value.

### 4.2.7 Reserves and funds

For CARE Nederland's policy on reserves and funds see sections 5.5 and 5.6.

### 4.2.8 Project commitments

Project commitments are recognised as of the date that the commitment agreement was signed by CARE Nederland.

### 4.2.9 Debts

Upon initial recognition, debts are stated at fair value. Transaction costs directly attributable to the acquisition of debts are included in the measurement upon recognition. After recognition, debts are stated as amortised costs.

## 4.3 Income and expenses

### 4.3.1 General

Income and expenditure are allocated to their corresponding periods.

### 4.3.2 Direct fundraising activities

The income derived from direct fundraising activities is recognised in the year in which it was raised. All contractual commitments arising from business partnerships are recognised as income, with amounts not yet received recorded as receivables.

### 4.3.3 Third-party campaigns

Contributions received from Humanitarian Action appeals launched by the emergency relief umbrella organisation the Samenwerkende Hulporganisaties (SHO / Giro 555) are accounted for in the year of receipt. Contributions from the NPL are accounted for in the years in which they were made.

#### 4.3.4 Government grants

Income from government grants is recognised with a distinction made between income from direct project expenditure and contributions to overhead costs. Grant income from direct project expenditure is recognised in the year it was used for project expenditures. Expired grant income is deducted from grant income in the year of expiration.

Income from contributions to overhead costs is recognised as follows:

Percentage recognised	Moment of recognition
25%	On the grant award date
15%	Upon determination of the definitive grant amount
60%	Directly proportional to the number of months in which the relevant project is implemented, less the first month

Income from contributions that are part of a management fee is recognised as follows:

Percentage recognised	Moment of recognition
15%	Upon determination of the definitive grant amount
85%	Directly proportional to the number of months in which the relevant project is implemented

#### 4.3.5 Interest income and interest expenses

Interest income and interest expenses are recognised on a time-weighted basis and adjusted for the effective interest rate of the assets and liabilities concerned. Interest expenses are stated after adjustment for recognised transaction costs for loans received, which are factored into the calculation of the effective interest rate.

CARE Nederland has no portfolio investments and therefore does not receive any investment income.

#### 4.3.6 Foreign currency transactions

Transactions executed in a foreign currency are converted to the exchange rate prevailing on the date of the transaction.

#### 4.3.7 Exchange differences

Exchange differences arising from the settlement and conversion of monetary assets and liabilities from a foreign currency to Euros are presented as costs in the statement of income and expenditure. Non-monetary assets stated at the acquisition price in a foreign currency are converted at the exchange rate (or approximate exchange rate) prevailing on the transaction date.

#### 4.3.8 Expenditure

Monetary project-related commitments to third parties, which have been entered into during the reporting period, are stated as expenditure. Other expenditure is recorded as an expense in the year in which performance was delivered to CARE Nederland.

#### 4.3.9 Operating lease

Lease contracts (tenancy agreements), whereby the advantages and disadvantages vested in ownership do not fall to the organisation are recognised as an operating lease. Commitments arising from an operating lease, which have been adjusted for payments received from the lessor, are presented in the statement of income and expenditure on a straight-line basis over the term of the contract.

### 4.4 Remuneration and pensions

#### 4.4.1 Remuneration

Pursuant to the terms of employment, wages, salaries and social security, contributions are recognised in the statement of income and expenditure to the extent to which they are payable to employees.

#### 4.4.2 Pensions

CARE Nederland offers its employees a pension scheme. The arrangement is twofold:

1. A defined benefit plan with a maximum of EUR 30,000
2. A defined contribution plan

CARE Nederland recognises all pension schemes in accordance with the liabilities approach. The contribution payable over the course of the reporting year is recognised as an expense. Movements in the pension provision are included in the statement of income and expenditure. The pension provision is the best estimate of the amounts that are not paid but that are deemed necessary for settling the relevant liabilities on the balance sheet date.

#### 4.5 Determination of the result

Based on the accounting policies, the result for the financial year comes down to the difference between income and expenditure. Income is derived from the organisation's fundraising activities, participation in both joint and third-party campaigns, government/other grants, and other sources, whereas expenditure is on objective costs, including allocated costs, income generation costs, and management and administration costs.

## 5 Notes on the balance sheet

### 5.1 Tangible fixed assets

Reference 5.1	Furniture & Fittings	Computer equipment		Communication Equipment	Total
		Hardware	Software		
<b>Carrying value as at 30 June 2018</b>	<b>5,010</b>	<b>19,223</b>	-	<b>288</b>	<b>24,521</b>
Accumulated investments as at 30 June 2018	20,491	76,959	-	5,996	103,446
Investments in the reporting period	675	11,120	-	-	11,795
Disposals in the reporting period	-	-	-	-	-
Accumulated investments as at 30 June 2019	21,166	88,079	-	5,996	115,241
Accumulated depreciation as at 30 June 2018	15,480	57,736	-	5,708	78,924
Depreciation in the reporting period	1,567	15,164	-	203	16,934
Disposals in the reporting period	-	-	-	-	-
Accumulated depreciation as at 30 June 2019	17,047	72,900	-	5,911	95,858
<b>Carrying value as at 30 June 2019</b>	<b>4,119</b>	<b>15,179</b>	-	<b>85</b>	<b>19,383</b>

CARE Nederland invested EUR 11,795 in furniture and fittings and computer equipment. The total depreciation in financial year 2018–2019 amounted to EUR 16,934. The carrying value of the tangible fixed assets on 30 June 2019 was EUR 19,383.

## 5.2 Financial fixed assets

Reference 5.2	30 June 2019	30 June 2018
Opening balance	54,021	54,131
Earned interest	19	-110
<b>Closing balance</b>	<b>54,040</b>	<b>54,021</b>

In financial year 2001–2002, CARE International set up a ‘CARE International revolving fund’. The purpose of this revolving fund is to grant short-term loans to CARE International members to cover temporary, project-related cash flow deficiencies. The funds received by the relevant CARE members are re-deposited (including a limited amount of interest) as soon as the liquidity has been resolved. After analysing the use of this revolving fund, the Finance Directors of the CARE International member organisations decide whether to maintain the amount of the revolving fund.

The cumulative interest of EUR 8,540 was added to the principal sum. During the reporting period, the interest on the revolving fund was EUR 19.

## 5.3 Receivables, prepayments and accrued income

More than 95% of the total receivables are project related and concern receivables from commitments to CARE International country offices or partners during the reporting period. The project receivables include receivables because of project costs incurred by CARE Nederland. Both the commitments and the CARE Nederland costs are recognised as project receivables. Long-term project receivables are defined as project receivables with a runtime of more than one year, while short term project receivables have a runtime of less than one year.

Funding Source	30 June 2019	30 June 2018
Ministry of Foreign Affairs	3,291,538	5,795,670
European Commission	13,858,944	6,337,358
Other donors	1,108,339	6,668,505
<b>Total project receivables</b>	<b>18,258,821</b>	<b>18,801,533</b>

CARE Nederland makes financial commitments for long-term (> 18 months) projects for one year only. For projects with a shorter running time (or when the long-term projects have a small budget) CARE Nederland commits to supply funding for the entire project implementation period. In the case of grants, income is recognised after expenses are incurred.

Reference 5.3	30 June 2019	30 June 2018
<b>Project receivables</b>		
Long-term project receivables	2,133,741	1,726,960
Short-term project receivables	16,125,080	17,074,573
	18,258,821	18,801,533
<b>Debtors</b>		
Various debtors	63,251	29,714
	63,251	29,714
<b>Other receivables</b>		
Security deposits	13,032	13,032
VAT	189,611	140,374
	202,643	153,406
<b>Prepayments and accrued income</b>		
Statutory payroll / Social security	-	-
Prepaid pension insurances	132,216	151,124
Other staff costs	55,525	42,753
Interest due	-	944
Miscellaneous	202,861	277,252
	390,602	472,073
<b>Total receivables</b>	<b>18,915,317</b>	<b>19,456,726</b>

## 5.4 Cash and cash equivalents

Reference 5.4	30 June 2019	30 June 2018
<b>Cash balances</b>		
Cash in hand (EURO)	-	494
	-	494
<b>Banks</b>		
Current account (EURO)	1,839,569	1,349,133
Current account (foreign currency)	541,805	698,225
Savings account / deposit (EURO)	18,500,519	15,860,630
	20,881,893	17,907,988
<b>Total cash and cash equivalents</b>	<b>20,881,893</b>	<b>17,908,482</b>

Cash and cash equivalents comprise cash, bank and savings balances, as well as deposits. CARE Nederland maintains a rental deposit of EUR 52,962. All savings balances and deposits, except for the rental deposit, are available for withdrawal within 12 months. In FY19, CARE Nederland terminated the 'cash in hand'.

## 5.5 Reserves

CARE Nederland uses a number of reserves to guarantee a healthy financial position. We have our continuity reserve that must meet some requirements (which will be explained later). We also have a number of other reserves that are in place to ensure that we meet expected future obligations (in terms of match commitments, investing in fundraising, innovation, capacity and quality). Additionally, we want to be prepared for financial risks in our projects and we want to be able to act fast in case of a humanitarian emergency. CARE Nederland wants to spend as much of its resources on projects so we don't want these reserves to be too high. That is why every year we review the level of the various reserves and, where necessary, adjust them to our expectations.

Reference 5.5	30 June 2018	Dotation	Extraction	30 June 2019
<b>Reserves</b>				
<b>Continuity reserve</b>	<b>3,319,907</b>	<b>53,486</b>	<b>-</b>	<b>3,373,393</b>
Earmarked reserve for covering the costs of the organisation	506,913	91,280	282,210	315,983
Earmarked reserve for covering direct project costs	706,126	9,199	182,404	532,921
Earmarked reserve for high-risk projects	496,845	-	-	496,845
Earmarked reserve for capacity and quality development	289,758	-	-	289,758
Earmarked reserve for Fundraising	130,000	-	40,000	90,000
Greenfund reserve	43,000	7,000	-	50,000
Earmarked reserve for Innovative Activities	100,000	-	-	100,000
Earmarked reserve for Emergency Aid Projects	293,562	20,144	-	313,706
<b>Total earmarked reserves</b>	<b>2,566,204</b>	<b>127,623</b>	<b>504,614</b>	<b>2,189,213</b>
<b>Total reserves</b>	<b>5,886,111</b>	<b>181,109</b>	<b>504,614</b>	<b>5,562,606</b>

### Continuity reserve

In order to secure the continuity of the organisation, CARE Nederland maintains a dedicated reserve to cushion any financial setbacks. Goede Doelen Nederland and the Netherlands Fundraising Regulator (CBF) provide guidelines to ensure that a continuity reserve does not exceed one and half times the annual costs of the operating organisation.

As of 30 June 2019, operating costs are calculated at EUR 5,952,195, which implies that the continuity reserve for CARE Nederland is maximised to EUR 8,928,293 for the 2018–2019 period. As the current continuity reserve amounts to EUR 3,373,393,

CARE Nederland meets the requirements set in the Goede Doelen Nederland guidelines.

CARE Nederland maintains a reserve policy which maintains that the optimal continuity reserve should cover 75% to 100% of the organisational costs<sup>1</sup>. The minimum continuity reserve should cover 50% of the organisational costs. Despite an addition of EUR 53,000 to the continuity reserve, the coverage of the continuity reserve decreased from 76% in FY18 to 68% (or 8.2 months). Due to additional investments in fundraising and increased labour costs, the operating costs increased more than the addition to the continuity reserve.

### Earmarked reserve for covering organisational costs

The size of the reserve earmarked for covering the costs of the organisation was based on the total amount of overhead cost reimbursements pledged by donors (mainly the Dutch Postcode Lottery<sup>1</sup> and H&M Foundation), minus payments on projects still running at the end of the reporting period, in accordance with the accounting policies relating to the determination of the result. This applies to organisational cost reimbursements from both our own and third-party fundraising activities.

### Earmarked reserve for covering direct project costs

CARE Nederland uses its own funds to finance parts of projects carried out by the country offices as well as projects implemented by CARE Nederland. The unrealised costs of these project activities are reserved at the end of the reporting period.

### Risk reserve

The risk reserve is required to cover financial risks in the event that special circumstances preclude adequate project accounting<sup>2</sup>. Furthermore, potential third-party claims are estimated and added to the risk reserve.

<sup>1</sup> The organisational costs are defined as operating costs (according to the Goede Doelen Nederland guideline) – 80% of secured mid-term funding staff.

<sup>2</sup> E.g. for financial risks associated with natural disasters, political, or safety/security related issues.

### Earmarked reserve for capacity and quality development

During financial year 2016–2017, CARE Nederland introduced a new reserve. This reserve is designated for the capacity and quality development of CARE Nederland, the CARE International country offices and local partners. In 2018–2019, CARE Nederland did not need to use this reserve. The planned investments were postponed to FY20.

### Earmarked reserve for new fundraising strategy

During FY18, CARE Nederland developed a new fundraising strategy for which a new reserve was formed. This reserve is intended to cover additional investments in FY19 and FY20 to meet our future goals. Since we had fewer investments than we budgeted for, the withdrawal in FY19 was EUR 30,000 less than planned. After FY20, we expect the additional revenue to be higher than the additional costs, allowing us to cover additional expenses without using our reserves.

### Green fund reserve

The Green fund reserve seeks to compensate for the CO2 emissions that arise from activities carried out by CARE Nederland. In FY18, CARE Nederland recalculated the CO2 emissions based on its current number of flights. Based on this calculation, CARE Nederland added EUR 7,000 to the Green fund reserve in FY19.

### Earmarked reserve for innovative activities

In financial year 2013–14, CARE Nederland introduced an earmarked reserve for innovative activities. For FY19, the reserve was intended to be used to fund the ‘Resilience learning lab’ in the Philippines (EUR 50,000). This investment was postponed to the first quarter of FY20, so there were no additions to or withdrawals from this reserve in FY19.

### Earmarked reserve for Emergency Aid projects

The Supervisory Board intends to bring the Humanitarian Action reserve up to EUR 500,000 during the 2015–2020 period to ensure immediate response in the event of humanitarian crises. This year CARE Nederland was able to add EUR 20,145 to this reserve, bringing the total reserve to EUR 313,707.

## 5.6 Funds

Reference 5.6	30 June 2018	Dotations	Extractions	30 June 2019
<b>Earmarked funds</b>				
Movement in H&M Foundation earmarked fund	3,135,109	-	2,311,918	823,191
Movement in NPL earmarked fund	-	774,528	-	774,528
Movement in earmarked fund for special programmes (private donations)	23,425	4,869	-	28,294
Movement in earmarked fund for emergency aid (private donations)	30,867	11,481	-	42,348
<b>Total earmarked funds</b>	<b>3,189,401</b>	<b>790,878</b>	<b>2,311,918</b>	<b>1,668,361</b>

### Designated funds

Designated funds consist of funding from third parties for dedicated activities, themes, etc. that have not yet been spent. The decrease of the H&M Foundation’s designated funds is related to the three-year funding agreement between CARE Nederland and the H&M Foundation made in 2016–2017, which will end on 31 March 2020. The received donation was added to the designated funds in 2016–2017 and will cover the programme’s expenses for three years. In FY19, we created a new earmarked fund thanks to the Dutch Postcode Lottery donation for our project, ‘A new way for Syrian Refugees’ in Jordan. The total donation was EUR 1,500,000, which will cover project expenses in FY20. The movements in the ‘earmarked funds for special projects/emergency aid’ were possible because of restricted donations we received in FY19.



## 5.7 Current liabilities

Reference 5.7	30 June 2019	30 June 2018
Short-term project commitments	27,189,246	24,575,119
Prepayment received from donors	2,309,017	2,094,769
Creditors	725,363	727,201
Accruals and deferred income		
• Statutory payroll / Social security contributions	-	-
• Holiday entitlement / Holidays	160,597	250,151
• Pension insurances	-	-
• Other staff costs	163,706	246,467
• Miscellaneous	118,516	44,209
	442,819	540,827
<b>Total current liabilities</b>	<b>30,666,445</b>	<b>27,937,916</b>

Short-term project commitments have a runtime of less than one year. In FY19, the short-term project commitments increased by EUR 3,109,037 to EUR 27,684,156. CARE Nederland received down payments for designated project grants that were not yet fully committed to by the end of FY19. These down payments amounted to EUR 2,309,017. In FY19, CARE Nederland monitored ‘holiday time’ more closely and encouraged staff to take their leave, which resulted in a decrease of EUR 89,554.

## 5.8 Non-current liabilities

Reference 5.8	30 June 2019	30 June 2018
Long-term project commitments	1,973,221	430,322
<b>Total non-current liabilities</b>	<b>1,973,221</b>	<b>430,322</b>

Non-current liabilities consist of long-term commitments to countries and are payable within five years.

## 5.9 Off-balance-sheet receivables and liabilities

CARE Nederland is engaged in a ten-year rental contract that commenced on 1 January 2017 and ends on 31 December 2026. This entails a short-term financial liability of EUR 178,832 and a long-term liability of EUR 1,162,407, which is not included on the balance sheet. In addition, CARE Nederland maintains a short-term EUR 17,977 Service Level Agreement (SLA) with CARE International UK for the provision of IT services.

The Netherlands Ministry of Foreign Affairs, the European Commission and other donors allocated various multiple-year grants to CARE Nederland. The off-balance-sheet receivable is the difference between the grant commitment and expenditure as per 30 June. The majority of these funds will be spent through the country offices of CARE International, and as a result, new liabilities will be created that will be reported as off-balance-sheet payables. Total project-related off-balance-sheet receivables amount to EUR 25,638,099, while total off-balance-sheet payables add up to EUR 23,295,186. Of these amounts, the short-term receivables are EUR 18,420,496 and the short-term payables are EUR 17,867,495.

## 6 Notes on the statement of income and expenditure

### 6.1 Income

#### 6.1.1 Income from individual and corporate donations

Reference 6.1.1	Actual 2018–2019	Budget 2018–2019	Actual 2017–2018
Individual donations	3,225,137	3,403,000	3,322,013
Corporate donations	79,226	274,000	142,396
<b>Total income from own fundraising activities</b>	<b>3,304,363</b>	<b>3,677,000</b>	<b>3,464,409</b>

CARE Nederland’s own fundraising activities are categorised into two groups of donors: 1) individuals and 2) corporate donors and asset funds.

#### *Donations made by individuals*

The income from donations by individual donors decreased in FY19 compared to FY18. If we adjust the income in FY18 for a huge one-time donation in that year (EUR 200,000), the individual donations increased by EUR 103,124 (3%). In FY19, we experienced a delay in our additional investments, which is why the income is, thus far, under budget.

Due to the delay in investments in individual donations, CARE Nederland has not yet been able to meet its goal for individual fundraising. However, we can already see that our investments in individual fundraising are paying off. To ensure that CARE Nederland can meet its future fundraising goals, we will continue to focus on attracting new donors and retaining our existing supporters.

#### *Donations from corporates and asset funds*

It turns out that it is quite difficult to attract corporate donors to help fund development goals. In FY19, CARE Nederland aimed to generate a total income of EUR 274,000 through donations from corporates and asset funds. The actual income from corporate donations was EUR 79,226. However, the donations received were entirely ‘unrestricted’, whereas in the budget, EUR 13,000 was taken into account as unrestricted. New (unrestricted) funding opportunities did not arise, as it takes quite a long time to establish corporate partnerships.

#### 6.1.2 Lotteries

Reference 6.1.2	Actual 2018–2019	Budget 2018–2019	Actual 2017–2018
Dutch Postcode Lottery	2,400,000	1,000,000	900,000
<b>Total income from Lotteries</b>	<b>2,400,000</b>	<b>1,000,000</b>	<b>900,000</b>

#### *Dutch Postcode Lottery (Nationale Postcode Loterij)*

Since 2012, CARE Nederland has been a designated beneficiary of the Dutch Postcode Lottery, resulting in a total donation of EUR 900,000 in FY19. In addition to this donation, CARE Nederland received an additional EUR 1,500,000 donation for a new project in Jordan.

### 6.1.3 Government grants

Reference 6.1.3	Actual 2018–2019	Budget 2018–2019	Actual 2017–2018
<b>Grants for project activities</b>	<b>60,598,446</b>	<b>36,235,000</b>	<b>35,686,309</b>
Ministry of Foreign Affairs	19,901,802	18,914,000	19,372,934
European Commission	34,888,380	16,474,000	9,765,385
Other grants	5,808,264	847,000	6,547,990
<b>Grants to cover administration costs</b>	<b>1,631,710</b>	<b>1,760,000</b>	<b>1,271,930</b>
Ministry of Foreign Affairs	435,794	608,000	414,144
European Commission	832,913	953,000	511,101
Other grants	363,003	199,000	346,685
<b>Total income from institutional donor grants</b>	<b>62,230,156</b>	<b>37,995,000</b>	<b>36,958,239</b>

Institutional (or governmental) grants received for project activities pertain to funds allocated to CARE Nederland and are stated as income based on the project costs incurred, excluding reimbursements of administration costs. The ‘grants for project activities’ from the European Union include the revenue of EUR 588,455 that was already committed in FY18 but not yet accounted for. We recognised this revenue in FY19.

In FY19, the total revenue from government grants exceeded the budget by EUR 24,235,156. This is mainly due to a large ‘cash program’ in Yemen funded by the European Union and additional programming in consortia in which CARE Nederland participates as a partner. Income from the recovery of administrative costs increased by 28% but remained 7% behind budget. This is not in line with

the increased income from grants. CARE Nederland is the consortium leader in several programmes (as shown in 6.1.7). The total consortium budget is reported as income; however, CARE Nederland only receives ICR over its own budget (and sometimes a small management fee).

### 6.1.4 Other fundraising organisations

Reference 6.1.4	Actual 2018–2019	Budget 2018–2019	Actual 2017–2018
CARE International Fundraising	64,858	640,000	79,050
Other Fundraising Organisations	904,273	450,000	72,525
<b>Total income from third-party campaigns</b>	<b>969,131</b>	<b>1,090,000</b>	<b>151,575</b>

CARE Nederland received a contribution of EUR 64,858 from CARE International for the Climate Change and Resilience Platform (CCRP) activities in the Netherlands. Other CI members provided staff for the CCRP. This did not lead to actual income (and expenses) by CARE Nederland.

The income from ‘other fundraising organisations’ exceeds the budget by EUR 454,273 because of the income CARE Nederland received for its ‘SHO Sulawesi’ project after the earthquake in Sulawesi.

### 6.1.5 Other income

Reference 6.1.5	Actual 2018–2019	Budget 2018–2019	Actual 2017–2018
<b>Other income</b>	<b>35,268</b>	<b>-</b>	<b>32,933</b>
Miscellaneous	35,268	-	32,933
<b>Total other income</b>	<b>35,268</b>	<b>-</b>	<b>32,933</b>

The income reported is mainly the result of the income from prior years and the income CARE Nederland received from its activities as chair of the Dutch Relief Alliance in 2018. Due to ineligible costs in our closed programs (2014) and bad debts, the total income was EUR 35,268.

### 6.1.6 Financial revenue/expense

Reference 6.1.6	Actual 2018–2019	Budget 2018–2019	Actual 2017–2018
Interest income and income from investments	6,415	20,000	15,031
Financial expense-exchange gain/loss	-3,917	-38,000	26,252
<b>Total interest income and income from investments</b>	<b>2,498</b>	<b>-18,000</b>	<b>41,283</b>

CARE Nederland has no portfolio investments and therefore only income from interest is presented. Deteriorating interest rates reduced the revenue from interest to EUR 6,415.

CARE Nederland had an exchange loss on foreign currencies of EUR 3,938.

### 6.1.7 Overview of income from non-individual donors

Non-individual donors	2018–2019	2017–2018
<b>Corporates / Asset Funds</b>	<b>144,084</b>	<b>221,446</b>
<b>European Commission</b>	<b>35,836,948</b>	<b>11,857,752</b>
Development and Co-operation (EuropAid)	26,557,774	8,753,580
Humanitarian Aid and Civil Protection (ECHO)	9,163,520	1,522,907
Through third parties	115,654	1,581,265
<b>Ministry of Foreign Affairs</b>	<b>25,988,827</b>	<b>24,956,952</b>
Ministry of Foreign Affairs	20,337,596	19,787,078
Through third parties	5,651,231	5,169,874
<b>Dutch Postcode Lottery</b>	<b>2,400,000</b>	<b>919,136</b>
Dutch Postcode Lottery	2,400,000	900,000
Through third parties	-	19,136
<b>SHO / Giro 555</b>	<b>904,273</b>	<b>72,525</b>
<b>Other non-individual donors</b>	<b>404,381</b>	<b>124,399</b>
<b>Total</b>	<b>65,678,513</b>	<b>38,152,210</b>

In FY19, CARE Nederland received EUR 65,678,513 from non-individual donors. The source of this funding is summarized in the table above. If CARE Nederland operates in a consortium as partner, the revenue is reported in the table above as 'Through third parties'.

CARE Nederland also receives funding as ‘lead’ of a consortium. In FY19, CARE Nederland was lead of various consortia in Somalia, Ethiopia, Yemen, Indonesia and the Philippines. Through a Dutch partner, implementation of our flagship programme ‘Every Voice Counts’ and our Women, Peace and Security programme in Yemen took place in Afghanistan, Burundi, Pakistan, Rwanda, Somalia, Sudan & Yemen. On behalf of the consortium members, CARE Nederland received EUR 31,015,178 from donors. This amount is included in the CARE Nederland revenue. This is an increase of 228% compared to the previous financial year (EUR 9,450,406) and 47% of the total income from non-individual donors. The table below presents the details.

<b>Countries of operation</b>	<b>CARE Nederland as consortium lead</b>	<b>Consortium Partner</b>	<b>Total 2018–2019</b>
<b>Humanitarian Action</b>			
Burundi			-
Indonesia	613,635	3,366,715	3,980,350
Philippines	1,359,171	1,101,449	2,460,620
Somalia	4,051,916	6,975,936	11,027,852
Yemen	1,538,414	2,836,400	4,374,814
<b>Sustainable Development</b>			
Afghanistan	480,864	90,450	571,314
Burundi	1,803,662	1,046,565	2,850,228
Ethiopia	1,682,281	-	1,682,281
Pakistan	461,717	90,450	552,167
Rwanda	435,000	90,450	525,450
Somalia	1,779,009	-	1,779,009
Sudan	211,684	90,450	302,134
Yemen	4,068,260	15,326,311	19,394,571
<b>Total</b>	<b>18,485,613</b>	<b>31,015,178</b>	<b>49,500,791</b>

## 6.2 Expenditures

### 6.2.1 Cost categories and allocation model for the organisation’s costs

In accordance with the Dutch Accounting Standard for Fundraising Institutions RJ 650, the organisation’s expenditures on objectives, its fundraising costs, and its management and administration costs are clearly distinguished.

The costs of the organisation, that is all the costs that cannot be directly allocated to the objective, are charged to three cost categories based on an allocation model that conforms to the Goede Doelen Nederland guidelines. The costs of the organisation are allocated in two steps:

1. All costs directly related to the objective or to income generation are recognised directly under those items, with staff costs allocated based on time recording.
2. Support costs and general costs are allocated to the cost categories based on FTEs and time sheets.

The organisation’s costs that are directly related to overall financial management, Board, Supervisory Council, or other general costs are fully detailed under ‘Management and Administration’.

## 6.2.2 Expenditure on objectives

Reference 6.2.2	Actual 2018–2019	Budget 2018–2019	Actual 2017–2018
<b>Humanitarian Action</b>	<b>26,079,624</b>	<b>10,367,000</b>	<b>16,589,890</b>
Programme commitments	25,343,337	9,626,000	16,094,321
Costs incurred by CARE Nederland	736,287	741,000	495,569
<b>Sustainable Development</b>	<b>41,138,820</b>	<b>30,813,000</b>	<b>24,558,207</b>
Programme commitments	39,706,761	30,017,000	23,125,652
Costs incurred by CARE Nederland	1,432,059	796,000	1,432,554
<b>Multiplying Impact</b>	<b>1,247,193</b>	<b>2,340,000</b>	<b>1,312,214</b>
Programme commitments	80,010	920,000	176,681
Costs incurred by CARE Nederland	1,167,183	1,420,000	1,135,533
<b>Total expenditure on objectives</b>	<b>68,465,637</b>	<b>43,520,000</b>	<b>42,460,311</b>

Programme expenditure consists of programme commitments to CARE International country offices or implementing partners, plus the direct costs incurred by CARE Nederland.

In FY19, the total expenditure on objectives shows the same increase in FY19 as the revenue. Compared to the budget, CARE Nederland spent EUR 26,005,327 more than expected, an increase which was primarily caused by our big ‘cash consortium’ in Yemen.

CARE Nederland responded to humanitarian crises in Yemen, Somalia, Sudan, South Sudan, Syria, Cameroon, Mozambique, Peru, the Philippines and Indonesia through the CARE International network (and our partners) with a total expenditure of EUR 26,079,624, which is EUR 15,712,624 more than planned. Our expenditure on Sustainable Development exceeded the budget by EUR 10,325,820. In addition to our multi-country programme, CARE Nederland has programs in Guatemala, South Sudan, the DRC, Yemen and Jordan.

Our expenditure on Public Awareness Campaigns decreased by 5% compared to our expenses in FY18 and was EUR 1,092,806 less than budgeted. For the CCRP, CARE Nederland budgeted to commit to EUR 640,000. This includes the costs of the in-kind contributions of CARE Member Partners (CMPs). In the annual accounts, we only report the costs incurred by the CCRP. Due to the absence of staff, mostly because of illness and vacancies, the staff costs for Multiplying Impact (not covered by projects) are much lower than expected.

<b>Funding source</b>	<b>Humanitarian Action</b>	<b>Sustainable Development</b>	<b>Multiplying Impact</b>	<b>Total 2018–2019</b>	<b>Total 2017–2018</b>
Ministry of Foreign Affairs	11,773,259	8,128,538	5	19,901,802	19,372,935
European Commission	8,968,097	25,920,284	-	34,888,381	9,765,385
SHO/Giro 555	859,059	-	-	859,059	60,448
Corporates/Asset Funds	-	301,003	47,799	348,802	2,877,525
Other donors	3,390,841	5,011,550	-	8,402,391	6,547,989
Own resources	1,088,368	1,777,445	1,199,390	4,065,203	3,836,030
<b>Total expenditure on objective</b>	<b>26,079,624</b>	<b>41,138,820</b>	<b>1,247,194</b>	<b>68,465,638</b>	<b>42,460,312</b>

As in previous years, the Netherlands Ministry of Foreign Affairs and the European Commission are CARE Nederland's main donors for project implementation. While the Dutch Ministry was the largest donor in FY18, the European Commission was the largest donor in FY19. The contribution of the European Commission increased by EUR 25,122,995, and the contribution of the Dutch Ministry increased by EUR 528,868. The income reported under 'other donors' increased as well. This is income from operating (as a partner) in consortia. Total revenue from 'other donors' was EUR 1,854,402 higher than in FY18. The income from the consortia of which CARE Nederland is the leader is reported under the Dutch Ministry or the European Commission. The expenditure from our own resources on strategic objectives also increased (EUR 229,173). Meanwhile, the expenditure from our own resources on Sustainable Development decreased slightly by EUR 21,077 and expenditure from own resources on Multiplying Impact decreased by EUR 97,906. Finally, our own expenditure on Humanitarian Action increased by 348,156.

## 6.2.3 Specification of the organisation's costs (Model C)

Reference 6.2.3	Objectives			Fundraising	Management and administration costs	Actual 2018–2019	Budget 2018–2019	Actual 2017–2018
	Humanitarian Action	Sustainable Development	Multiplying Impact					
<b>Allocation</b>								
Grants & contributions	25,056,335	38,752,509	83,763	-	-	63,892,607	39,279,000	38,137,786
Public information & awareness campaigns	-	-	941,160	814,889	-	1,756,049	1,859,000	1,394,769
Staff costs	761,166	1,881,632	193,491	407,294	757,202	4,000,785	4,036,000	3,586,937
Housing costs	39,258	75,586	4,310	21,341	29,722	170,217	192,000	205,574
Office & general costs	218,748	421,167	24,018	118,910	165,612	948,455	1,196,000	1,155,873
Depreciation	4,116	7,925	452	2,238	3,116	17,847	20,000	21,159
<b>Total</b>	<b>26,079,623</b>	<b>41,138,819</b>	<b>1,247,194</b>	<b>1,364,672</b>	<b>955,652</b>	<b>70,785,960</b>	<b>46,538,000</b>	<b>44,502,098</b>

All costs are allocated in the following expense categories: Objectives, Fundraising, and Management & administration. The organisation's costs (excluding 'Grants & contributions') before allocation to the earmarked categories amounted to EUR 5,137,305. With this, CARE Nederland remained within the budget of EUR 5,444,000 by more than EUR 300,000.

Due to additional investments, costs of income generation in FY19 increased by EUR 201,583 compared to the previous year.

The management and administration costs incurred in FY19 increased by 9% to EUR 955,652. Except for our expenditure on strategic objectives, all other costs were well within budget.

Staff costs	Actual 2018–2019	Budget 2018–2019	Actual 2017–2018
Gross salaries	2,579,627	2,670,093	2,386,934
Holiday entitlement and holidays	264,810	230,736	212,384
Social security contributions	497,029	487,889	414,829
Pension contributions	321,708	323,316	276,622
Employee insurances	122,868	114,796	106,415
Commuting expenses	67,109	58,885	63,294
Year-end gratification	147,634	150,285	126,459
<b>Total staff costs</b>	<b>4,000,785</b>	<b>4,036,000</b>	<b>3,586,937</b>



### 6.2.4 Personnel

Staff	Actual 2018–2019	Actual 2017–2018	Budget 2018–2019
<b>Employees in the Netherlands</b>	<b>59,00</b>	<b>54,00</b>	
Advocacy	2,00	1,00	
Management	2,00	2,00	
Finance	4,00	4,00	
Quality Management & IT	4,00	3,00	
Office Management	2,00	2,50	
Human Resources	4,00	3,50	
Programmes	32,00	29,00	
Communication & Fundraising	9,00	9,00	
<b>Employees as at the end of the reporting year</b>	<b>60,00</b>	<b>57,00</b>	
<b>Average FTEs in the Netherlands</b>	<b>50,78</b>	<b>47,55</b>	<b>49,10</b>
<b>Average FTEs abroad</b>	<b>1,58</b>	<b>2,41</b>	<b>1,50</b>

The employee data do not include temporary staff, consultants and volunteers. As of FY18, Finance and Advocacy staff have been reallocated to ‘Programme staff’ because they work full-time on programmes.

### 6.3 Remuneration of Board and Supervisory Council

The Board consists of one person with the title of Executive Director. The Supervisory Council determines the remuneration policy for the Executive Director, the amount of remuneration payable to the Executive Director and the amount of other emoluments for the Executive Director. The remuneration of the Executive Director was subject to the Collective Staff Agreement (‘Rechtspositiereglement’) of CARE Nederland.

CARE Nederland determines the remuneration policy and sets the level of remuneration according to the Remuneration Scheme for Directors of Charities set out in the Goede Doelen Nederland guideline and the SBF Code for Good Governance. The Scheme defines a standard maximum for annual income based on weighted criteria. The calculation of annual income excludes the employer’s costs. The total annual income of the Executive Director is presented in the annual accounts. With an annual income of EUR 98,731 (from 01/07/2018–30/06/2019), the current board remuneration remains below the Goede Doelen Nederland maximum. According to the ‘Regeling belonging directeuren van goededoelenorganisaties’ CARE Nederland scores 450 ‘BSD punten’. Thus, the maximum income is EUR 119,322. The CARE Nederland’s Board remuneration is in accordance with the CBF Code for Good Governance. The total income, including social security costs and pension contributions (EUR 124,221), remains within the maximum stipulated scheme of EUR 194,000 as well.

The former Executive Director of CARE Nederland was employed by CARE Nederland until 30 September 2018. The total income of the former Executive Director is presented in the annual accounts. These costs were already incorporated into the statement of income and expenditure of the former financial year. The actual payment, however, was made in this financial year. This income contains the last three months’ salary, unused holidays and the agreed severance payment. The total remuneration of the former Executive Director within the current fiscal year exceeds the Goede Doelen Nederland maximum. This is due to the contractual obligations at the termination of employment of the former Executive Director. The annual income based on the gross annual salary, holiday pay and year-end gratitude (EUR 28,182) remains below the Goede Doelen Nederland maximum.

Management Board remuneration	Actual 2018–2019	Actual 2017–2018
<b>R.P.F. van Haeringen</b>		
<b>Employment contract</b>		
Nature (term)	Fixed contract	Fixed contract
Number of hours	38	38
Part-time percentage	100	100
Period	01/07/2018–30/06/2019	01/07/2017–30/06/2018
* Statutory Director as of April 4 <sup>th</sup> 2018		
<b>Remuneration</b>		
Annual income	98,732	82,953
• Gross annual salary	85,076	72,806
• Holiday pay	8,578	5,779
• Year-end gratitude	5,078	4,368
Social security contributions (employer's share)	10,529	10,236
Pension contributions (employer's share)	14,961	12,493
<b>Total remuneration 2018/2019</b>	<b>124,222</b>	<b>105,682</b>

Management Board remuneration	Actual 2018–2019	Actual 2017–2018
<b>P.C. Heijne</b>		
<b>Employment contract</b>		
Nature (term)	Fixed contract	Fixed contract
Number of hours	38	38
Part-time percentage	100	100
Period	01/07/2018–30/09/2018	01/07/2017–30/06/2018
* Statutory Director until April 3 <sup>rd</sup> 2018		
<b>Remuneration</b>		
Annual income	54,748	113,536
• Gross annual salary	25,484	99,650
• Holiday pay	2,698	7,907
• Year-end gratitude	-	5,979
• Unused holidays	26,566	-
Social security contributions (employer's share)	2,572	10,236
Pension contributions (employer's share)	8,459	17,137
Severance pay	55,090	-
<b>Total remuneration 2018/2019</b>	<b>120,869</b>	<b>140,909</b>

The Supervisory Council performs its duties in an honorary capacity. Total expense for the Supervisory Council was EUR 4,310.

<b>Remuneration and expense reimbursement Supervisory Board</b>	<b>2018–2019</b>	<b>2017–2018</b>
Sum of expenses	4,310	6,260

#### 6.4 Audit fees

<b>Audit fees</b>	<b>2018–2019</b>	<b>2017–2018</b>
Audit of the financial statements	51,125	50,000
Other audit services	10,000	3,469
Tax services	4,790	6,400
Other no audit services	-	-
<b>Total</b>	<b>65,915</b>	<b>59,869</b>

In FY19, the ‘other audit services’ are costs for the ISO 9001 audit. In 2017–2018, these costs were for the ISO 9001 audit and audit work regarding the SHO activities.

#### 6.5 Events after the balance sheet date

During the period between the balance sheet date and the approval of the financial statements by the Supervisory Council and adoption by the Board on 18 November 2019, no events occurred that would change the situation indicated on the balance sheet date.

#### 6.6 Approval and adoption of the financial statements

The Annual Report and the accompanying financial statements were adopted on 18 November 2019 by the Board, which consists of:

Ms. Reintje van Haeringen

The Annual Report and the accompanying financial statements were adopted on 18 November 2019 by the Supervisory Council, which then consisted of the following executives:

Ms. Mariëtte Doornekamp (chair)

Ms. Karen Bakhuizen

Mr. Jan Broekhuizen

Mr. Jochem IJbema

Ms. Fleur de Nijs

Mr. Wietze Smid

Mr. Pieter van de Stadt

Mr. Dustin Woodward

## 7 SHO

### 7.1 Financial accounts of the national SHO Sulawesi action

	Total FY19 1 October 2018 – 30 June 2019			Total Cumulative as per 30 June 2019		
	Emergency aid	Rehabilitation	Total	Emergency aid	Rehabilitation	Total
<b>Income</b>						
Income from joint campaigns			904,273			904,273
Interest			-			-
<b>Total income</b>			<b>904,273</b>			<b>904,273</b>
Costs for preparation & coordination			-			-
Ceiling for administrative costs			45,214			45,214
<b>Total amount available for the action</b>			<b>859,059</b>			<b>859,059</b>
<b>Expenditure</b>						
<b>Commitments by participant</b>			<b>859,059</b>			<b>859,059</b>
Support via implementing organisation	-	-		-	-	
Support via the international network	859,059	-		859,059	-	
Support via the participant	-	-		-	-	
<b>Available to additional commitments</b>			<b>-</b>			<b>-</b>
<b>Participant cash flow</b>						
<b>Transfers by the participant related to:</b>			<b>419,156</b>			<b>419,156</b>
Support via implementing organisation	-	-		-	-	
Support via the international network	419,156	-		419,156	-	
Support via the participant	-	-		-	-	
<b>Local expenditure</b>			<b>458,721</b>			<b>458,721</b>
Support via implementing organisation	-	-		-	-	
Support via the international network	458,721	-		458,721	-	
Support via the participant	-	-		-	-	

## 8 Independent Auditor's Report

To: the Executive Director and the Supervisory Council of Stichting CARE Nederland

### Report on the annual accounts 2018/2019

#### Our opinion

In our opinion, the annual accounts of Stichting CARE Nederland ('the Foundation') give a true and fair view of the financial position of the Foundation as at 30 June 2019, and of its result for the year then ended in accordance with the Guideline for annual reporting 650 'Charity organisations' of the Dutch Accounting Standards Board.

#### What we have audited

We have audited the accompanying annual accounts 2018/2019 of Stichting CARE Nederland, Den Haag.

The annual accounts comprise:

- the balance sheet as at 30 June 2019;
- the statement of income and expenditure for the year then ended; and
- the notes, comprising the accounting policies and other explanatory information.

The financial reporting framework applied in the preparation of the annual accounts is the Guideline for annual reporting 650 'Charity organisations' of the Dutch Accounting Standards Board.

#### The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the annual accounts' of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We are independent of Stichting CARE Nederland in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

### Report on the other information included in the annual report

In addition to the annual accounts and our auditor's report thereon, the annual report contains other information that consists of:

- foreword
- 1 – About us
- 2 – Our flagship programmes
- 3 – Our global results
- 4 – Our work in Latin America
- 5 – Our work in Africa
- 6 – Our work in the Middle East
- 7 – Our work in Asia
- 8 – Our people and culture
- 10 – Our plans for 2019–2020

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the annual accounts and does not contain material misstatements;
- contains the information that is required by the Guideline for annual reporting 650 'Charity organisations' of the Dutch Accounting Standards Board.

We have read the other information. Based on our knowledge and understanding obtained in our audit of the annual accounts or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those performed in our audit of the annual accounts.

The Executive Director is responsible for the preparation of the other information, including the directors' report pursuant to the Guideline for annual reporting 650 'Charity organisations' of the Dutch Accounting Standards Board.

### Responsibilities for the annual accounts and the audit

#### Responsibilities of the Executive Director and the Supervisory Council for the annual accounts

The Executive Director is responsible for:

- the preparation and fair presentation of the annual accounts in accordance with the Guideline for annual reporting 650 'Charity organisations' of the Dutch Accounting Standards Board; and for
- such internal control as the Executive Director determines is necessary to enable the preparation of the annual accounts that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the annual accounts, the Executive Director is responsible for assessing the Foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Executive Director should prepare the annual accounts using the going-concern basis of accounting unless the Executive Director either intends to liquidate the foundation or to cease operations, or has no realistic alternative but to do so. The Executive Director should disclose events and circumstances that may cast significant doubt on the Foundation's ability to continue as a going concern in the annual accounts. The Supervisory Council is responsible for overseeing the Foundation's financial reporting process.

#### Our responsibilities for the audit of the annual accounts

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, which makes it possible that we may not detect all material misstatements. Misstatements may arise due to fraud or error. They are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual accounts.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Rotterdam, 16 December 2019

PricewaterhouseCoopers Accountants N.V.

Originally signed

drs M. Gaasterland RA

## Appendix to our auditor's report on the annual accounts 2018/2019 of Stichting CARE Nederland

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the annual accounts and explained what an audit involves.

### The auditor's responsibilities for the audit of the annual accounts

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the annual accounts, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit 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 Foundation's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Director.
- Concluding on the appropriateness of the Executive Director's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on

the annual accounts as a whole. However, future events or conditions may cause the foundation to cease to continue as a going concern.

- Evaluating the overall presentation, structure and content of the annual accounts, including the disclosures, and evaluating whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Supervisory Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



# Our plans for 2019-2020

## Chapter 10

In the fiscal year 2019–2020, we will strengthen the organisation in terms of structure, roles, processes, systems and culture, building on organisational changes that have been implemented over the past years. The focus will be on consolidation of the business model and being able to anticipate and respond to contextual changes. This is expressed in a focus on:

- quality, through improved processes, learning & knowledge management;
- positioning CARE with external stakeholders, by investing in our reputation as a partner of choice;
- efficiency, by standardizing and improving our way of working.



## Programmes

In 2019–2020, we will position ourselves towards potential donors and partners by focusing on our thematic areas of expertise and our capacity to work with local partners. The development of proposals for the new strategic partnerships with the Ministry of Foreign Affairs will be a priority. We will continue to engage in nexus programming across Humanitarian Action and Sustainable Development and identify lessons learnt. Furthermore, we will manage the relationship with CARE International network through service-oriented relationship management with a focus on Southern Leadership.

## Knowledge development

For each of our four areas of expertise, knowledge will be developed and shared. We will develop lessons learned on Southern leadership and nexus programming through our past and current project portfolio. Furthermore, we will consolidate lessons learnt from the Partners for Resilience programme into tools and resources that can be scaled and transferred into new programming. Through the Every Voice Counts programme, we will develop knowledge products on civic space, social norms, and women's political participation in fragile and conflict-affected settings. We will also develop a package of tools and resources for the Women in Enterprise

approach to share with external stakeholders and feed into new programming.

## Advocacy

In 2019–2020, our advocacy will focus on the need for local leadership and localisation. In addition, advocacy trajectories related to our four areas of expertise will be implemented. These trajectories will focus on gender in emergencies, climate change adaptation, social inclusion in fragile settings, and access to finance for female entrepreneurs. To this end, we will influence policies and implementation agendas in the Netherlands as well as at European and global levels. Furthermore, we will finalise our advocacy strategy in line with the new positioning.

## Fundraising

We aim to become more successful at individual fundraising by focusing on service, commitment and trust. From 2019–2020 onwards, we will integrate our systems and processes to collect, register and distribute more data more efficiently. Furthermore, we will develop and implement one general donor journey to increase loyalty among individual donors. We will also scale up our communication through online and other channels by rolling out our new positioning. We will further develop our relations with foundations and position ourselves in such a way that our thematic strengths are highlighted.

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## Budget for 2019–2020

Statement of income and expenditure	Budget 2019–2020
<b>Revenue</b>	<b>€ 39,968,000</b>
Fundraising	€ 39,968,000
• Individual fundraising	€ 3,400,000
• Corporate fundraising	€ 2,417,000
• Lotteries	€ 957,000
Grants	€ 32,651,000
Other fundraising organisations	€ 543,000
Other revenue	-
<b>Expenses</b>	<b>€ 41,077,000</b>
Strategic objectives (grants/direct costs)	€ 38,773,000
• Humanitarian Action	€ 11,949,000
• Sustainable Development	€ 24,636,000
• Multiplying Impact	€ 2,188,000
Fundraising	€ 1,364,000
General & administration	€ 940,000
<b>Result before change finance revenue/expense</b>	<b>- € 1,109,000</b>
Result financial revenue/expense	- € 26,000
• Interest	€ 4,000
• Financial expense	- € 30,000
<b>Result after change finance revenue/expense</b>	<b>- € 1,135,000</b>
Appropriation of result to designated reserves	- € 635,000
Appropriation of result to designated funds	- € 609,000
<b>Continuity reserve movement</b>	<b>€ 109,000</b>

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Through our work,  
we contribute to the  
following Sustainable  
Development Goals:





**A different approach.**

**A fairer world.**