



# Annual Report

## 2019-2020

care Nederland

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## Foreword

Before you is a summary of our work over the past year – a year that brought the start of a pandemic that continues to expose the vulnerabilities of societies worldwide.

*"In the countries where CARE works, communities are suffering not only from the health-related consequences of the virus but also from the economic drawbacks of lockdowns, curfews and blockages in supply chains. Large groups of people who have managed to improve their livelihoods in recent years are now at risk of being thrown back into poverty. For women, in particular, the effects are immense yet often unseen: their care-taking tasks have increased, their often informal jobs have disappeared, and they are more exposed to gender-based violence than before, especially at home, where tensions have increased while services and support have become more limited.*

*At the same time, our colleagues and partners on the ground have told us about the resilience of individuals, communities and local organisations, about their motivation to find ways to continue their work, and about the support they need to do so. We have been able to draw attention to the needs of these communities and raise additional funding for their recovery. Together with local partners, we are exploring ways to reach out to groups in places that none of us can travel to in an effort to continue our collaboration against all odds.*

*The crisis unleashed by COVID-19 has emphasised the importance of civil society organisations and local governments and their role and effectiveness in responding to the socio-economic and political impacts of the epidemic. Particularly in fragile settings, where central government capacity is often weak, we rely on our collaborations with local partners. During the pandemic, we have become increasingly aware of just how interdependent we are in the achievement of our shared goals.*

*We know that we need to scale up our joint progress in terms of poverty reduction and gender equality in order to create space for increased wealth and socio-economic support networks in local communities. In doing so, we can*

*also create more resilience to shocks. In this report, you will find stories that not only speak to people's progress in terms of individual voice, opportunity and income, they also highlight the structural changes that this progress brings about: people building networks, influencing policies, and changing social norms. We believe that only by creating transformative change in the systems that govern us, we will be able to create a fairer world where there is opportunity for all.*

*We depend on you, our partners, donors and individual givers to achieve success. Together we can make the change we want to see in the world. I look forward to our continued collaboration!"*

*Reintje van Haeringen*

**Reintje van Haeringen, Executive Director**



# About us

## Chapter 1

CARE Nederland is a member of CARE International. We fight poverty by battling inequality. We offer emergency assistance and help improve community resilience to the effects of climate change and natural disasters. We contribute to more just and peaceful societies by promoting peaceful conflict resolution and inclusive decision-making. We also help create the right conditions for women to become successful entrepreneurs. What makes us different? We take a tailored approach: by consulting closely with local partners, communities and governments, we are able 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, inclusion and social justice, where poverty has been overcome and all people live in 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 these goals.

### Our strategic objectives

- To help save and improve the lives of people in fragile and conflict-affected settings
- To develop knowledge about proven methods that enable 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

We raise funds from institutional and private donors in the Netherlands and Europe for the implementation of our 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. We manage contracts with donors

focused on four areas of expertise: 1) Humanitarian Action, 2) Climate Change and Resilience, 3) Governance and Stability and 4) Women's Economic Empowerment. Furthermore, we provide 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. We also 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 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 different approach

We trust in people's strength and invest in developing capacities to bring about sustainable change. With respect for everyone's individuality, dignity and culture, we explicitly see to the needs of those who are the least heard. We welcome innovation and often go off the beaten path to reach the best results. What counts for us is doing what is needed and doing what works. Collaboration is central to our approach. We always work closely with local communities and form partnerships with local, national and international organisations wherever possible. By working together, we can achieve greater impact, work more efficiently and increase influence at all levels.



**We always work closely with local communities and form partnerships with local, national and international organisations wherever possible.**

## Our areas of expertise



### Humanitarian Action

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 groups. We also raise awareness of humanitarian emergencies and mobilise funds, which can then be channelled quickly and efficiently to those in need.



### Climate Change & Resilience

CARE supports communities in preventing and preparing for crises that come as a result of climate change and natural hazards. We implement innovative solutions to help people become more resilient to their changing environments and alleviate poverty. We also raise awareness of the devastating effects of climate change and make sure that governments uphold existing international agreements.



### Governance & Stability

CARE promotes the development of more just and peaceful societies. We contribute to the transition from fragility to stability by promoting inclusive governance and peaceful conflict resolution. Therefore, we support marginalised people to voice their demands and influence decisions affecting their lives. We also support communities to resolve and prevent violent conflict.



### Women's Economic Empowerment

CARE supports the economic empowerment of women to break the cycle of poverty. Around the world, women and girls are disproportionately affected by poverty and discrimination. We help create the right conditions for women to unlock their economic potential. With the right resources, they are able to build successful businesses, increase their income and strengthen their communities.



# Humanitarian Action

## Chapter 2

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 groups. We also raise awareness of humanitarian emergencies and mobilise funds, which can then be channelled quickly and efficiently to those in need.

## Pulling together for northwest Syria

An estimated 2.7 million people are displaced in northwest Syria. Fleeing from daily artillery fire and airstrikes, many have been forced to leave everything behind more than once. With each movement bringing new risks and difficulties, the people in this region are among the most vulnerable in the country. Aggravating matters further, the region is prone to extreme weather and the ongoing war has severely affected vital infrastructure, such as roads, schools and hospitals.



### Our different approach

As a member of the [Dutch Relief Alliance](#) (DRA), we collaborate with 14 other Dutch aid organisations in partnership with the Netherlands Ministry of Foreign Affairs. This coalition is truly unique in the world and allows us to operate in humanitarian emergencies in the most effective way possible. When a crisis arises, the members best placed to provide aid in that specific situation work together and respond jointly.

In northwest Syria, CARE leads the DRA Joint Response, working closely with Stichting Vluchteling, World Vision and local partners. Together we supply safe shelter solutions and provide WASH facilities such as clean water, hygiene kits and sanitation. We offer life-sustaining information and psychosocial support, as well as cash assistance, enabling displaced people to address their most urgent needs.

**By pulling together, we managed to reach the most vulnerable people when help was most urgently needed.**

*Nicole Slootweg, Project Manager  
Northwest Syria Joint Response*



### Making the difference

Ahmed Hilal Zaidan Omri lives in a camp in the Jabal Harim area with his wife and two children. They were displaced years ago and have moved around between camps a lot.

Before the war, Ahmed worked as a farmer. Now he earns a small income driving a water truck. “I’m very lucky to have work and to be able to buy some bread and food for my family. But I don’t earn enough to cover my children’s needs.”

Ahmed longs for the day when he can return to his village and work on his land again. Life is hard in the camp. People live in poor conditions, there is hardly any work and a great shortage of food. Water, however, has been made available through the Joint Response project that Ahmed is involved in. “Until recently, we had to buy water at a high price. Now everyone living here receives 35 litres of drinking water per day. That makes a huge difference.”

### Results northwest Syria Joint Response



**32,268**

people

now have access to dignified, safe, clean and functional toilets



**15,494**

people

were provided with soap or hygiene kits



**12,072**

people

were provided with access to sufficient and safe water

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## Cash assistance: quick and effective

Years of conflict in Yemen have led to one of the largest humanitarian crises in the world. Many Yemeni have been forced to leave their homes, and the majority of the population is short of food and water. The economy is collapsing; employment has plummeted while food and fuel prices continue to surge. In addition, essential public services have broken down, and the country's infrastructure is severely damaged.

### Our different approach

Offering cash assistance is a relatively new and highly effective way to support people in emergency situations. Although distributing aid packages remains necessary in certain situations, providing cash is a quicker and often more efficient way to help. It protects recipients' dignity as it allows them to buy what they need most or to invest in the future. An additional advantage is that storage and distribution costs are saved, thus allowing us to support more people.

## Cash enables people to set their own priorities and regain a sense of control.

*Nawras Al Husein, Project Manager of Addressing Food Crises Yemen*

Thanks to funding from the European Union and the Netherlands Ministry of Foreign Affairs, CARE runs several cash programmes. One of these is Addressing Food Crises in Yemen, which aims to increase the food security of vulnerable households. We achieve this by providing cash in return for community work, as well as unconditional cash for the most food-insecure households. This helps people meet their most urgent needs and strengthens their position to cope with future shocks.





### Restoring dignity

Mohammed Saleh Al-Ribai, from the Tur Al Bahah district in southern Yemen, temporarily received monthly payments in exchange for work through one of CARE’s cash programmes. This gave him the opportunity to build a latrine near his hut and helped him provide for his family.

When Mohammed was a young man, his leg had to be amputated after he was stung by a poisonous snake while searching for a place to defecate. “If we had had a latrine, I wouldn't have lost my leg”, he explains. “We had no household latrines in our village and had to go to distant areas to defecate in the open. Children and women were exposed to many dangers and drinking contaminated water often made us ill.”

Cash assistance significantly changed Mohammed’s life. “It restored our dignity and gave us a better future. I can supply my family with three meals a day now and my daughter is back in school.”

### Results cash programming in Yemen



**61,627**

people

were provided with cash-transfers



**30,792**

women and girls

were provided with cash-transfers



**30,835**

men and boys

were provided with cash-transfers

# Climate Change & Resilience

## Chapter 3

CARE supports communities in preventing and preparing for crises that come as a result of climate change and natural hazards. We implement innovative solutions to help people become more resilient to their changing environments and alleviate poverty. We also raise awareness of the devastating effects of climate change and make sure that governments uphold existing international agreements.





## Alleviating poverty by strengthening resilience

Climate change has significantly contributed to extreme weather, and the degradation and loss of ecosystems has intensified natural hazards. Disasters such as droughts, floods and hurricanes occur more frequently and have a greater impact than ever before. This affects poor communities in the Global South most as they often live and work in disaster-prone areas and have fewer resources to cope with emergencies.

### Our different approach

Provided with the necessary tools and resources, communities can adapt to their changing environment and prepare for future calamities. CARE believes that an integrated approach is the best way to help communities become more resilient and to alleviate poverty. In addition to helping people mitigate disaster risks and raising awareness about climate change, we focus on sustainable livelihoods and seek to strengthen the position of vulnerable groups by positively influencing policies.

We always work with others to achieve our goals.

Participating in partnerships and networks enables us to achieve greater impact. In complementarity with others, we work more efficiently, increasing our influence at all levels. That is why we are a member of [Partners for Resilience](#), an alliance of CARE, Cordaid, the Netherlands Red Cross, the Red Cross Red Crescent Climate Centre, and Wetlands International. By collaborating globally with 50-some civil society organisations and their local networks, Partners for Resilience forms a powerful coalition dedicated to improving people's resilience in the face of rising disaster risks.

**To truly increase resilience,  
we need to collaborate globally  
and address all factors that make  
people vulnerable to climate change.**

*Bart Weijs, Programme Manager Partners for Resilience*



### Standing strong together

Kediga Humed is a farmer who lives in Beladulo village in the Afar region in Ethiopia, a region characterised by low and erratic rainfall. The recurrent drought affected her community badly: people were losing livestock and going hungry.

Through the Partners for Resilience programme, Kediga and the other villagers learned about efficient irrigation methods, market accessibility and storage systems for agricultural products. In addition to raising cattle, people in Beladulo started growing various crops. By diversifying their livelihoods and working together, community members are now in a far better position to deal with long dry periods.

“My happiest moment was when water streamed into my plot of land for the first time. I will always remember that,” says Kediga, whose life has changed a lot since participating in the programme. “We are all really involved now and able to overcome difficult periods by helping each other.”

### Results Partners for Resilience programme



**2,141,168**

people

are now covered by early warning and disaster risk management plans



**10,519**

people

were supported to build better livelihoods and become more resilient



**4,800**

people

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

**Learning from each other and actively working together puts people in a far better position to cope with the effects of climate change.**

*Yowee Gonzales, RILHUB Coordinator*

## Sharing knowledge in the Philippines

The Philippines is the third most disaster-prone country in the world, with frequent floods, droughts, earthquakes and an average of 20 typhoons per year. After natural disasters and years of conflict, many people are struggling to recover and prepare for future shocks. Changes in the climate have led to more and more casualties, and hundreds of thousands of people don't have enough to eat. In addition, the damage to ecosystems has further exacerbated inequality and poverty.

### **Our different approach**

Besides providing emergency relief, CARE helps people in the Philippines increase their resilience through sharing expertise, facilitating collaboration and developing new solutions. To this end, we have set up the Resilience and Innovation Learning Hub ([rilhub.org](http://rilhub.org)) together with our local partners, Assistance and Cooperation for Community Resilience and Development (ACCORD), Agri-Aqua Development Coalition (AADC), and Citizens' Disaster Response Network (CDRC).

RILHUB focuses on disaster risk reduction, climate change adaptation and ecosystem restoration in support of vulnerable communities, with special attention for the needs of women and girls. Working with community-based organisations, knowledge organisations, the private sector and the local government, RILHUB crosses bridges between sectors and forms strategic partnerships to achieve its goals. Key activities include sharing knowledge, carrying out research, providing training, identifying best practices and developing innovative and scalable solutions.





### Innovative shelter

A great example of the kind of innovation that people learn about through RILHUB is the Alternative Temporary Shelter System (ATS system). Designed in consultation with displaced communities and experts, the ATS system provides a safe and dignified solution in emergencies. It is modular, quick to set up and made of locally available materials.

The system not only consists of the shelter structures themselves but also comprises valuable guidelines for camp coordination and camp management. Not only is the system quick to deploy and relatively inexpensive, it also minimises the risk of diseases, psychosocial distress and gender-based violence.

The Alternative Shelter System forms part of MOVE UP, a CARE project aiming to strengthen the resilience of the urban communities that are most vulnerable when disasters occur. Supporting these communities is particularly meaningful in the Philippines, where more than half of the population lives in urban areas.

### Results MOVE UP project



**3,067**

people

were supported to build better livelihoods and become more resilient



**2,397**

people

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



**565**

people

now have access to basic, safe and dignified shelters solutions



# Governance & Stability

## Chapter 4

CARE promotes the development of more just and peaceful societies. We contribute to the transition from fragility to stability by promoting inclusive governance and peaceful conflict resolution. Therefore, we support marginalised people to voice their demands and influence decisions affecting their lives. We also support communities to resolve and prevent violent conflict.

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## Making every voice count

Many of the world's poor live in fragile settings where the government is unable or unwilling to protect and care for all of its citizens. Discriminatory norms often inhibit women and youth from meaningfully participating in society. As a result, they have limited influence on decisions affecting their lives. Enabling these marginalised groups to use their voice and demand good governance is essential to transitioning out of fragility and into more just and stable societies.

### Our different approach

In CARE's Every Voice Counts programme, campaigning is used as a tool to promote inclusive governance. With the support of RNW Media, CARE and partners implemented media campaigns in Burundi, Somalia, Rwanda and Sudan that aim to shift harmful and discriminatory norms that prevent women from taking part in public and political activities. Across all four countries, this has helped to change certain attitudes and beliefs and paved the way for greater equality.

In each country, the campaign focused on a particular social norm and goals were decided on accordingly. Through storytelling on social media, radio and offline events, various topics were addressed, ranging from the role of women in the domestic and public spheres to women's political participation and early marriage. The campaigns convinced men to take actions in support of women's leadership and participation in decision-making processes.

**Persuasive storytelling,  
both online and offline,  
proves to be an effective  
way to tackle constraining  
social norms.**

*Lori Cajegas, Programme Manager  
of Every Voice Counts*





### Results Every Voice Counts programme



**53,430**

people

learned more about their rights and responsibilities as citizens



**875**

women and youth groups

were strengthened in their lobbying and advocacy skills



**484**

advocacy initiatives

were organised including media campaigns

### Shifting norms in Burundi

The campaign led to extraordinary changes in the commune of Giheta in central Burundi. It convinced Alexis Manirakiza, the communal administrator, to take measures resulting in structural change in female-male power relations. Inspired by the campaign, he waived the marriage fee in his commune.

The fee was an obstacle for women who wanted to get involved in politics, as women in Burundi can only run for election if they are legally registered as married. Now that the required registration is free, it has also become easier for women to obtain the most important asset in Burundian families: the right to own land.

Alexis makes sure that the topic of equal gender relations remains on the table in his weekly meetings with village chiefs. The campaign also led to the administrator changing things at home: “My wife has a university degree and I don’t. That used to make me nervous, but the campaign proved me wrong. I have given her insight into our finances, and we take financial decisions together now.”

**An integrated,  
long-term and  
flexible approach  
is needed to  
resolve the  
underlying issues  
that cause conflict.**

*Cornelia de Winter, Project Manager of  
Addressing Root Causes of Violence and  
Instability*

## Addressing root causes in South Sudan

South Sudan is among the world's poorest and most fragile countries. For years and years, conflicts and violence between and within communities have severely undermined stability and safety. Jonglei, the largest state, is one of the most unsafe regions in the country. Clashes often start with armed young men stealing cattle, the most important asset in South Sudan. The raids have become increasingly violent and form a serious threat to communities.

### Our different approach

CARE combines economic empowerment with peacebuilding to reduce violence in Jonglei. Together with Humanitarian Development Consortium (HDC), based in South Sudan, we are actively involved in the Addressing Root Causes of Violence and Instability (ARC) project. This project aims to strengthen the economic position of participants while also developing their capacities to peacefully resolve conflicts. This approach has proved successful: vocational training and income-generating activities organised by the ARC project offer youth good alternatives to cattle-raiding.

Setting up village savings and loan associations (or VSLAs) is one of the ways in which the ARC project economically empowers people who cannot access bank loans or savings. It enables participants to cover emergency expenses or start up a micro-enterprise. The project also provides temporary employment through activities that benefit the community, such as rebuilding damaged roads or constructing dykes. In addition to increasing economic opportunities, we promote peaceful conflict resolution by supporting Peace Clubs and Peace Committees. These groups of trained community members regularly convene to discuss the causes of conflict and to offer constructive solutions for those involved.





### A user’s guide to peace

CARE developed the Peacebuilding Manual, a valuable guide for Peace Clubs and Peace Committees. The manual helps these groups to think critically about conflicts in their communities, take the actions needed to resolve them, and prevent violent conflicts from occurring in the future. It is geared towards positively changing people’s attitudes, behaviour and their roles in society to build a more peaceful future.

The manual offers important insights into understanding conflict, as well as practical tools for constructive dialogue, negotiation and mediation. This approach has proven very effective. Ayen Deng, chairwoman of the Payuel Peace Association explains: “The Peacebuilding Manual has brought us together. It helps us gain trust and restore relationships within our community and with the communities around us.”

Complementary to the Peacebuilding Manual, CARE has developed a picture book to illustrate the different concepts and processes described. This is helpful as we work in regions where different languages are spoken and (functional) illiteracy is high.

### Results Addressing Root Causes project



**5,013**

people

learned more about their rights and responsibilities as citizens



**3,635**

people

were supported to build better livelihoods and become more resilient



**51**

peace committees

and peace clubs are now in place to manage and prevent conflicts, promote cooperation and reduce security risks

# Women's Economic Empowerment

## Chapter 5

CARE supports the economic empowerment of women to break the cycle of poverty. Around the world, women and girls are disproportionately affected by poverty and discrimination. We help create the right conditions for women to unlock their economic potential. With the right resources, they are able to build successful businesses, increase their income and strengthen their communities.



## Women mean business

Around the world, women and girls are disproportionately affected by poverty and discrimination. They make up the majority of the world's poorest people. Restrictive social norms, limited education opportunities and exclusion from financial resources form major barriers for women to generate an income. For example, in many places, it is impossible for women to obtain a bank loan, even though they are proven to be better savers, more prudent borrowers, calculated risk-takers and successful entrepreneurs.

### Our different approach

Advocating for equal rights is imperative to advancing the economic position of women and is therefore one of the key approaches in our Women in Enterprise programme. With this global programme, funded by the H&M Foundation, CARE strengthens women's capacities and helps create the right conditions for women to run a business. In Peru, for instance, our work with several municipalities has resulted in new legislation that makes it easier for women to start, fund and run their own enterprises.



Women in Enterprise also provides business training for women and facilitates collaboration through groups and networks. In addition, the programme addresses men and boys, as their positive involvement is essential to women attaining a stronger economic position. Economically empowering women is the most effective way to break the cycle of poverty and is therefore an important priority for CARE. Research shows that women invest a larger part of their earnings in their families and communities than men do. So, when women benefit, everyone benefits.

**Our advocacy for fair and workable policies helped to level the playing field and create a business environment in which women can succeed.**

*Solange Hai, Programme Manager of Women in Enterprise programme*



**Moving towards equality in business**

María Julia from Tabanco, Peru, is one of the participants in Women in Enterprise. She used to be a domestic worker; now she runs a successful business as a beekeeper. Together with her husband, she provides for her own family and financially supports her parents and younger brother.

María leads an association of fifteen women entrepreneurs who collectively produce honey and carob. Through CARE’s programme, María and her associates have developed their business skills. “We now have better packaging, our online sales have increased, and my self-confidence has grown”, she says.

“I used to be shy. Now I run a company, hold several board positions and represent women beekeepers in Peru,” María adds proudly. She regularly meets with mayors of various municipalities to discuss new business opportunities for women and has noticed that women are gaining influence. “Men’s attitude towards women in business is changing for the better, and I’m excited to see gender equality advancing.”

**Results Women In Enterprise programme**



**14,469**

women

were strengthened in their capacity to build a successful business



**8,569**

women

gained access to loans from joint savings



**892**

men and boys

were engaged to support women entrepreneurs

**Positive change  
requires stirring up  
traditional beliefs  
and demonstrating  
that gender  
equality benefits  
everyone.**

*Lenneke Kono-Tange,  
Project Manager of Mawe Tatu*

## Empowering women by engaging men

After years of war and armed conflict in the Democratic Republic of Congo (DRC), 70% of the population lives in poverty and over 13 million people are in need of humanitarian assistance. Women and girls are the most harshly affected, as gender inequality in the DRC is higher than almost anywhere else in the world. Discriminatory norms and practices contribute to high maternal mortality rates, widespread sexual and gender-based violence, and limited opportunities for women to earn a living or take part in decision making.

### Our different approach

Structural change in female–male power relations is necessary to alleviate poverty, end violence and improve overall wellbeing in the DRC. CARE strives to strengthen the position of women in the DRC by economically empowering them. This can only be achieved if the men surrounding these women are supportive and committed to advancing gender equality as well.

Working together with local partners on our project Mawe Tatu, we actively engage and motivate men to change attitudes and behaviour that are harmful to women and girls. Through group discussions, men are encouraged to abandon damaging stereotypes, communicate with women on an equal footing and embrace respectful, healthy relations. Male role models are essential in this project as they set new examples and convince others to follow suit.

Mawe Tatu is Swahili for ‘three pebbles’. – Here, it refers to the way pebbles create ripples when thrown into the water, symbolising the short-, medium- and long-term impact and synergy of the projects’ interventions.





### Changing course

Innocence Kadakala and Evariste Mumbere participated in the Mawe Tatu project. Both have seen their lives change for the better.

“I was brought up with the notion that women don’t have rights, and I have been violent to my wife in the past,” says Innocence. “Now I see and do things differently. I help with household tasks and we manage our finances together now. Instead of putting my foot down, we talk things through when we have problems. It has made us a lot happier as a couple.”

Taking part in the group discussions also had a huge impact on Evariste and his family. “My wife now works as a nurse, and I help to take care of the children. My friends used to mock me and ask me ‘who wears the skirt’ in my house. Now these same friends turn to me for advice when they have trouble at home. I’m a role model for other men now, and I’m proud of that.”

### Results Mawe Tatu project



**13,276**

men

were engaged to discuss harmful social norms and women's equality



**4,274**

women

gained access to loans from joint savings



**87**

women

were strengthened in their capacity to build a successful business



# The COVID-19 pandemic

## Chapter 6

CARE has responded to the COVID-19 pandemic by providing direct assistance to those in need. We also work to promote handwashing and physical distancing in challenging environments. Through media campaigns, we promote COVID-19 awareness and prevention. As women face unique challenges in this crisis, we pay particular attention to their specific needs.

## Responding to the COVID-19 crisis

The COVID-19 pandemic affects us all. However, the consequences are particularly devastating for communities already facing severe poverty, deadly conflict and extreme weather. People who are fully dependent on daily wages, for example, are hit hard by lockdowns and curfews. The world's poorest are at a greater risk of becoming infected due to cramped housing, unsafe workplaces and lack of hygiene facilities. Furthermore, limited health services result in more casualties when they do get ill.

### Our different approach

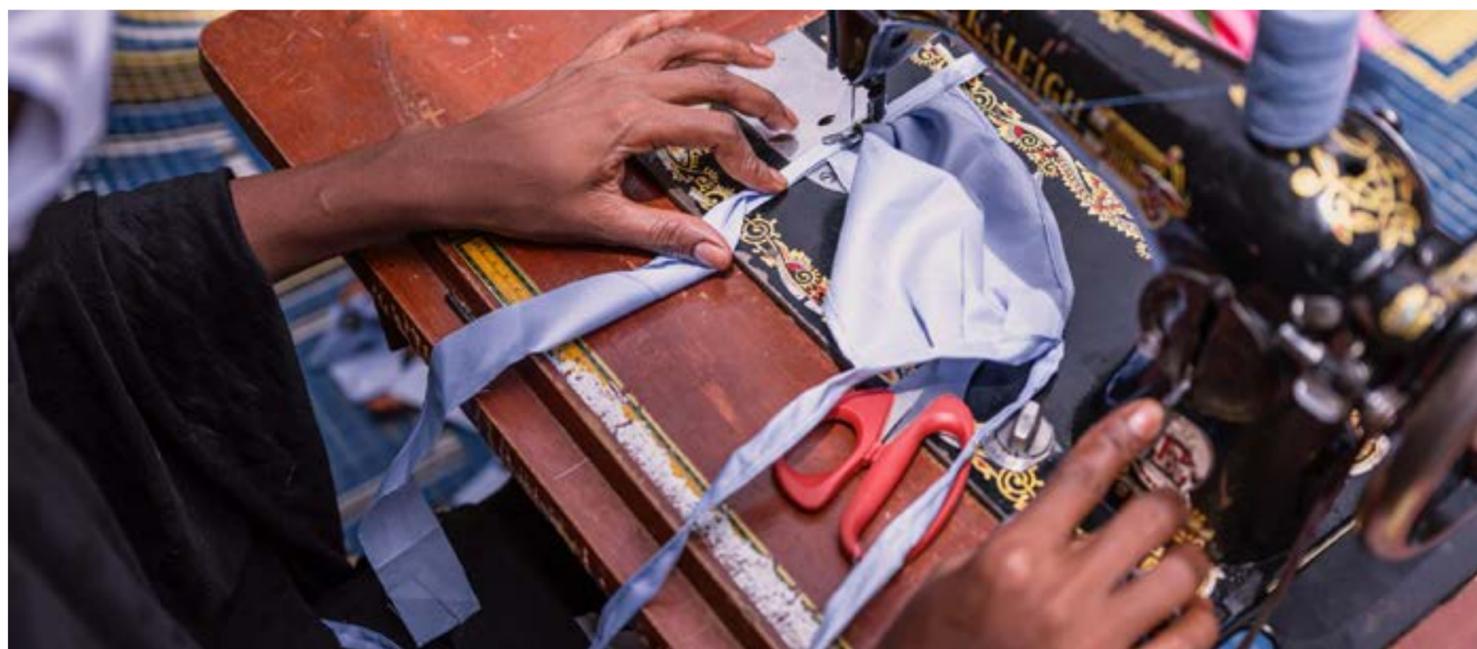
Funding from the Netherlands Ministry of Foreign Affairs, the EU and the H&M Foundation enables CARE to offer emergency relief in response to the COVID-19 crisis. In addition to setting up handwashing stations, providing hygiene kits and raising awareness, we distribute cash, food and supplies to meet the most urgent needs. In addition, we train health workers on how to prevent and react to the virus and supply them with protective equipment.

The needs of women and girls always have our special attention. In this crisis, their needs have become more urgent as gender-based violence has increased since the start of the pandemic and the loss of income can lead to a sharp rise in sexual exploitation. Therefore, our COVID-19 response explicitly includes offering women protection and psychosocial support as well as guarding and strengthening women's economic position.

**We should not allow this crisis to destroy decades worth of progress in fighting poverty and advancing gender equality.**

*Reintje van Haeringen,  
Executive Director, CARE Nederland*





**Thanks to the H&M Foundation, we can support women and their communities in this time of great need.**

*Merlijn van Waas, Head of Sustainable Development, CARE Nederland*

**Results COVID-19 response**



**944,643**

people

received COVID-19 related support



**598,755**

people

were reached through COVID-19 awareness raising campaigns



**213,139**

people

received hygiene kits and handwashing materials such as soap in response to the COVID-19 pandemic

**Support in times of crisis and beyond**

The garment industry is heavily affected by the pandemic. Women are particularly impacted as they form the majority of the workforce. At the same time, automation and digital technology pose considerable threats for future employment in this sector. An example of how we offer women both immediate assistance and long-term support is a project for garment workers in Bangladesh. This project, funded by the H&M Foundation, helps women deal with the direct effects of the COVID-19 crisis as well as improve their future prospects.

To help female textile workers get through the COVID-19 crisis, CARE supplies cash assistance for food, health care services and handwashing facilities. In addition to this emergency relief, the project also aims to offer long-lasting support. In a later phase of the project, we will focus on increasing future employability by training workers in new skills and providing digital literacy education, as well as by promoting entrepreneurship.

# Our results in 2019-2020

## Chapter 7

CARE carries out four types of activities to achieve its strategic objectives and goals: programming, knowledge development, advocacy and fundraising. These activities feed into each other and reinforce each other. Our communication work builds on and supports our work in all four processes and is a means to position our organisation, advocate for our cause, share information and knowledge, and attract donors and partners.



Africa



**301,835** people were reached with hygiene promotion and awareness raising activities



**80,119** people learned more about their rights and responsibilities as citizens



**65,671** people were provided with access to sufficient and safe water



**56,416** people gained access to loans from joint savings

Latin America



**158,187** people are now covered by early warning and disaster risk management plans



**154,533** community members were strengthened in their capacity to prepare for disasters

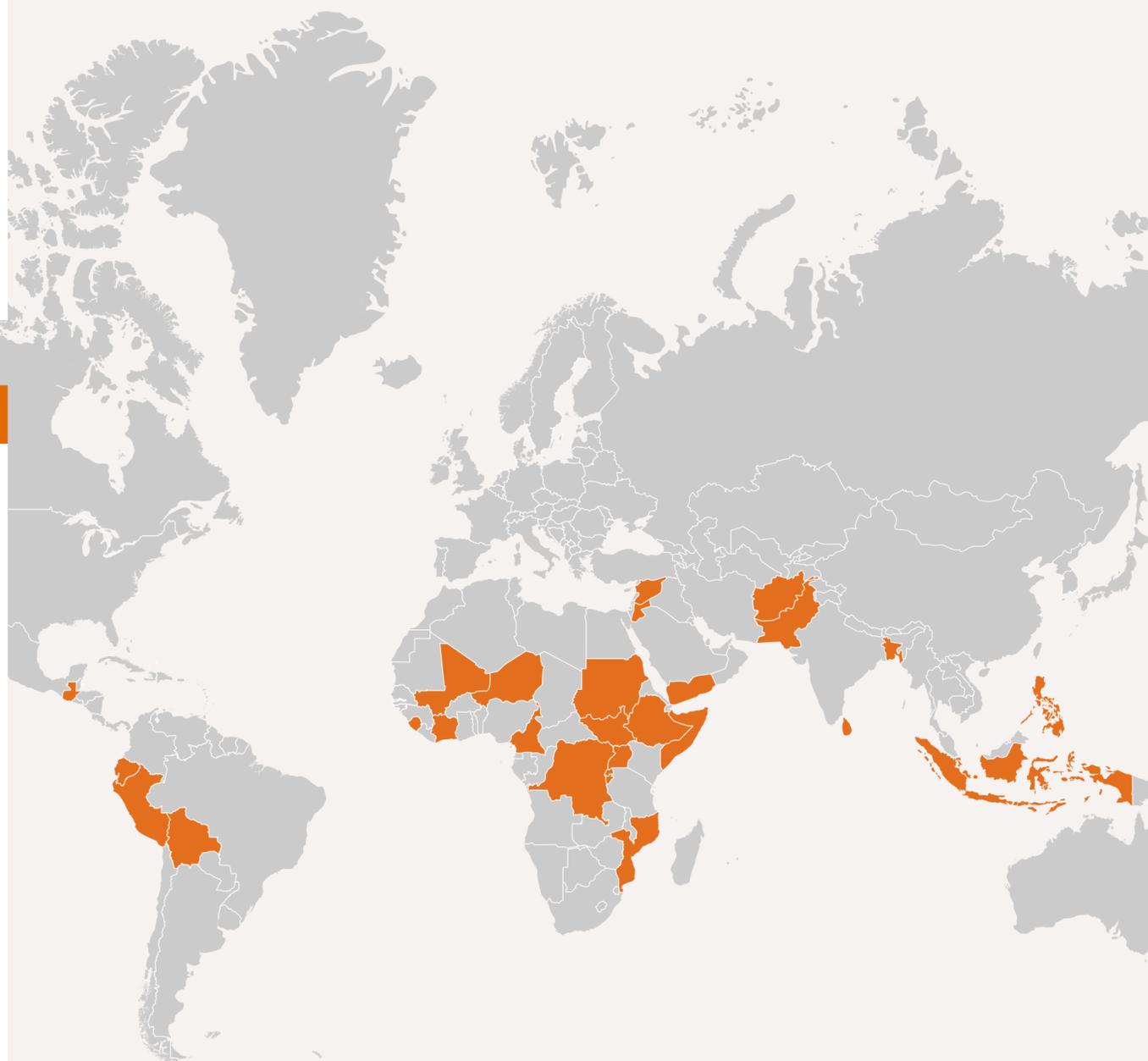


**11,482** women were strengthened in their capacity to build a successful business



**4,434** people were supported to build better livelihoods and become more resilient

**We reached 3,081,502 people  
in 28 countries  
through 81 projects**



Asia-Pacific



**292,155** people were provided with hygiene support (soap, hygienic kits, dignity kits)



**26,385** people were provided with access to sufficient and safe water



**38,907** people were enabled to meet their basic food needs



**25,051** people had access to basic, safe and dignified shelters solutions

Middle East



**81,967** people were provided with access to sufficient and safe water



**62,058** people were provided with cash-transfers



**57,487** people were provided with hygiene support (soap, hygienic kits, dignity kits)



**33,633** people now have access to dignified, safe, clean and functional toilets



## Programmes

### Africa

In the 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 the Every Voice Counts programme, 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 the Partners for Resilience programme. In the Democratic Republic of the Congo, we responded to the humanitarian crisis aggravated by COVID-19 in North and South Kivu through a joint response with partners of the Dutch Relief Alliance. Here we also implemented projects specifically aimed at enhancing gender equality. Through a partnership with Waka Waka, we provided solar lights to school children in Rwanda so that they can study when it is dark.

The Horn of Africa is one of the most conflict-prone regions in the world. On top of that, poor rainfall is causing drought in Ethiopia and Somalia and in 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. We promoted women's economic empowerment and resilient livelihoods in Ethiopia, and quality education, inclusive governance and resilient livelihoods in Somalia. Furthermore, we adjusted our programming to be able to respond to the COVID-19 crisis. In South Sudan, the Addressing Root Causes project empowers women and youth to engage in income-generating activities, and peace committees are appreciated and recognised for mitigating and resolving conflicts. Thanks to the partnership with Waka Waka, we were also able to provide solar lights to school children in Sudan.

In the Sahel, the combined effects of extreme weather, armed conflicts, high insecurity and volatile prices have contributed to severe food insecurity and malnutrition for many areas. In Mali and Niger, our programming is focused 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 livelihoods, food security and resilience to climate change among farmers, particularly through climate-smart agriculture. Here, as well, we adjusted our programming to respond to the COVID-19 crisis.

In 2019–2020, we 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 projects aimed at promoting women's economic empowerment and ending gender-based violence.



**In the Sahel, the combined effects of extreme weather, armed conflicts, high insecurity and volatile prices have contributed to severe food insecurity and malnutrition for many areas.**



### Asia and the Pacific

In Southern Asia, we are active in Afghanistan, Bangladesh, Pakistan and Sri Lanka. 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. In Bangladesh, we helped female textile workers cope with the COVID-19 crisis through an H&M Foundation-funded programme.

In Southeast Asia, we focused on mitigating disaster risk and enhancing livelihoods through the Partners for Resilience programme. In the Philippines, we worked on community resilience with funds from the European Union. Here funds were redirected to respond to the COVID-19 pandemic. In April 2020, Cyclone Harold caused widespread destruction in the Solomon Islands, Vanuatu, Fiji, and Tonga. With funds from the European Union, we delivered a first phase response to help the community in Vanuatu access safe shelters and essential household items.

## Middle East

In the Middle East, our work is focused on two major crises: the Syrian conflict and the conflict in Yemen. With financial support from the Netherlands Ministry of Foreign Affairs and in partnership with several Dutch NGOs, we provided humanitarian aid in Northwest Syria. In the geographic areas affected by the Syrian crisis in Jordan, we helped Jordanian women collectively save money, develop their business skills and access affordable loans to successfully build their own enterprises. A grant from the Dutch Postcode Lottery enabled us to work with Syrian women in Jordan in order to enhance their access to income-generating opportunities.

In Yemen, CARE leads the Joint Humanitarian Response funded by the Netherlands Ministry of Foreign Affairs via the Dutch Relief Alliance. Through European Union-funded projects, we also provided support to vulnerable communities. Several projects in Yemen are specifically aimed at empowering women: a project funded by the H&M Foundation is aimed at economically empowering women by supporting them in starting their own business, while projects funded by the Netherlands Ministry of Foreign Affairs involve sparking a community dialogue on women's rights.

**In the Middle East,  
our work is  
focused on two  
major crises:  
the Syrian conflict  
and the conflict  
in Yemen.**



### Latin America

Our work in Latin America is focused on reducing inequalities through women's economic empowerment and increasing community resilience through disaster risk reduction and climate change adaptation. In Guatemala and Peru, we implemented the Women in Enterprise programme 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 able to enhance the coffee production and income generation of small-scale women coffee producers in Guatemala. In Ecuador, we contributed to reducing vulnerability and building resilience to disasters in peri-urban and rural areas through a project funded by the European Union.

**We were able to enhance the coffee production and income generation of small-scale women coffee producers in Guatemala.**





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## Knowledge development

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



### Humanitarian Action

In collaboration with staff from other CARE members, we started updating [CARE International's Emergency Toolkit](#), where we collect humanitarian response protocols, guidelines and tools for CARE staff and partners. With the Humanitarian Leadership Academy, a global learning initiative, we created a localisation working group as part of the Joint Response in Yemen to compile lessons learned regarding localisation.



### Climate Change & Resilience

We commissioned the International Institute of Social Studies to formulate concrete recommendations on how to deal with conflict in our Climate Change and Resilience programming. With Wetlands International, we worked on an analysis of the implementation of Sendai target E in the Partners for Resilience programme countries. We also conducted a study to track climate change adaptation finance in the Partners for Resilience programme countries.



### Governance & Stability

As part of the Addressing Root Causes of Violent Conflict project in South Sudan, we developed a **Peacebuilding Manual** and a complementary **picture book** to illustrate different concepts. This book is now used by peace club and peace committee members in Jonglei. Together with The Hague Academy for Local Governance, we published a **learning brief**, which compiles the main lessons learned from our capacity strengthening interventions focused on local authorities within the Every Voice Counts programme. As part of this programme, we also published learnings on the way **social norms influence inclusive governance** and **how campaigning can shift social norms**.



### Women's Economic Empowerment

We launched the **Women Mean Business report**, which outlines the results of the Women in Enterprise programme. In addition to highlighting the impact the programme has had on women entrepreneurs, the report also provides more insight into the key programme components that effectively support them, namely strengthening skills, facilitating access to finance and capital, encouraging the power of groups and networks, improving the business environment, and engaging men and boys. We launched this report at an international, multi-stakeholder online event and discussed ways of working together to follow up on its recommendations.



## Advocacy

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.

**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.**



### Humanitarian Action

We have continued to support the Dutch Relief Alliance in discussions on Gender in Emergencies with MFA. In these discussions, we emphasised the need for protection for women and girls, their equal access to aid, and interventions targeting their specific needs. We initiated and contributed to a letter on localisation, which was signed by Charter4Change partners in the Netherlands and shared with the Ministry of Foreign Affairs. In response to the COVID-19 pandemic, we urged the Dutch government to support a gender-sensitive localised response and provided evidence from our programming work. The Advisory Council for International Affairs took our advice and emphasised the need to work with local actors in its recommendations to the cabinet on the COVID-19 response.



### Climate Change & Resilience

Throughout FY20, we advocated for the importance of having an integrated approach to the economic recovery from COVID-19. As a result, the work of the Partners for Resilience programme was mentioned twice during the United Nations meeting on climate change as a best practice. At the same time, CARE is concerned about the lack of progress in international negotiations on climate change and our access to these processes due to COVID-19 restrictions. With our EU network and colleagues in Brussels, we engaged with the new Disaster Preparedness Strategy and Adaptation Strategy for the European Union (EU). We aimed to ensure that disaster risk reduction remains a priority for the EU and that it continues to support programmes to reduce the impact of extreme weather events on the most vulnerable communities. As a member of the Partners for Resilience programme, we also organised an exhibition on Climate Change Adaptation at the Netherlands Ministry of Foreign Affairs.



### Governance & Stability

Through CARE Brussels, we engaged with the European Union to influence the content of the (draft) Gender Action Plan (GAP III). CARE Brussels reported back that CARE's input played a significant role in consultations

and that the EU showed great appreciation for CARE as a key civil society actor on gender. In the Netherlands, we engaged with WO=MEN in advocacy on Women, Peace and Security and the drafting of the National Action Plan on Women Peace and Security (NAP 1325). Due to its visibility, CARE NL was elected to the Informal Oversight Board NAP 1325, putting it in a key position to advise on the new NAP, which will be published in October.



### Women's Economic Empowerment

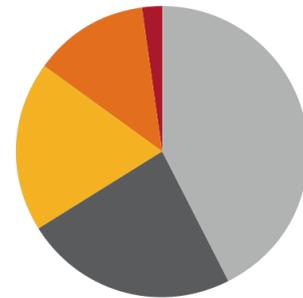
We launched the Women Mean Business campaign in support of women entrepreneurs in low-income communities. This campaign reached over 1 billion people. The online launch event included hundreds of stakeholders from 36 countries. We also contributed to the development of a CARE International bid, which resulted in CARE being selected as a leader of the Beijing+25 Generation Equality Action Coalition on Economic Justice and Rights. We contributed to CARE policy briefs on the impact of COVID-19 on Women's Economic Empowerment, particularly the impact that the pandemic has on women entrepreneurs, and called on the Dutch parliament to promote explicit support for women entrepreneurs in the Netherlands' international COVID response.

## Fundraising results

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.

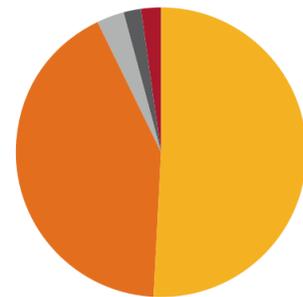
In 2019–2020, the number of individual donors was 26,225. All donors received monthly newsletters with updates on CARE Nederland’s developments and projects. New donors received several additional themed newsletters. We received 88 individual donor complaints over the past year. Each complaint was dealt with according to our complaints policy.

In 2019–2020, we raised €52,665,174.



- 43% from the Netherlands Ministry of Foreign Affairs
- 24% from other grants
- 19% from the European Commission
- 13% from individuals and corporate donors
- 2% from lotteries

Our total expenses in 2019–2020 were €51,156,910.



- 51% on Sustainable Development
- 42% on Humanitarian Action
- 3% on Income Generation
- 2% on Multiplying Impact<sup>1</sup>
- 2% on Management & Administration

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

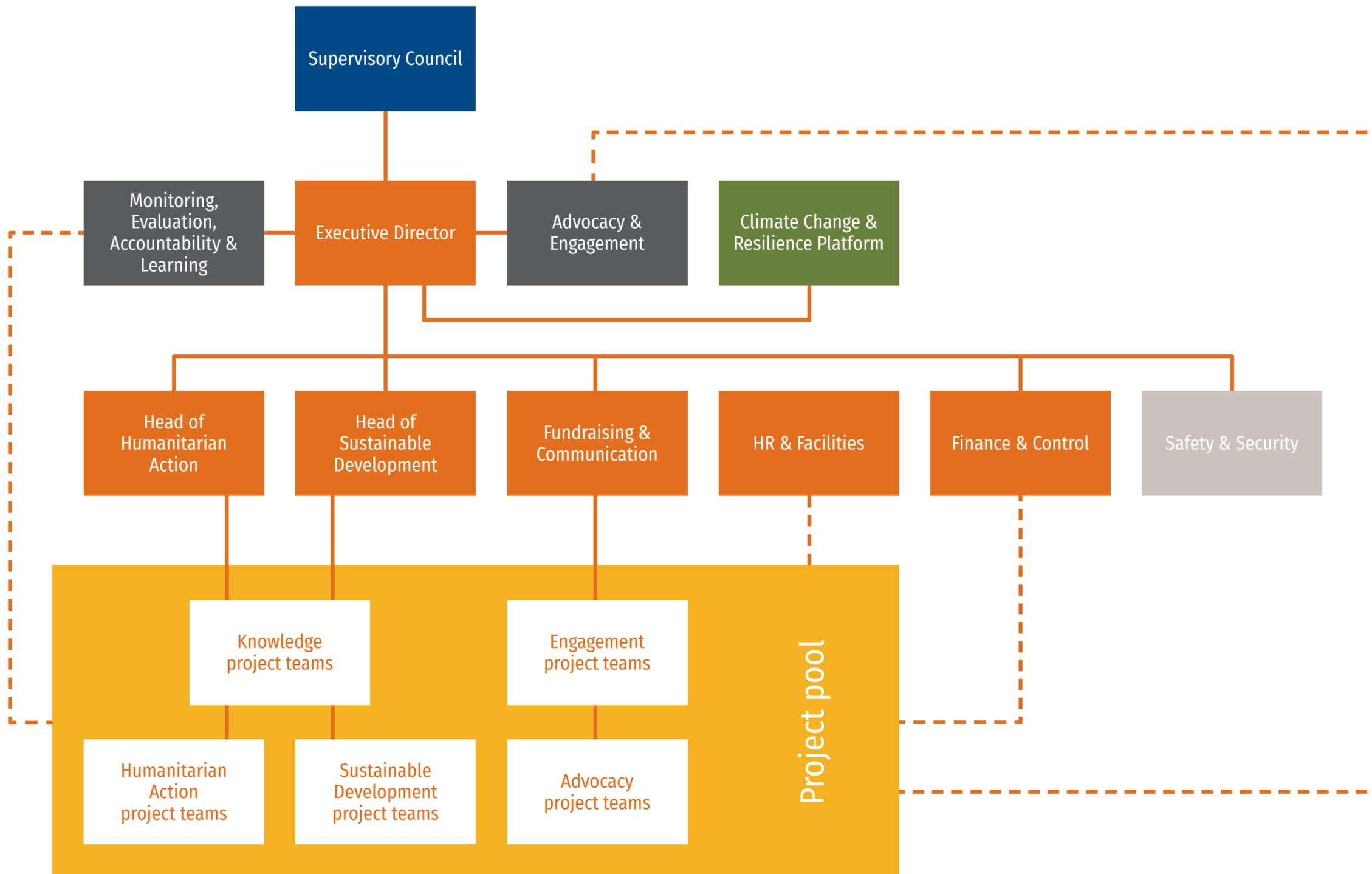


# Our people and culture

## Chapter 8

CARE Nederland had a total of 55 employees at the end of the 2019–2020 fiscal year. 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 and Sustainable Development, 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

Reintje van Haeringen is also a member of the Advisory Board of the Credit4Cuba (C4C) Foundation and a member of the Supervisory Board of FMO, the Dutch entrepreneurial development bank.

## 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 focused 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: the Audit Committee and the 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 the 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	October 2020 - October 2024		■
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			
Dustin Woodward	November 2019 - November 2023		■	

### 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

*This past financial year was marked by the global effects of the COVID-19 virus. It goes without saying that the pandemic has had a major impact on CARE's work with vulnerable groups worldwide. COVID-19 lockdowns have had a particularly devastating effect on developing countries, where a high percentage of people rely on informal economic activities. CARE Nederland and the CARE International confederation have been able to come together and take action in the countries and communities most affected.*

*Over the past financial year, the Supervisory Council formally convened on six occasions. In addition, four extra (virtual) meetings took place to discuss the impact of the COVID-19 pandemic on the CARE organisation and on development aid in general. The financial statements and the annual report for the 2018–2019 financial year were adopted in November 2019. In February 2020, the Midterm Review of the Annual Operating Plan 2019–2020 was discussed. Also in February, a self-evaluation by the Supervisory Council took place, using guidelines provided by the consulting firm PwC. In June 2020, the planning and budget for the 2020–2021 financial year were approved.*

*The Audit Committee convened with the manager of Finance and Compliance on two occasions: in November 2019 to approve the annual report and financial statements, and in June 2020 to approve the annual operating plan and budget for the following financial year. The Remuneration Committee held an evaluation with the Executive Director in July 2019, discussed performance over the past financial year and set priorities for the current.*

*Jochem Ijbema, chair of the Audit Committee and chair of the Remuneration Committee, left the Supervisory Council after two terms. We thank him for his commitment and valuable contributions. His successor, Dustin Woodward, joined the Supervisory Council in November 2019. Mr Woodward was also appointed chair of the Audit Committee. Ms Karen Bakhuisen took over Mr Ijbema's role in the Remuneration Committee.*

*The CARE International Council, formed by the chairs of the Supervisory Councils of the different CARE members, convened virtually for their annual meeting in June 2020 in the presence of the Executive Directors. Apart from a reflection on the effects of COVID-19 on the confederation's work and the world around us, the proposed CARE*

**This past financial year was marked by the global effects of the COVID-19 virus.**

*Vision for 2030 was discussed, as well as issues related to the governance and future of the Confederation. The Confederation's current governance model was approved in 2014, and in this fiscal year it was evaluated by an external party. From the findings, it was concluded that the model is fit for its purpose. At the same time, the model will continue to evolve to include an increasing number of organisations from the Global South and to ensure mutual accountability among members.*

*In July 2020, the CARE Vision 2030 was approved by the International Council as the strategic framework for the Confederation's impact, revenue model and organisational development. CARE Nederland will soon start the process of defining its contribution towards impacting poverty and inequality in the coming years within the Vision 2030. In line with this vision, emphasis will be placed on enhancing gender equality and on the strengthened position and role of local organisations in achieving impact.*

*During the Supervisory Council's regular meetings, CARE Nederland staff shared their experiences with us on specific ongoing projects, such as the Women, Peace & Security project in Yemen, funded by the Ministry of Foreign Affairs, and projects carried out under the Dutch Relief Alliance.*

*Apart from that, the Supervisory Council met with the works council on one occasion to discuss CARE Nederland's daily business.*

*We are grateful for the long-standing and ongoing support of Dutch Ministry of Foreign Affairs, the European Union, the Dutch Postcode Lottery, and the H&M Foundation, which, among other donors, allow us to sustainably contribute to a fairer world. Likewise, we would like to thank all individual givers for their kind donations to CARE Nederland. Their generous contributions make CARE Nederland's work possible. Furthermore, the Supervisory Council would like to thank all staff members for their hard work over the past year and for their endurance and resilience in the face of COVID-19.*

**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 Statutory 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
- Erkenningsregeling 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 to fight 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. Our CSR priorities are:

- **Minimise the carbon footprint of CARE Nederland**  
In 2020, we installed software and equipment for video conferencing in order to minimise our carbon footprint. Due to the COVID-19 situation, CARE employees were not permitted to travel as of March 2020. This unexpectedly reduced our carbon footprint compared to previous years.
- **Implement CSR criteria in agreements with partners and suppliers**  
We assessed the CSR programme of two new suppliers when establishing contracts with them.
- **Ensure safety and security for all our staff**  
Staff members who travel abroad attended an external Safety and Security training. Staff travelling to high-risk destinations attended a specialised external Hostile Environment Awareness training.

We developed specific COVID-19 guidance, operating guidelines and protocols to ensure staff safety and security throughout the pandemic.

- **Take a respectful approach to (potential) donors and impact groups**

In 2019–2020, we set-up a Safeguarding Complaint Mechanism and a Whistle-blower Policy, which provides more and better opportunities for employees to address misconduct. Furthermore, CARE International renewed its Safeguarding Policy to include sexual harassment as unacceptable behaviour, applying a broader time scope for a broader public.

- **Ensure transparent cost accounting**

We work with funding from public and private donors and place great importance on providing clarity to our external and internal stakeholders on how these funds are used to achieve impact related to our mission. In doing so, we carefully adhere to accepted industry standards on accounting for and reporting our costs.

### **Integrity**

CARE has a zero-tolerance policy toward fraud, sexual exploitation and abuse, and child abuse. We take seriously all concerns and complaints involving CARE employees and related personnel. CARE International's Policy on

Fraud and Corruption can be found [here](#). It reflects the fundamentals and core concept that all CARE Members agree to abide by in order to prevent and respond to fraud and corruption. CARE International's Safeguarding Policy defines CARE's commitment to protecting adults and children from sexual harassment, exploitation and abuse by CARE employees, related personnel, programme visitors and volunteers. This policy can be found [here](#). It applies to CARE employees and related personnel both during and outside working hours.

We will initiate a rigorous investigation into 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 or 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 (2019) 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. In 2020, the global crisis related to the COVID-19 pandemic started affecting our organisation, income, programming and results in ways that we could not entirely foresee or plan for. We are thus working with evolving scenarios regarding the impact of COVID-19.

CARE Nederland uses a risk matrix to help determine the size and scope of each risk it faces.

- **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. We also engage in joint advocacy to influence government decisions on Official Development Assistance (ODA).
- **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. In 2020, CARE developed COVID-19 guidance, operating guidelines and protocols to ensure staff safety and security throughout the pandemic. 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. In 2018–2019, a new Fundraising & Communication strategy was developed, and we continued implementing this strategy in 2019–2020. Despite a suspension of individual fundraising activities due to COVID-19, income from individual donors increased. In 2019–2020, we started working more closely with the CARE USA Internal Audit Team, working together on audits in Somalia and the Philippines. In this way, we not only contributed to the financial capacity of these country offices, but also learned from the county offices and the Internal Audit team. This will ultimately decrease the risk of ineligible costs. Currently, the financial impact of COVID-19 is limited and evolving in accordance with the most likely scenario. If there are financial consequences, we will absorb them using the liquidity and free reserves available, so that our programmes – both new and

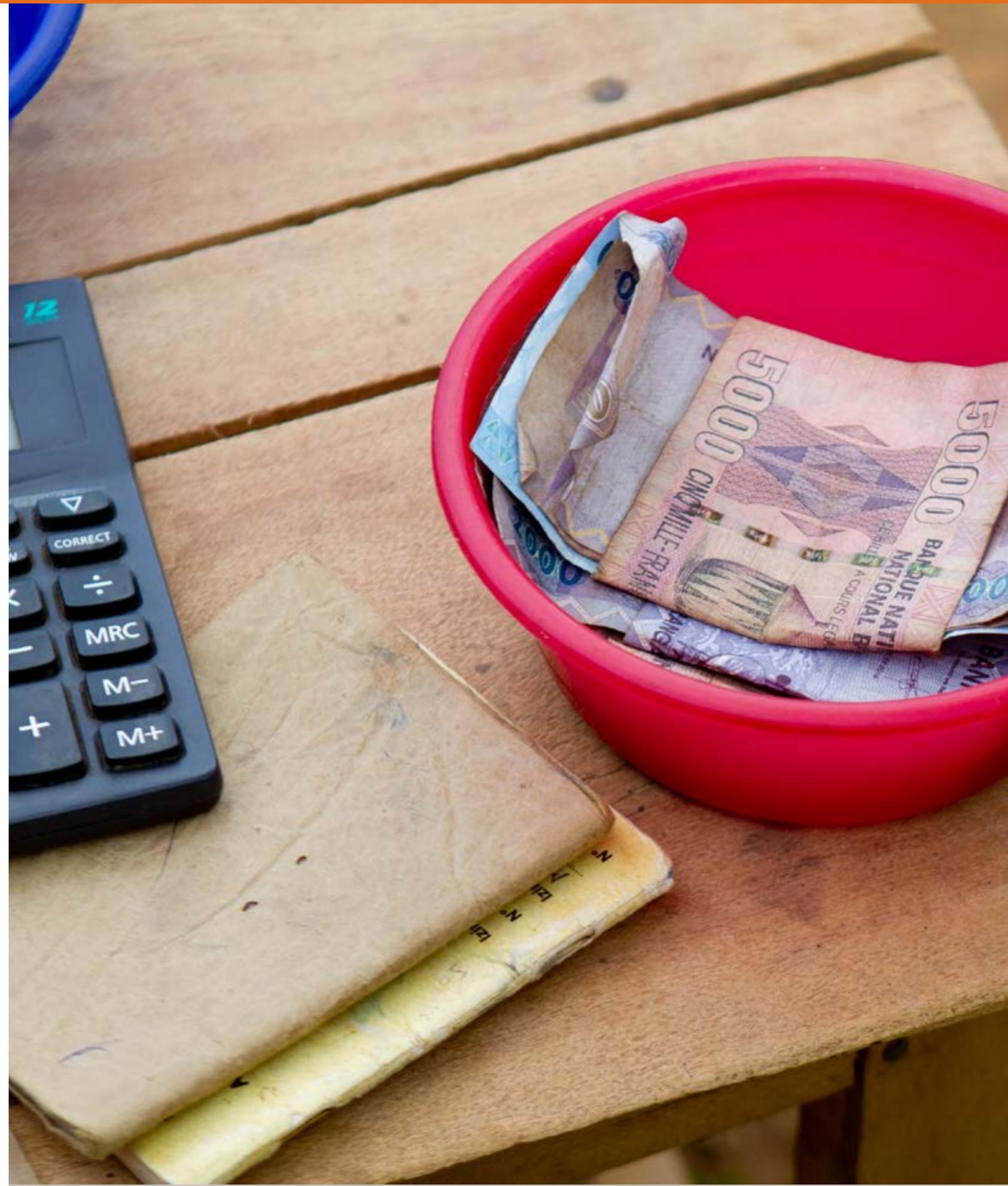
already implemented – can proceed. If it eventually turns out that, in the most likely scenario, COVID-19 is hitting the organisation harder than anticipated, additional cost-saving measures will be taken.

- **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. Our Code of Conduct expresses zero tolerance towards fraud and sexual exploitation and abuse and CARE International's Policy on Protection from Sexual Exploitation and Abuse is adhered to by CARE Nederland. We adhere to the Inter-Agency Misconduct Disclosure Scheme and have restructured our recruitment process to place more emphasis on this policy in the recruitment phase.

# Our annual accounts 2019-2020

## 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 2019 to 30 June 2020 (indicated as 2019-2020). 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, the 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

CARE Nederland's total revenue in financial year 2019 – 2020 (FY20) was approximately EUR 52.7 million, nearly a 23% (16.3 million) decrease compared to financial year 2018 – 2019 (FY19) but 32% (12.7 million) above the budgeted revenue of approximately EUR 40 million. In FY19, CARE Nederland was the lead in a large 'CASH consortium project' in Yemen (> 18 million) of which the biggest part of the revenue was directly transferred to consortium partners. The total expenses are in line with the revenue. Donations for specific projects or programmes that CARE Nederland has not yet spent have been added to the designated funds.

- Despite a temporary suspension of fundraising for individual donors, total income from individual fundraising is more than 13% above budget (total is EUR 3.85 million), mainly because of additional investments in the retention of donors.
- The income from institutional donors was EUR 12.2 million more than expected. CARE Nederland was quite successful in raising money for our Humanitarian Action activities (the revenue exceeded the budget with EUR 10.8 million). The revenue for our Sustainable Development activities exceeds the budget by EUR 1.4 million.
- CARE NL received two donations (total EUR 2.8 million) from the H&M Foundation for a new phase of our existing programme and the new project 'Building Resilience of Women Garment Factory Workers' in Bangladesh.

As a result, our Humanitarian Action activities were – at EUR 21.9 million – 83% above budget, while the Sustainable Development activities exceeded the budget by 8%. Fundraising investment was a little above budget (1.2%) and grew by 1% compared to FY19.

### 2.2 Financial position

After withdrawing from earmarked reserves and other funds to cover our project activities and adding to other earmarked reserves, CARE Nederland realised a positive result of EUR 85,000, which will be added to the continuity reserve. This reserve would allow CARE Nederland to continue its activities for 7.5 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 2019 to 30 June 2020 (indicated as 2019–2020).

### 3.2 Balance sheet

Assets	30 June 2020	30 June 2019
I. Tangible fixed assets (ref. 5.1)	32,409	19,383
II. Financial fixed assets (ref. 5.2)	54,071	54,040
	86,480	73,423
III. Receivables, prepayments and accrued income (ref. 5.3)	19,919,558	18,915,317
IV. Cash and cash equivalents (ref. 5.4)	19,157,795	20,881,893
	39,077,353	39,797,210
<b>Total assets</b>	<b>39,163,833</b>	<b>39,870,633</b>

Liabilities	30 June 2020	30 June 2019
V. Reserves and funds (ref. 5.5 and 5.6)	7,642,201	7,230,967
• Continuity reserve	3,458,285	3,373,393
• Earmarked reserves	1,826,776	2,189,213
• Earmarked funds	2,357,139	1,668,361
VI. Current liabilities (ref. 5.7)	29,951,479	30,666,445
VII. Non-current liabilities (ref. 5.8)	1,570,154	1,973,221
<b>Total liabilities</b>	<b>39,163,833</b>	<b>39,870,633</b>

### 3.3 Statement of income and expenditure

	Result 2019-2020	Budget 2019-2020	Result 2018-2019
<b>Revenue</b>			
I. Individual donations (ref. 6.1.1)	3,853,310	3,400,000	3,225,137
II. Corporate donations (ref. 6.1.1)	2,885,977	2,417,000	79,226
III. Lotteries (ref. 6.1.2)	900,000	957,000	2,400,000
IV. Government grants (ref. 6.1.3)	44,856,081	32,651,000	62,230,156
V. Other fundraising organisations (ref. 6.1.4)	69,486	543,000	969,131
<b>Other revenue</b>			
VI. Other income (ref. 6.1.5)	100,320	-	35,268
<b>Total revenue</b>	<b>52,665,174</b>	<b>39,968,000</b>	<b>68,938,918</b>
<b>Expense</b>			
VII. Expenditure on objectives (ref. 6.2.2)	49,706,248	38,773,000	68,465,638
Humanitarian Action	21,865,414	11,949,000	26,079,624
Sustainable Development	26,583,783	24,636,000	41,138,820
Multiplying Impact	1,257,051	2,188,000	1,247,194
VIII. Fundraising (ref. 6.2.3)	1,381,356	1,364,000	1,364,671
IX. Management and administration costs (ref. 6.2.3)	1,069,306	940,000	955,652
<b>Total expenses</b>	<b>52,156,910</b>	<b>41,077,000</b>	<b>70,785,961</b>
Result before change financial revenue/expense	508,264	1,109,000-	1,847,043-
Result financial revenue/expense (ref. 6.1.6)	97,031-	26,000-	2,498
<b>Result after change Finance Revenue/Expense</b>	<b>411,233</b>	<b>1,135,000-</b>	<b>1,844,545-</b>

### 3.4 Appropriation of the result

	Result 2019-2020	Budget 2019-2020	Result 2018–2019
<b>Result</b>	<b>411,233</b>	<b>1,135,000-</b>	<b>1,844,545-</b>
Continuity reserve	84,892	109,000	53,486
Earmarked reserves	362,437-	635,000-	376,991-
Earmarked funds	688,777	609,000-	1,521,040-

### 3.5 Cash flow statement

	2019-2020	2018-2019
<b>Total liquid assets as of 1 July</b>	<b>20,881,893</b>	<b>17,908,482</b>
<b>Cash flow from operational activities</b>		
Cash received from donors	4,869,460	4,252,458
Cash received from subsidies	47,252,268	64,575,393
Payments in the context of subsidies	46,969,282-	59,287,829-
Payments to suppliers and employees	6,940,787-	6,575,479-
	1,788,341-	2,964,542
Received interest	2,427	4,766
Paid interest	-	-
Revenue from other income and expenses	-	-
Payments for other income and expenses	-	-
	2,427	4,766
<b>Cash flow from investing activities</b>		
Investments in tangible fixed assets	26,211	11,795
Disposals of tangible fixed assets	-	-
	26,211	11,795
	1,759,703-	2,981,103
<b>Exchange rate differences of funds</b>	35,605	7,692-
<b>Increase / Decrease in funds</b>	<b>1,724,098-</b>	<b>2,973,411</b>
<b>Total liquid assets as of June 30</b>	<b>19,157,795</b>	<b>20,881,893</b>

### 3.6 Key performance indicators

	Result 2019–2020	Target 2019–2020	Result 2018–2019
Expenditure on objective as a percentage of total income	94	97	99
Expenditure on objective as a percentage of total expenditure	95	94	97
Management and administration expenses as a percentage of total expenditure	2	2	1

The expenditure on strategic objectives divided by the total income is relatively low because of the two H&M Foundation donations and because the majority of the expenses for a project funded by the Dutch Postcode Lottery will be incurred in FY21. The expenditure on objectives as a percentage of total expenditure is a little bit higher than budgeted. The percentage of General & Administration costs is on target, even a little bit lower than the target (2.1% vs 2.3%). Because of the very high expenditure on strategic objectives in FY19, the percentage of ‘General & Administration Costs’ increased from 1.4% to 2.1%.

## 4 Accounting principles

### 4.1 General

#### 4.1.1 Reporting standards

CARE Nederland’s financial statements are prepared according to the RJ650 Dutch Annual Accounting Standard for Fundraising Institutions as 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 Comparison with previous years

The valuation principles and method of determining the result are the same as those used in the previous year.

#### 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

Assets and liabilities are generally valued at acquisition cost, production cost or at current value. If no specific valuation method is indicated, the valuation is done at actual value. References are included in the balance sheet and statement of income and expenses.

#### 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. Under the investments in tangible fixed assets, only the investments are included for which in 2019 – 2020 cash was paid. 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 / Giro555) are accounted for in the year of receipt. The income from lottery organisations is recognised in the year in which the income was received.

#### 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 EURO 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 pension scheme is arranged with ‘A.S.R verzekeringen’. CARE Nederland has an ‘average salary scheme’. The arrangement is twofold:

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

CARE Nederland pays the premium for the ‘ANW gap insurance’ in full.

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.

CARE Nederland has no other obligations than the monthly premium payments.

## 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 2019</b>	<b>4,119</b>	<b>15,179</b>	-	<b>85</b>	<b>19,383</b>
Accumulated investments as at 30 June 2019	21,166	88,079	-	5,996	115,241
Investments in the reporting period	-	12,411	-	13,800	26,211
Disposals in the reporting period	-	-	-	-	-
Accumulated investments as at 30 June 2020	21,166	100,491	-	19,796	141,453
Accumulated depreciation as at 30 June 2019	17,047	72,900	-	5,911	95,858
Depreciation in the reporting period	1,459	10,723	-	1,005	13,186
Disposals in the reporting period	-	-	-	-	-
Accumulated depreciation as at 30 June 2020	18,505	83,623	-	6,916	109,044
<b>Carrying value as at 30 June 2020</b>	<b>2,660</b>	<b>16,868</b>	-	<b>12,880</b>	<b>32,409</b>

All tangible fixed assets (office equipment) is used for CARE Nederland business operations. CARE Nederland invested in ‘Zoom rooms’ to improve international and national communication possibilities. The total investments in

communication equipment were EUR 13,800. Together with the investments in computer hardware, CARE Nederland's investments were EUR 26,211. The total depreciation in financial year 2019 – 2020 amounted to EUR 13,186. The carrying value of the tangible fixed assets on 30 June 2019 was EUR 32,409.

## 5.2 Financial fixed assets

Reference 5.2	30 June 2020	30 June 2019
Opening balance	54,040	54,021
Earned interest	31	19
<b>Closing balance</b>	<b>54,071</b>	<b>54,040</b>

CARE Nederland's part in the 'CARE International revolving fund', which was created in financial year 2001 – 2002, stayed almost the same. 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 8,571 was added to the principal sum. During the reporting period, the interest on the revolving fund was EUR 31.

## 5.3 Receivables, prepayments and accrued income

Almost 98% 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 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 2020	30 June 2019
Ministry of Foreign Affairs	4,527,644	3,291,538
European Commission	11,795,458	13,858,944
Other donors	3,117,443	1,108,339
<b>Total project receivables</b>	<b>19,440,545</b>	<b>18,258,821</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 supplying funding for the entire project implementation period. In the case of grants, income is recognised after expenses are incurred.

Reference 5.3	30 June 2020	30 June 2019
<b>Project receivables</b>		
Long-term project receivables	240,714	2,133,741
Short-term project receivables	19,199,831	16,125,080
	19,440,545	18,258,821
<b>Debtors</b>		
Various debtors	63,453	63,251
	63,453	63,251
<b>Other receivables</b>		
Security deposits	13,032	13,032
VAT	175,310	189,611
	188,342	202,643
<b>Prepayments and accrued income</b>		
Statutory payroll / Social security	-	-
Prepaid pension insurances	117,202	132,216
Other staff costs	30,755	55,525
Interest due	-	-
Miscellaneous	79,261	202,861
	227,218	390,602
<b>Total receivables</b>	<b>19,919,558</b>	<b>18,915,317</b>

## 5.4 Cash and cash equivalents

Reference 5.4	30 June 2020	30 June 2019
<b>Cash balances</b>		
Cash in hand (EURO)	-	-
	-	-
<b>Banks</b>		
Current account (EURO)	1,903,836	1,839,569
Current account (foreign currency)	81,496	541,805
Savings account / deposit (EURO)	17,172,463	18,500,519
	19,157,795	20,881,893
<b>Total cash and cash equivalents</b>	<b>19,157,795</b>	<b>20,881,893</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, which must meet certain 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 programmes, and we want to be able to act quickly in the event of a humanitarian emergency. CARE Nederland wants to spend as much of its resources as possible on programmes, so these reserves should not 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 2019	Dotation	Extraction	30 June 2020
<b>Reserves</b>				
<b>Continuity reserve</b>	<b>3,373,393</b>	<b>84,892</b>	<b>-</b>	<b>3,458,286</b>
Earmarked reserve for covering the costs of the organisation	315,983	178,240	129,727	364,496
Earmarked reserve for covering direct project costs	532,921	359,951	654,972	237,899
Earmarked reserve for high-risk projects	496,845	12,880	-	509,725
Earmarked reserve for capacity and quality development	289,758	-	35,000	254,758
Earmarked reserve for Fundraising	90,000	-	60,000	30,000
Greenfund reserve	50,000	4,000	-	54,000
Earmarked reserve for Innovative Activities	100,000	-	50,000	50,000
Earmarked reserve for Emergency Aid Projects	313,706	12,327	135	325,898
<b>Total earmarked reserves</b>	<b>2,189,213</b>	<b>567,398</b>	<b>929,834</b>	<b>1,826,776</b>
<b>Total reserves</b>	<b>5,562,606</b>	<b>652,290</b>	<b>929,834</b>	<b>5,285,062</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 2020, operating costs are calculated at EUR 6,332,022, which implies that the continuity reserve for CARE Nederland is maximised to EUR 9,498,033 for the 2019 – 2020 period. As the current continuity reserve amounts to EUR 3,458,286, CARE Nederland meets the requirements set in the Goede Doelen Nederland guidelines.

CARE Nederland has 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. After financial year 2019 – 2020, CARE Nederland is able to add EUR 85,000 to the continuity reserve. Because the amount of ‘mid-term funding’ for staff decreased due to less funding from Strategic Partnerships with MFA, the coverage of the continuity reserve decreased to 63% or 7.5 months. Compared to last year, this is a decrease of 5% or 0.7 month. In financial year 2020 – 2021, CARE Nederland needs to reduce staff because of the loss of funding from the Strategic Partnerships. CARE Nederland may use a small part of the continuity reserve (max. EUR 50,000) to cover additional costs caused by this staff reduction. In the mid/long term, the coverage of the continuity reserve will increase again because of less organisational costs due to the staff reductions.

### 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 programmes 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.

<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.

**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. After reviewing the project portfolio, CARE Nederland concluded there is no need for a change in the earmarked reserve for high-risk projects. The risk of ‘ineligible’ costs on EU-funded programmes decreased, but on the other hand there is a risk of delay in implementing programmes due to COVID-19. We added EUR 13,000 to this reserve: a couple years ago CNL deducted EUR 13,000 on a final staff payment (there is a risk that we still need to pay USA income tax) and ‘parked’ this on a suspense account. We cleared this account and added the amount to this reserve.

**Earmarked reserve for capacity and quality development**

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 used a small part of this reserve because of investments in Power BI reports and project-controlling capacity.

**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 financial year 2018 – 2019 and 2019 – 2020 to meet our future goals. For financial year 2019 – 2020, we budgeted a EUR 60,000 withdrawal of this reserve. Because investments were as budgeted, we withdrew EUR 60,000, of which a fundraising reserve of EUR 30,000 remains. After financial year 2020 – 2021, we expect the additional revenue to be higher than the additional costs, allowing us to cover additional expenses without using our reserves. The remaining EUR 30,000 will be used for additional investments.

**Green fund reserve**

The Green fund reserve seeks to compensate for the CO2 emissions that arise from activities carried out by CARE Nederland. Because staff travelled less due to COVID-19, CARE Nederland added EUR 4,000 (instead of EUR 7,000) to the green fund reserve.

**Earmarked reserve for innovative activities**

In financial year 2013–14, CARE Nederland introduced an earmarked reserve for innovative activities. In FY20, half of this reserve (EUR 50,000) was used to fund the ‘Resilience learning lab’ in the Philippines.

**Earmarked reserve for Emergency Aid projects**

This year CARE Nederland was able to add EUR 12,192 to this reserve, bringing the total reserve to EUR 325,898.

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

## 5.6 Funds

Reference 5.6	30 June 2019	Dotations	Extractions	30 June 2020
<b>Earmarked funds</b>				
Movement in H&M Foundation earmarked fund	823,191	1,245,893	675,814	1,393,270
Movement in NPL earmarked fund	774,528	-	135	774,393
Movement in earmarked fund for special programmes (private donations)	28,294	17,245	-	45,539
Movement in earmarked fund for emergency aid (private donations)	42,348	101,589	-	143,937
<b>Total earmarked funds</b>	<b>1,668,361</b>	<b>1,364,727</b>	<b>675,949</b>	<b>2,357,139</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 ended 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. The programme has been extended until FY21. In addition, CARE Nederland received two new donations from the H&M foundation: one for a new programme in Bangladesh and a donation for Phase 3 of the existing H&M Foundation programme. The portion of the donations that has not yet been used has been added to the earmarked fund. 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.

We had almost no additional expenses in FY20, so there was almost no withdrawal. We expect the remaining part of this earmarked fund to be withdrawn in FY21. The total donation was EUR 1,500,000, which will cover programme expenses in FY21. The movements in the 'earmarked funds for special programmes/emergency aid' were possible because of restricted donations we received in FY19.

## 5.7 Current liabilities

Reference 5.7	30 June 2020	30 June 2019
Short-term project commitments	25,764,129	27,189,246
Prepayment received from donors	2,851,485	2,309,017
Creditors	760,711	725,363
Accruals and deferred income		
• Statutory payroll / Social security contributions	110,678	-
• Holiday entitlement / Holidays	176,332	160,597
• Pension insurances	-	-
• Other staff costs	142,495	163,706
• Miscellaneous	145,648	118,516
	575,153	442,819
<b>Total current liabilities</b>	<b>29,951,479</b>	<b>30,666,445</b>

Short-term project commitments have a runtime of less than one year. Because of two ending Strategic Partnership programmes, the short-term project commitments decreased to EUR 25,764,129. CARE Nederland received down payments for designated project grants that were not yet fully committed to by the end of FY20. These down payments amounted to EUR 2,851,485. After a sharp decrease in 'Holiday entitlement' in FY19, there was a slight increase in FY20. Total holiday entitlement at the end of FY20 was EUR 176,332.

## 5.8 Non-current liabilities

Reference 5.8	30 June 2020	30 June 2019
Long-term project commitments	1,570,154	1,973,221
<b>Total non-current liabilities</b>	<b>1,570,154</b>	<b>1,973,221</b>

Non-current liabilities consist of long-term commitments to countries and are payable within five years. In financial year 2019 – 2020, there was a decrease in long-term commitments of EUR 403,067.

## 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 983,575, 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 Dutch 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. Because a couple of large CARE Nederland programmes will end in FY21, the total programme-related off-balance-sheet receivables have decreased, especially the long-term payables and receivables. The total programme-related off-balance-sheet receivables amount to EUR 16,093,872, while total off-balance-sheet payables add up to EUR 13,753,170. Of these amounts, the short-term receivables are EUR 12,407,783 and the short-term payables are EUR 11,840,587.

# 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 2019–2020	Budget 2019–2020	Actual 2018–2019
Individual donations	3,783,914	3,400,000	3,225,137
Bequests	69,395	-	-
Corporate donations	2,885,977	2,417,000	79,226
<b>Total income from own fundraising activities</b>	<b>6,739,287</b>	<b>5,817,000</b>	<b>3,304,363</b>

CARE Nederland's own fundraising activities are categorised into three groups of donors: 1) individuals, 2) bequests and 3) corporate donors and asset funds. The second category is new for CARE Nederland, as we received our first legacy in FY20.

#### *Donations from individuals & bequests*

Despite a temporary suspension of fundraising activities due to COVID-19, the income from donations by individual donors increased by almost 20% to EUR 3,783,310 (which is also more than 13% above budget). This increase is the result of the investments that CARE Nederland started with in FY19. In addition, the CARE Nederland fundraising team reacted to COVID-19 in a timely manner with a quick change of focus during the suspension and increased investments after the suspension. On top of the individual donations, CARE Nederland received a legacy of which the first 70% was transferred in FY20.

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

In financial year 2019 – 2020, CARE Nederland received two donations from the H&M Foundation for a new phase of our existing programme and the new programme 'Building Resilience of Woman Garment Factory Workers' in Bangladesh. The total income from 'Corporate donations' is EUR 2,885,977.

## 6.1.2 Lotteries

Reference 6.1.2	Actual 2019–2020	Budget 2019–2020	Actual 2018–2019
Dutch Postcode Lottery	900,000	957,000	2,400,000
<b>Total income from Lotteries</b>	<b>900,000</b>	<b>957,000</b>	<b>2,400,000</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 FY20.

## 6.1.3 Government grants

Reference 6.1.3	Actual 2019–2020	Budget 2019–2020	Actual 2018–2019
<b>Grants for project activities</b>	<b>43,388,184</b>	<b>31,007,000</b>	<b>60,598,446</b>
Ministry of Foreign Affairs	22,024,034	17,462,000	19,901,802
European Commission	9,336,668	9,287,000	34,888,380
Other grants	12,027,482	4,258,000	5,808,264
<b>Grants to cover administration costs</b>	<b>1,467,897</b>	<b>1,644,000</b>	<b>1,631,710</b>
Ministry of Foreign Affairs	590,963	630,000	435,794
European Commission	410,534	663,000	832,913
Other grants	466,400	351,000	363,003
<b>Total income from institutional donor grants</b>	<b>44,856,081</b>	<b>32,651,000</b>	<b>62,230,156</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.

In FY20, the total revenue from government grants decreased by EUR 17,374,075 to EUR 44,856,081. In FY19, CARE Nederland was the consortium lead in a large ‘cash project’ in Yemen funded by the European Union, which caused a spike in revenue. The realised revenue in FY20 is still 37% above budget. The difference in the budget is mainly due to the DRA Joint Response in Northwest Syria, a project we did not budget for and where CNL is the consortium lead. Total revenue of this project is EUR 5,000,000. In FY20, CARE Nederland received a relatively large amount of institutional grants through other organisations.

Income from the recovery of administrative costs remained 11% behind budget. Not all of the projects that we expected to close during FY20 have ended yet or we are still waiting on final donor approval. We expect to recognise the remaining 15% of the ICR in FY21 after the definitive grant amount has been determined and approved by donors.

#### 6.1.4 Other fundraising organisations

Reference 6.1.4	Actual 2019–2020	Budget 2019–2020	Actual 2018–2019
CARE International Fundraising	69,486	80,000	64,858
Other Fundraising Organisations	-	463,000	904,273
<b>Total income from third-party campaigns</b>	<b>69,486</b>	<b>543,000</b>	<b>969,131</b>

CARE Nederland received several contributions from CI members 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 contributions added up to EUR 69,486.

#### 6.1.5 Other income

Reference 6.1.5	Actual 2019–2020	Budget 2019–2020	Actual 2018–2019
<b>Other income</b>	<b>100,320</b>	-	<b>35,268</b>
Miscellaneous	100,320	-	35,268
<b>Total other income</b>	<b>100,320</b>	-	<b>35,268</b>

The other income is mainly caused by a settlement of a project with Somalia (the amount payable CARE Nederland registered was higher than the remaining amount after donor approval) and additional compensation for CNL staff in the Dutch Relief Alliance and a CARE Germany programme in the Philippines.

#### 6.1.6 Financial revenue/expense

Reference 6.1.6	Actual 2019–2020	Budget 2019–2020	Actual 2018–2019
<b>Interest income and income from investments</b>	<b>144-</b>	<b>4,000</b>	<b>6,415</b>
Interest	144-	4,000	6,415
<b>Financial Expense-exchange gain/loss</b>	<b>96,887-</b>	<b>30,000-</b>	<b>3,917-</b>
Currency exchange difference	96,887-	30,000-	3,917-
<b>Total interest income and income from investments</b>	<b>97,031-</b>	<b>26,000-</b>	<b>2,498</b>

CARE Nederland has no portfolio investments and therefore only income from interest is presented. Deteriorating interest rates (and even negative interest rates) turned the small revenue from interest EUR 6,415 into a cost of EUR 144.

CARE Nederland had an exchange loss on foreign currencies of EUR 96,887, mainly caused by our programme in Somalia. This loss led to a 'decommitment' to the country office as well, so CARE Nederland's costs decreased by the same amount. The effect of the FY20 exchange losses balances out in the result.

## 6.1.7 Overview of income from non-individual donors

<b>Non-individual donors</b>	<b>2019–2020</b>	<b>2018–2019</b>
<b>Corporates / Asset Funds</b>	<b>6,909,093</b>	<b>144,084</b>
<b>European Commission</b>	<b>15,802,194</b>	<b>35,836,948</b>
Development and Co-operation (EuropAid)	6,738,565	26,557,774
Humanitarian Aid and Civil Protection (ECHO)	3,008,637	9,163,520
Through third parties	6,054,992	115,654
<b>Ministry of Foreign Affairs</b>	<b>28,950,273</b>	<b>25,988,827</b>
Ministry of Foreign Affairs	22,614,997	20,337,596
Through third parties	6,335,276	5,651,231
<b>Dutch Postcode Lottery</b>	<b>900,000</b>	<b>2,400,000</b>
Dutch Postcode Lottery	900,000	2,400,000
Through third parties	-	-
<b>SHO/Giro 555</b>	<b>-</b>	<b>904,273</b>
<b>Other non-individual donors</b>	<b>103,615</b>	<b>404,381</b>
<b>Total</b>	<b>52,665,175</b>	<b>65,678,513</b>

In FY19, CARE Nederland received EUR 52,665,174 from non-individual donors. The source of this funding is summarized in the table above. If CARE Nederland operates in a consortium as a partner, the revenue is reported in the table above as “Through third parties”.

CARE Nederland receives also funding as being the ‘lead’ of a consortium. In FY20, CARE Nederland was lead of various consortia in Somalia, Ethiopia, Yemen, Indonesia and the Philippines. Through a Dutch partner, our flagship programme ‘Every Voice Counts’ and our Women, Peace and Security project in Yemen were implemented in Afghanistan, Burundi, Pakistan, Rwanda, Somalia, Sudan & Yemen. On behalf of the consortium members, CARE Nederland received EUR 11,905,343 from donors. This amount is included in the CARE Nederland revenue. This is a decrease of 62% compared to the previous financial year (EUR 31,015,178) and 23% (47% in the previous year) of the total income from non-individual donors. The table below presents the details. The decrease is mainly caused by the large ‘cash programme’ in Yemen in FY19.

<b>Countries of operation</b>	<b>CARE Nederland as consortium lead</b>	<b>Consortium Partner</b>	<b>Total 2019–2020</b>
<b>Humanitarian Action</b>			
Indonesia	549	-	549
Philippines	741,805	1,900,000	2,641,805
Somalia	4,051,916	-	61,248
Syria	1,632,793	3,786,229	5,419,022
Yemen	1,405,622	5,483,156	6,888,778
<b>Sustainable Development</b>			
Afghanistan	287,902	98,468	386,370
Burundi	1,581,002	1,484,565	3,065,568
Ethiopia	1,306,188	-	1,306,188
Pakistan	576,941	98,468	675,409
Rwanda	369,932	98,468	468,400
Somalia	4,362,453	100,901	4,463,354
Sudan	373,162	98,468	471,630
Yemen	1,659,314	1,243,379	415,934
<b>Total</b>	<b>14,358,911</b>	<b>11,905,343</b>	<b>26,264,255</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, fundraising costs, and 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 timesheets.

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 2019–2020	Budget 2019–2020	Actual 2018–2019
<b>Humanitarian Action</b>	<b>21,865,414</b>	<b>11,949,000</b>	<b>26,079,624</b>
Programme commitments	21,192,501	11,258,000	25,343,337
Costs incurred by CARE Nederland	672,913	691,000	736,287
<b>Sustainable Development</b>	<b>26,583,783</b>	<b>24,636,000</b>	<b>41,138,820</b>
Programme commitments	24,955,687	23,125,000	39,706,761
Costs incurred by CARE Nederland	1,628,096	1,511,000	1,432,059
<b>Multiplying Impact</b>	<b>1,257,051</b>	<b>2,188,000</b>	<b>1,247,193</b>
Programme commitments	1,424-	920,000	80,010
Costs incurred by CARE Nederland	1,258,475	1,268,000	1,167,183
<b>Total expenditure on objectives</b>	<b>49,706,248</b>	<b>38,773,000</b>	<b>68,465,637</b>

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

In FY20, the total expenditure on objectives are in line with the FY20 revenue. Compared to the budget, CARE Nederland spent EUR 10,835,981 more than expected. This is mainly caused by additional Humanitarian Action programming. Costs for Sustainable Development projects and programmes exceeded the budget with EUR 1,947,783. The budgeted amount of EUR 920,000 ‘programme commitments’ under ‘Multiplying Impact’ should have been budgeted under Sustainable Development.

CARE Nederland responded to humanitarian crises in Yemen, Somalia, Sudan, South Sudan, Syria, Cameroon, Mozambique, Zambia, DRC, Peru, the Philippines and Indonesia through the CARE International network (and our partners) with a total expenditure of EUR 21,865,414, which is EUR 9,916,414 more than planned. Our expenditure on Sustainable Development exceeded the budget by almost EUR 2,000,000. In addition to our multi-country programme, CARE Nederland has programmes in Burundi, Guatemala, Somalia, Ethiopia, Sudan, South Sudan, the DRC, Yemen and Jordan.

Our expenditure on Multiplying Impact is almost the same compared to our expenses in FY19.

Funding source	Humanitarian Action	Sustainable Development	Multiplying Impact	Total 2019–2020	Total 2018–2019
Ministry of Foreign Affairs	12,012,845	10,012,613	1,424-	22,024,034	19,901,802
European Commission	2,822,675	6,513,993	-	9,336,668	34,888,381
SHO/Giro 555	-	-	-	-	859,059
Corporates/Asset Funds	-	1,967,725	25,743	1,993,468	348,802
Other donors	6,154,724	5,928,314	-	12,083,038	8,402,391
Own resources	875,170	2,161,138	1,232,732	4,269,040	4,065,203
<b>Total expenditure on objective</b>	<b>21,865,414</b>	<b>26,583,783</b>	<b>1,257,051</b>	<b>49,706,248</b>	<b>68,465,638</b>

Compared to previous year, CARE Nederland spent a lot as a member of a consortium. This is in line with the revenue. Together with the Dutch Ministry of Foreign Affairs and the European Commission, these ‘other donors’ (INGOs) are CARE Nederland’s main donors for programme implementation. Where the European Union was by far the largest donor in FY19 (cash programme Yemen),

the EU is now the second-largest donor after MFA and other institutional grants through INGOs. Due to the success of our fundraising, the expenditure from our own resources on strategic objectives increased for the second year in a row (EUR 106,570).

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

Reference 6.2.3	Objectives			Fundraising	Management and administration costs	Actual 2019–2020	Budget 2019–2020	Actual 2018–2019
	Humanitarian Action	Sustainable Development	Multiplying Impact					
<b>Allocation</b>								
Grants & contributions	20,959,040	23,822,478	48,576	-	-	44,830,094	33,487,000	63,892,607
Public information & awareness campaigns	-	-	994,795	831,802	-	1,826,597	1,827,000	1,756,049
Staff costs	672,152	2,173,839	183,025	421,314	743,656	4,193,986	4,221,000	4,000,785
Housing costs	30,826	77,317	4,035	16,878	42,859	171,913	178,300	170,217
Office & general costs	201,032	504,219	26,311	110,067	279,504	1,121,133	1,340,700	948,455
Depreciation	2,364	5,930	309	1,295	3,287	13,186	23,000	17,847
<b>Total</b>	<b>21,865,414</b>	<b>26,583,783</b>	<b>1,257,051</b>	<b>1,381,356</b>	<b>1,069,306</b>	<b>52,156,909</b>	<b>41,077,000</b>	<b>70,785,960</b>

All costs are allocated in the following expense categories: Objective, Income generation, and Management & administration. The organisation's costs (excluding 'Grants & contributions') before allocation to the earmarked categories amounted to EUR 5,500,219. With this, CARE Nederland remained within the budget of EUR 5,763,000 by EUR 263,000.

The costs of income generation in FY20 increased by 2% compared to the previous year.

The management and administration costs incurred in FY19 increased by almost 12% to EUR 1,069,306, mainly because of higher 'housing costs' and 'office & general costs'.

<b>Staff costs</b>	<b>Actual 2019–2020</b>	<b>Budget 2019–2020</b>	<b>Actual 2018–2019</b>
Gross salaries	2,740,869	2,775,154	2,579,627
Holiday entitlement and holidays	233,737	216,674	264,810
Social security contributions	524,923	533,861	497,029
Pension contributions	369,829	320,126	321,708
Employee insurances	124,174	160,107	122,868
Commuting expenses	44,039	54,448	67,109
Year-end gratification	156,414	160,630	147,634
<b>Total staff costs</b>	<b>4,193,986</b>	<b>4,221,000</b>	<b>4,000,785</b>

### 6.2.4 Personnel

Staff	Actual 2019–2020	Actual 2018–2019	Budget 2018–2019
<b>Employees in the Netherlands</b>	<b>55,00</b>	<b>59,00</b>	<b>57,00</b>
Advocacy	1,00	2,00	2,00
Management	2,00	1,00	2,00
Finance	4,00	4,00	4,00
Quality Management & IT	4,00	4,00	4,00
Office Management	2,00	2,00	2,00
Human Resources	5,00	4,00	4,00
Programmes	29,00	32,00	30,00
Communication & Fundraising	8,00	9,00	9,00
<b>Employees as at the end of the reporting year</b>	<b>55,00</b>	<b>60,00</b>	<b>59,00</b>
<b>Average FTEs in the Netherlands</b>	<b>50,83</b>	<b>50,78</b>	<b>50,51</b>
<b>Average FTEs abroad</b>	<b>0,48</b>	<b>1,58</b>	<b>1,05</b>

The employee data do not include temporary staff, consultants and volunteers.

### 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 guidelines 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 100,756 (from 01/07/2019 – 30/06/2020), the current Board remuneration remains below the Goede Doelen Nederland maximum. According to the ‘Regeling belonging directeuren van goededoelenorganisaties’ CARE Nederland scores 430 ‘BSD punten’. Thus, the maximum income is EUR 124,142. 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 129,758), remains within the maximum stipulated scheme of EUR 201,000 as well.

Management Board remuneration	Actual 2019–2020	Actual 2018–2019
<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	01/07/2019 - 30/06/2020	01/07/2018 - 30/06/2019
* Statutory Director as of April 4 <sup>th</sup> 2018		
<b>Remuneration</b>		
Annual income	100,756	98,732
• Gross annual salary	88,382	85,076
• Holiday pay	7,071	8,578
• Year-end gratitude	5,303	5,078
Social security contributions (employer's share)	10,559	10,529
Pension contributions (employer's share)	18,443	14,961
<b>Total remuneration 2018/2019</b>	<b>129,758</b>	<b>124,222</b>

The Supervisory Council performs its duties in an honorary capacity. Total expenses for the Supervisory Council were EUR 4,152.

Remuneration and expense reimbursement Supervisory Board	2019 –2020	2018–2019
Sum of expenses	4,152	4,310

## 6.4 Audit fees

Audit fees	2019 –2020	2018–2019
Audit of the financial statements	57,075	51,125
Other audit services	35,175	10,000
Tax services	-	4,790
Other no audit services	-	-
<b>Total</b>	<b>92,250</b>	<b>65,915</b>

The fees listed above relate to the procedures applied to CARE Nederland by accounting firms and external auditors as referred to in Section 1, subsection 1 of the Audit Firms Supervision Act ('Wet toezicht accountantsorganisaties - Wta') as well as by Dutch and foreign-based accounting firms, including their tax services and advisory groups.

In FY19, the 'other audit services' are costs for the ECHO ex-ante FPA assessment and the ISO 9001 audit. In 2018–2019, CARE Nederland only had 'other audit costs' for the ISO 9001 audit. The fees regarding the audit of the financial statements relate to the 2019 – 2020 financial statements, regardless of whether the work was performed during the financial year.

## 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 23 November 2020, 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 23 November 2020 by the Board, which consists of:

Ms. Reintje van Haeringen

The Annual Report and the accompanying financial statements were adopted on 23 November 2020 by the Supervisory Council, which consists of the following executives:

Ms. Mariëtte Doornekamp (chair)

Ms. Karen Bakhuisen

Mr. Jan Broekhuizen

Mr. Pieter Huibert van de Stadt

Ms. Fleur de Nijs

Mr. Wietze Smid

Mr. Dustin Woodward

## 7 SHO

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

	Total FY19 1 October 2018 - 30 June 2019			Total FY20 1 July 2019 - 30 June 2020			Total Cumulative as per 30 June 2020		
	Emergency aid	Rehabilitation	Total	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>-</b>			<b>904,273</b>
Costs for preparation & coordination			-			-			-
Ceiling for administrative costs			45,214			18,085			63,299
<b>Total amount available for the action</b>			<b>859,059</b>			<b>-18,085</b>			<b>859,059</b>
<b>Expenditure</b>									
<b>Commitments by participant</b>			<b>859,059</b>			<b>-</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>-18,085</b>			<b>-18,085</b>
<b>Participant cash flow</b>									
<b>Transfers by the participant related to:</b>			<b>419,156</b>			<b>385,013</b>			<b>804,169</b>
Support via implementing organisation	-	-		-	-		-	-	
Support via the international network	419,156	-		385,013	-		804,169	-	
Support via the participant	-	-		-	-		-	-	
<b>Local expenditure</b>			<b>458,721</b>			<b>185,544</b>			<b>644,265</b>
Support via implementing organisation	-	-		-	-		-	-	
Support via the international network	458,721	-		108,731	76,813		567,452	76,813	
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 2019/2020

#### 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 2020, 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 2019/2020 of Stichting CARE Nederland, Den Haag.

The annual accounts comprise:

- the balance sheet as at 30 June 2020;
- 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. – Humanitarian Action
- 3. – Climate Change & Resilience
- 4. – Governance & Stability
- 5. – Women's Economic Empowerment
- 6. – The COVID-19 pandemic
- 7. – Our results in 2019–2020
- 8. – Our people and culture
- 10. – Our plans for 2020–2021

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 2020

PricewaterhouseCoopers Accountants N.V.

M. Gaasterland RA

## Appendix to our auditor's report on the annual accounts 2019/2020 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 2020-2021

## Chapter 10

In the 2020–2021 fiscal year, the global crisis related to the COVID-19 outbreak will continue to have consequences on our own economy and the economies of the countries we work in. This is likely to affect our organisation, income, programming and results in ways that we cannot yet entirely foresee and plan for. In 2020–2021, we will continue focusing on strengthening the organisation.

## Programmes

We aim to continue improving our efficiency and programme quality by promoting the new project information system and project cycle management manual among staff. When it comes to the funding of development projects, we aim to diversify our donor base. We will continue implementing protracted crisis Joint Responses through the Dutch Relief Alliance. We also expect to participate in one or more DRA Acute Crisis Responses and aim to obtain new funding from ECHO.

## Knowledge development

In 2020–2021, a number of multi-annual programmes will end. The focus of knowledge development is to compile lessons learned and best practices from these programmes, with the purpose of ensuring a feedback loop into programme quality for both existing and new projects and programmes. Knowledge development is also expected to contribute to our ability to position ourselves to donors as a partner of choice.

## Advocacy

In 2020–2021, we will focus on influencing additional Dutch government funding for COVID-19 response, ring-fencing ODA funding, and influencing funding for climate change adaptation, women's economic justice

and rights, and direct funding to local organisations. We will also focus on influencing policies on development cooperation and humanitarian assistance with regard to gender equality, local leadership and climate change and resilience.

## Fundraising

The COVID-19 pandemic has dramatically impacted face-to-face (F2F) fundraising. In 2020–2021, we aim to regain control of F2F fundraising by starting in-house teams. When it comes to corporations and foundations, we aim to build on 2019–2020 results to broaden our network. We plan to implement a new CRM system, integrated with website forms, email marketing, data analysis and campaign management tools in the first quarter of 2021.

## COVID-19

Since the outbreak of COVID-19, the world has changed dramatically. When governmental restrictions first went into effect, CARE Nederland's Leadership Team (LT) created an analysis of three possible scenarios: 1) that the crisis would continue for another 3–4 months, 2) that the crisis would continue for another 6–9 months, and 3) that the crisis would continue for at least another 12 months.

**We aim to continue improving our efficiency and programme quality by promoting the new project information system and project cycle management manual among staff.**

This analysis was worked out as thoroughly as possible based on the knowledge available in March and April of 2020. Although the LT had initially underestimated the duration of the COVID-19 crisis, they also overestimated its effect. It has become clear that the (financial) impact on the organisation as a whole remains limited (for the time being). However, the impact on the way we work in the CARE Nederland office has been huge. Our staff are primarily working from home, and all contact with CARE County Offices is online. Programme monitoring is currently being carried out 100% remotely as well.

In a ‘business as usual’ situation, around 80% of monitoring is done from a distance (with the exception of programmes in, for example, Yemen or Syria where 100% of the monitoring is done from a distance).

Given the limited impact of COVID-19 on business operations, revenues, costs and liabilities, there is no reason for concern about the continuity of CARE Nederland. CARE Nederland’s main focus with regard to COVID-19 will be developing alternatives for monitoring visits and CARE Country Office visits. CARE Nederland will do this together with other CARE Member Partners. The alternatives that are being developed should be fully operational at the start of Q3 2020–2021.

## Budget for 2020-2021

Statement of income and expenditure	Budget 2020-2021
<b>Revenue</b>	<b>€ 39,682,000</b>
Fundraising	€ 4,890,000
• Individual fundraising	€ 3,400,000
• Corporate fundraising	€ 515,000
• Lotteries	€ 975,000
Grants	€ 34,252,000
Other fundraising organisations	€ 540,000
Other revenue	-
<b>Expenses</b>	<b>€ 42,152,000</b>
Strategic objectives (grants/direct costs)	€ 39,687,000
• Humanitarian Action	€ 16,418,000
• Sustainable Development	€ 23,058,000
• Multiplying Impact	€ 211,000
Fundraising	€ 1,415,000
General & administration	€ 1,050,000
<b>Result before change finance revenue/expense</b>	<b>- € 2,470,000</b>
Result financial revenue/expense	- € 36,000
• Interest	€ 4,000
• Financial expense	- € 40,000
<b>Result after change finance revenue/expense</b>	<b>- € 2,506,000</b>
Appropriation of result to designated reserves	- € 606,000
Appropriation of result to designated funds	- € 1,951,000
<b>Continuity reserve movement</b>	<b>€ 51,000</b>

**CARE Nederland**

Parkstraat 19

2514 JD Den Haag

+31 70 310 50 50

care@carenederland.org

IBAN: NL74ABNA 063 163 5777

Kvk nummer: 41158230

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





**A different approach.**

**A fairer world.**