

A photograph of a man and a woman, likely of African descent, smiling warmly at the camera. The man, on the left, wears a blue beanie and a patterned shirt. The woman, on the right, wears a yellow headwrap and a green patterned dress. The man's hand is resting on the woman's shoulder. The background is a simple, slightly textured wall.

Annual Report 2020-2021

care Nederland

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Letter from the Executive Director

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

The ongoing consequences of the global COVID-19 crisis, combined with the increasing effects of climate change, have taken a devastating toll on people across the world. Unfortunately, these crises disproportionately affect the poorest communities, including women and girls, refugees and displaced people. The events of this past year have reaffirmed the importance of our work and emphasised the need to create a socially just society, where people have equal rights, opportunities and access to resources.

In response to the COVID-19 crisis, CARE provided emergency assistance as well as long term support to those most affected. In Bangladesh and South Sudan, for example, we offered women protection and psychosocial support as the COVID-19 crisis increases the risk of gender-based violence and sexual exploitation. Together with our partner AGAHE, we helped

create a safer working environment for medical staff at Services Hospital in Lahore, Pakistan. You can read more about what we do to combat the COVID–19 crisis on page 11.

In the meantime, we developed a new five–year strategy informed by global developments, which indicate that global inequality is on the rise. This is not only due to climate change and COVID–19 but also due to discriminatory laws and social norms that affect the position of women and girls. Our experience in providing humanitarian assistance to people affected by crises shows that women and girls face increased threats. They generally have fewer resources to cope with emergencies and less space to voice their needs.

When it comes to climate action CARE specifically focuses on women’s needs to strengthen community resilience. A good example is our Partners for Resilience programme in Guatemala, highlighted on page 15, where many women depend on agriculture. Here women are trained and strengthened in their capacity to prepare for climate disasters, build better livelihoods and become more resilient. But this is just a snapshot of the work we are doing. As you’ll see in the pages that follow, we are taking many more actions to ensure the world’s most vulnerable people are not left behind.

We know that our success depends upon our ability to partner with others. Together with governments, partners close to

impact and communities, we will continue to fight inequality and aim to transform systems that keep poverty and inequality in place. We particularly focus on climate justice, gender equality and equitable partnerships among all parties involved in achieving development goals in fragile contexts and contribute to systems change.

Since we too are part of this system, we will continue to practice what we preach and engage in self–critical and constructive dialogue with our partners, peers, donors and the communities we work with. We are committed to learn each day and continue to improve the roles that different stakeholders can and should play in creating a more equitable and just society.

We are very grateful for the continued trust of our donors and partners as we ensure adequate implementation of their funding and make sure we continue to achieve impact. And we are delighted by the increasing number of individual supporters, whose continued contributions and commitment to our organisation and projects are truly invaluable.

With gratitude,

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 in some of the most challenging places in the world. What makes us different? We take a tailored approach. By consulting closely with partners, communities and governments close to impact, we are able to determine what is required and what works. Because only by working together can we bring about sustainable results.



**We believe that
gender equality
and local
leadership are key
to achieving
our goals.**

CARE Nederland adheres to CARE International's vision and mission.

Our vision and mission

- **Vision:** We seek a world of hope, inclusion and social justice, where poverty has been overcome and all people live with dignity and security.
- **Mission:** CARE works around the globe to save lives, defeat poverty and achieve social justice.

We believe that gender equality and local leadership are key to achieving 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 history

CARE was founded in the aftermath of World War II in response to the millions in need of food and relief supplies in Europe. Known then as the Cooperative for American Remittances to Europe, it consisted of 22 American charities of civic, religious, cooperative and labour backgrounds.

More than seven decades later, CARE has evolved into one of the largest poverty-fighting organisations in the world. To date, CARE International is a global confederation of fourteen National Members, six Candidates and one Affiliate with a common vision and mission. We celebrated our 75th anniversary in May 2021, and had the honour to have former President Barack Obama celebrate this with us.

Our role

We raise funds from institutional and private donors in the Netherlands and Europe for the implementation of projects and programmes. Together with CARE country offices and partners, we improve the conditions in communities to fulfil our mission, focusing on four areas of expertise:

⚠ Humanitarian Action

🌐 Climate Change and Resilience

💬 Governance and Stability

👩 Women's Economic Empowerment

We develop knowledge, raise awareness in the Netherlands for our cause and advocate for favourable conditions in the communities we work with. We are a member of the branch organisations Partos, Goede Doelen Nederland and VOICE. Furthermore, we are host to CARE's [Climate Change and Resilience Platform](#).

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.





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.

Support in the aftermath of the Beirut explosion

This crisis required support on all fronts: from restoring shattered houses to helping people cope with major loss and severe trauma.

*Nicole Sloomweg, Project Manager
Beirut Acute Crisis Response*

In August 2020, a large quantity of poorly stored ammonium nitrate caused a huge explosion in the port of Beirut. The devastating force of the blast killed more than two hundred people and injured thousands. Surrounding homes and businesses were destroyed, leaving at least 300,000 people homeless and threatening countless livelihoods. The disaster struck at a time when many people were already debilitated due to the COVID-19 pandemic and an unprecedented economic crisis.

Our different approach

With funds raised from the Dutch public through a national Giro 555 campaign and with the support of the Netherlands Ministry of Foreign Affairs, CARE offered humanitarian aid to those most severely affected. We worked closely with Lebanese partners to supply food

and water, provide protection services, restore houses and offer emergency cash assistance.

An important aspect of our work in Beirut was offering mental health support. The psychological impact of the explosion was profound. From one moment to the next, people had lost their loved ones, their homes and their source of income. Many victims suffered from anxiety and slept badly at night.

CARE provided psychological first aid and psychosocial support to help adults as well as children deal with loss and trauma. Results show that this support significantly helped affected people develop better coping mechanisms in response to everyday stress.





Overcoming trauma

Ayla was one of the participants of the psychosocial support sessions provided by CARE and partner ABAAD. The explosion forced her to abandon her home in the hard-hit area of Karantina. This wasn’t the first time that Ayla had to leave everything behind. She came to Lebanon two years ago, fleeing the war in Syria.

“In Syria, I had become used to the sound of bombs. But this explosion frightened me. I didn’t expect it as we lived in safety here in Beirut. At first, I was afraid there would be another explosion.”

Through neighbours, Ayla heard there was a place where she could talk about her traumas and learn how to process what had happened to her. The sessions helped her heal. “I learned how to deal with negative experiences and how to protect myself financially and physically.”

Results Beirut acute crisis response



received psychological or mental support



were reached with hygiene awareness-raising activities



were provided with hygiene support (soap, hygienic kits, dignity kits)

Combating the COVID-19 crisis

COVID-19 plunged the world into an unprecedented crisis, severely deepening poverty and widening inequality. The world's poorest have been hit the hardest. Cramped housing, unsafe workplaces, lack of hygiene facilities and limited access to health services result in higher infection and mortality rates. The pandemic has also had serious economic repercussions, leaving large numbers of people without an income and nothing to fall back on.

Our different approach

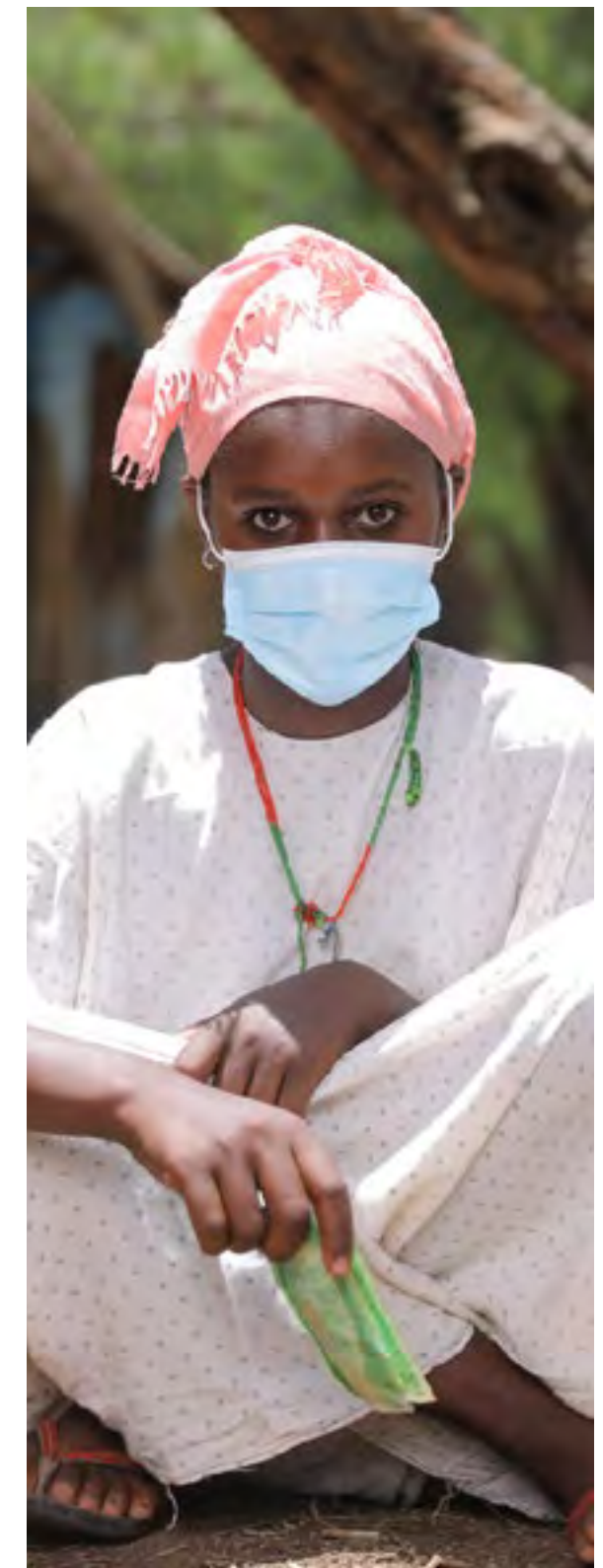
In response to the COVID-19 crisis, CARE provides emergency assistance as well as longer term support to those most affected. We distribute cash, food and supplies to meet the most acute needs. In addition, we run awareness-raising campaigns, set up handwashing stations, provide hygiene kits, improve access to testing facilities and medical services, train health workers, and supply protective equipment.

We must stop this crisis from pushing the world's poorest and most vulnerable communities into even greater hardship.

Reintje van Haeringen, Executive Director CARE Nederland

We pay special attention to the specific needs of vulnerable groups. In Bangladesh and in South Sudan, for example, we offer women protection and psychosocial support as the COVID-19 crisis increases the risk of gender-based violence and sexual exploitation. CARE also supports a project in Bangladesh aimed at protecting refugees from Myanmar against infection.

Our work has been made possible thanks to the funds we received from the Netherlands Ministry of Foreign Affairs, the European Commission, the H&M Foundation, & Other Stories, Orange House Partnership, the Elise J.H. Spykman Foundation, the Tiny and Anny van Doorne Foundation and individual donors.





A frontline worker putting her life at risk

Momina Ali* is head nurse of the COVID-19 ward at Services Hospital in Lahore, Pakistan and one of the many frontline workers who put her life at great risk to help others. When the pandemic broke out and patients flooded the ward, Momina and her team were faced with huge challenges. Working around the clock, lacking knowledge on how to deal with the virus and running short of protective material, the pressure was exceedingly high.

Working under these circumstances, many nurses, doctors and paramedical staff became infected . “My heart cries remembering my peers who lost their lives,” Momina says mourning her colleagues who died of COVID-19.

Together with our partner AGAHE, CARE helped create a safer working environment at Services Hospital. We provided personal protection material, such as masks, gloves and gowns, as well as necessary medical equipment. Also, staff members were trained on how to prevent the spread of the virus.

* Name changed to protect the identity of the head nurse

Results COVID-19 response



991,501

people

received hygiene kits and handwashing materials such as soap to combat COVID-19



338,800

people

benefitted from hand washing or health facilities



263,184

people

received COVID-19 related health assistance

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 help people become more resilient to their changing environments and alleviate poverty. We also make sure that governments uphold existing agreements. Within our organisation, we strive to minimise our own carbon footprint.





Promoting resilience by working with women

Of all the countries in Latin America, Guatemala is the most prone to natural hazards. Long periods of drought and sparse, yet torrential rainfall lead to crop failure, the death of livestock and alarming food insecurity. The country is highly exposed to threats such as severe storms, major earthquakes, volcanic eruptions, forest fires and environmental degradation. Climate-related disasters particularly affect women as they generally have fewer resources to cope with emergencies and less space to voice their needs.

Our different approach

For ten years, CARE has worked with communities, civil society and government to increase resilience to climate change and bring about structural change in Guatemala. We have done this through Partners for Resilience, an alliance of CARE, Cordaid, the Netherlands Red Cross, Red Cross Red Crescent Climate Centre and Wetlands International, funded by the Netherlands Ministry of Foreign Affairs.

We take a comprehensive approach to increase resilience and alleviate poverty. In addition to mitigating disaster risks and raising awareness, we work to support sustainable livelihoods of vulnerable groups.

CARE specifically focuses on women's needs throughout its activities to strengthen community resilience. This is crucial as women are often neglected or underrepresented in climate action even though they are generally impacted the most. In Guatemala, CARE has seen to it that the specific needs of girls and women are included in village budgeting and disaster risk policies.

Involving women is key to community resilience. As women are most affected by climate change, they often have the best solutions.

Gart van Leersum, Project Manager Partners for Resilience Guatemala



Raquel’s commitment

Women’s rights defender Raquel Vásquez is committed to empowering women and determined to take climate action. As the head of the grassroots organisation Madre Tierra, or Mother Earth, she actively engages in dialogues with politicians, authorities and civil society, advocating for gender equality and women’s rights.

Dedicated to helping women attain a stronger position, Raquel also helps women increase their resilience to climate change. This is particularly important for women in Guatemala as many depend on agriculture, and crops are often lost due to extreme weather and natural disasters. Supported by CARE’s Partners for Resilience programme, Madre Tierra provides training sessions where women in the community learn how to adapt to their changing environment.

Results Partners for Resilience programme in Guatemala



816,380

people

are now covered by early warning and disaster risk management plans



1,503

community members

were trained and strengthened in their capacity to prepare for disasters



618

people

were trained to build better livelihoods and become more resilient

“It’s our duty to protect Mother Earth,” says Raquel who is convinced that women are essential for successful solutions. “When women are engaged, the entire community is heard.”

CARE's climate responsibility

Climate change is one of the main causes of deepening poverty and increasing inequality. While affluent countries are largely responsible for the changing climate, poor communities in the Global South suffer most as people often live and work in disaster-prone areas and have fewer resources to cope with emergencies. Extreme weather and natural disasters are occurring more frequently than ever before, leading to the loss of lives, food insecurity and displacement.

Our different approach

CARE strengthens the ability of vulnerable communities to adapt to their changing environments and prepare for future calamities. We help people mitigate disaster risk, raise awareness about climate change, promote sustainable livelihoods and seek to empower marginalised groups by positively influencing policies.

Climate action is a humanitarian responsibility. It's our duty to minimise the negative environmental impact of our work.

Nok van de Langenberg, Head of Humanitarian Action

It goes without saying that, as an organisation, we too have a serious responsibility when it comes to climate change. We use a special tool, NEAT+, to measure and critically assess the environmental impact of our activities and strive to minimise our footprint. To this end, we also established CARE's Environmental Guidance. The guidelines range from safeguards for responsible programming worldwide to advice on operational matters such as travel, office energy, recycling and procurement.

In cases where our own emissions cannot be avoided, we compensate by reducing carbon emissions elsewhere.





Carbon offsetting through clean cooking

Our priority is to reduce our carbon footprint by, for example, limiting the number of flights we take. Unfortunately, however, generating emissions cannot always be avoided. We compensate for this by funding an equivalent reduction of carbon dioxide elsewhere through our own offsetting programme.

CARE’s programme BACHAT significantly reduces CO2 emissions by using clean cooking technologies in rural India where cooking on traditional stoves accounts for approximately 80% of household energy consumption. The burning of firewood causes severe air pollution and forms a serious health threat, especially for the girls and women who generally do the cooking.

The clean cookstoves require considerably less firewood thereby reducing emissions, air pollution and health problems. An additional advantage is that it saves women a lot of time collecting wood outside the village, an activity that is physically strenuous and often unsafe. In addition to reducing CARE’s carbon footprint, the programme helps rural communities build resilience to climate change while also strengthening female leadership and entrepreneurship.

Results BACHAT programme

↑↑
10,000
households

were capacitated

🍲
4,500
households

switched to clean cookstoves

💡
200
schools

were turned into Sustainable Energy Schools



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 in voicing their demands and influencing decisions that affect their lives. We also support communities in resolving and preventing violent conflict.

The right to have a say

Every day, we see examples of marginalised people living in fragile settings demonstrating great power and resilience. We know they have ideas that will change their communities for the better. However, discriminatory norms inhibit certain groups such as women and youth from meaningfully participating in society. As a result, they have limited influence on decisions affecting their lives. To transition out of fragility and into more just and stable societies, it is essential to enable everyone to voice their needs.

Our different approach

Together with the Dutch Ministry of Foreign Affairs, The Hague Academy for Local Governance, RNW Media and other partners, CARE supported marginalised communities in Burundi, Pakistan, Rwanda, Somalia and Sudan through our four-year programme Every Voice Counts.

From village elders agreeing to include women in municipal elections to civil society organisations helping to improve laws protecting women from violence, the impact of this programme was undisputed.

The programme supported women and youth in using their voice and trained authorities and civil society organisations to influence and implement more inclusive governance processes. Every Voice Counts places collaboration and dialogue at its core, bringing together citizens, civil society organisations and community leaders. An important factor in the programme's success was actively involving role models to help shift harmful social norms.

**Committed role models are invaluable
when challenging deep-rooted
beliefs and traditional practices.**

*Merlijn van Waas,
Head of Sustainable Development*





A couple changing their ways

Herman Shumbusho and Marie Savera Ufitamahoro live in Nombe, a village near the Rwandan capital Kigali, with their three young children. Their lives have taken a turn for the better since they took part in CARE’s Every Voice Counts programme.

In the past, Herman was frequently violent. “I would come home drunk at midnight and beat my wife,” he says. Things started to change when Theogene, a role model involved in the programme came to discuss domestic violence with them. “At the beginning, it wasn’t easy,” Herman explains. “But slowly I started understanding and started changing.”

Encouraged by Theogene, who continued to visit regularly, Marie started selling vegetables at the market. It made Herman proud to see his wife contributing to the family income and developing herself. Nowadays, the two make financial decisions together and share household tasks. Marie and Herman have become role models themselves and are now able to help others in their community move forward and benefit the way they did.

Results Every Voice Counts programme



983

institutions

were strengthened



754

community-based groups

were actively engaged in advocacy



68

policies

were implemented to enhance women’s political participation



Breaking the cycle of conflict and poverty

Burundi ranks as one of the world's poorest countries. A twelve-year-long civil war, which resulted in approximately 300,000 deaths and more recent outbursts of brutality, has left the country deeply scarred. Hunger, sadness, anger and frustration often lead to even more violence. The ongoing instability seriously hampers economic growth and reconstruction. And a country lagging behind in terms of development is already highly vulnerable to conflict. Caught in this downward spiral, 2.3 million Burundians are in need of humanitarian support.

Our different approach

To break the cycle of conflict and poverty, CARE combined community-level economic empowerment with peacebuilding in Burundi. We did this through Nyubahiriza (Respect Me), a four-year project funded by the Dutch Ministry of Foreign Affairs in which we collaborated with Oxfam and Impunity Watch.

Nyubahiriza aimed to increase social cohesion, enable participation in transitional justice processes and strengthen the economic position of participants while also developing their capacities to resolve conflicts.

We also promoted peaceful conflict resolution by supporting Peace Clubs. These groups of trained community members regularly convened to discuss the causes of conflict and to offer constructive solutions for those involved. The Peace Clubs played an important role in resolving disputes and improving relations between the community and its leaders.

Addressing the main causes of conflict is crucial to help turn the tables and structurally alleviate poverty.

Cornelia de Winter, Project Manager of Nyubahiriza



Getting to know the neighbours

Violette Irankunda is a young mother living in Kamaramagambo, Burundi. She grew up in an area where ethnic violence was prevalent and had always learned that she could only ever live amongst people of her own ethnicity. However, when she got married and moved, she discovered that all of her new neighbours were from another ethnic group.

When Violette lost her husband only two years after they got married, she realised just how difficult it is to not have any social contacts. This changed when she was asked to join a newly established Peace Club in the village.

“It allowed me to get to know others and integrate here. I never used to take part in community activities, but now I do. I also discovered that it’s fine to have friends with a different ethnic background. We help each other now, and that’s a comfort.”

Results Nyubahiriza



182,700

people

reported a reduction in violent conflicts



150,000

people

had an improved awareness on transitional justice mechanisms



93,450

people

were confident that human rights violations had been addressed

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.



Connecting through business

Since 2011 when the conflict in Syria started, more than 650,000 Syrian people have fled to Jordan. Syrian refugees now constitute more than ten per cent of Jordan's population, leading to tension as the country faces a severe economic crisis and resources are scarce. Life is hard in Jordan, and many people struggle to feed their families. Women suffer most as they generally have very limited opportunities to generate an income.

Our different approach

Thanks to the Dutch Postcode Lottery, CARE is running a special project to help both Syrian and Jordanian women start or expand their own businesses from home. This enables women to regain control over their lives and gives them hope for a better future. The project has also been a great way for Syrian and Jordanian women to connect.

In addition to providing business training and start-up capital, CARE assists with setting up Village Savings and Loan Associations (VSLAs). Members of these self-managed groups save small amounts each month, creating a fund from which loans can be taken for investments or emergency situations.



Running a business enables women to take matters into their own hands and actively take part in the community.

Nawras Al Husein, Project Manager a New Way for Syrian Refugees

Meeting each other regularly, the women in these groups inspire and support each other and feel safe to discuss sensitive issues such as gender equality and violence against women.



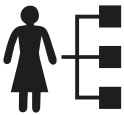
Standing strong together

Asma fled to Jordan after her house in Syria was bombed. Fasayel is Jordanian and had just moved from a different part of the country. The two women met through CARE. Both took courses in business skills and joined a VSLA, which allowed them to invest in their small enterprises.

Asma and Fasayel had a lot in common: they both ran a small business selling homemade food, they both badly needed their business to generate more income, and they both felt like outsiders in their new environments. The two became friends and soon realised that by working together they could achieve more.

Together, the women now successfully run Matbakh Al-Mahabeh, or Kitchen of Love, and divide the profits. Fasayel makes sweets and pastries, and Asma prepares savoury foods. The support they received not only helped them grow their business but also helped them integrate and become valued members of the community.

Results of A new way for Syrian refugees



433

women

were strengthened in their capacity to build a successful business



416

households

headed by females were provided with cash



100

women

gained access to markets



Unlocking women's potential

Women constitute the majority of the world's poorest people. Discriminatory social norms, lack of access to education and exclusion from financial resources all form serious obstacles for women when it comes to generating an income. Women are paid less, have less security as they often work in informal sectors, and have limited opportunities to set up or expand a business. When given the chance, however, women often prove to be successful entrepreneurs, able to support their families and even lift entire communities out of poverty.

Unlocking women's economic potential is the path to sustainable growth and gender equality.

Fatma Wakil, Project Manager Advancing Women Enterprises in Addis Ababa

Our different approach

Across the globe, CARE runs projects aimed at economically empowering women. One of these is Advancing Women in Enterprise, funded by the Embassy of the Kingdom of the Netherlands in Ethiopia. This three-year project has enabled 3,000 women entrepreneurs with micro and small enterprises in Addis Ababa to run financially sustainable businesses with potential for growth.

In addition to addressing restrictive social norms and advocating for a better business environment for women, we offer women entrepreneurs the opportunity to develop their business skills. Another important element is providing access to financing and capital. We do this by helping women set up Village Savings and Loan Associations (VSLAs). In a VSLA, participants collectively save small amounts each week, creating a fund from which loans can be taken to cover emergency expenses or make the investments needed for healthy business growth.



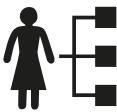
The turning point in Kedeja’s business

Kedeja Kemil lives in a cramped room in Lideta, Addis Ababa, with her husband and children. When her husband became ill and lost his income, it was up to Kedeja to make ends meet. “With our last savings, I bought five kilos of flour to produce dabokolo, a traditional Ethiopian snack,” Kedeja explains. She then expanded into kolo, another type of snack. However, without capital or the necessary business skills, Kedeja struggled to grow her small enterprise.

Through a similar CARE programme preceding Advancing Women in Enterprise, Kedeja followed a business training programme and set up a VSLA with other women in her neighbourhood. This proved to be a turning point. Within six months, Kedeja could take out a loan and invest in her business.

She improved her product’s packaging and branding and now sells through nearby shops. Her monthly profit has grown more than tenfold, and the family is back on track: the children can now go to school, and there is food on the table.

Results Women’s Economic Empowerment programming



14,404

women

were strengthened in their capacity to build a successful business



11,459

women

gained access to loans from joint savings



3,655

men and boys

were engaged to support women entrepreneurs

Our results in 2020-2021

Chapter 6

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



Programmes

Africa – Great Lakes Region

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 and the Democratic Republic of the Congo, we started a programme aimed at increasing women's participation in peace processes. In Burundi, we also implemented projects to address the root causes of violence and instability, promote climate-resilient livelihoods, and enhance sexual reproductive health and rights.

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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 aimed at enhancing women's entrepreneurship and women's sexual reproductive health and rights.

Uganda is one of the six countries where we implemented the Partners for Resilience programme. In Uganda, we also implemented a project aimed at upscaling disaster risk reduction interventions and started a project in a refugee settlement to promote solar-powered energy efficient stoves. Through a partnership with Waka Waka, we provided solar lights to school children in Rwanda so that they can study when it is dark.





Africa – the Horn

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 in the region through various projects funded by the Netherlands Ministry of Foreign Affairs and the European Union.

We promoted gender equality, climate-resilient livelihoods and social cohesion in Ethiopia and Sudan, as well as quality education, inclusive governance and climate-resilient livelihoods in Somalia. Furthermore, we started and adjusted programming to respond to the COVID-19 crisis.

In South Sudan, the Addressing Root Causes of Instability project engages with women and youth and supports them in their pursuit of income-generating activities. Peace committees are appreciated and recognised for mitigating and resolving conflicts. Thanks to our partnership with Waka Waka, we were able to provide solar lights to school children in Sudan.

Africa – the Sahel

In the Sahel, the combined effects of extreme weather, armed conflicts, high insecurity and volatile prices have contributed to severe food insecurity and malnutrition in 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 improve livelihoods, food security and resilience to climate change among farmers, particularly through climate-smart agriculture. Together with SNV, KIT and Wageningen University, we started a multi-annual programme in Burkina Faso, Mali and Niger aimed at promoting climate-resilient livelihoods.

Africa – other regions

In 2020–2021, we responded to humanitarian emergencies in Mozambique and Zambia as part of the Dutch Relief Alliance, with funding from the Netherlands Ministry of Foreign Affairs. In Côte d'Ivoire and Sierra Leone, we implemented projects aimed at promoting women's entrepreneurship and ending gender-based violence. In Côte d'Ivoire, we also started projects to promote gender equality and increase resilience in cocoa communities.



Southern Asia

In Southern Asia, we are active in Afghanistan, Bangladesh, Pakistan and Sri Lanka. In Afghanistan, we started a project aimed at providing life-saving primary health care. In Bangladesh, we helped women textile workers cope with the COVID-19 crisis through H&M Foundation-funded projects. We also supported the Bangladesh Refugee Response programme with support from various private donors to intensify the COVID-19 response.

In 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. Here, we also started a project to respond to the COVID-19 crisis. In Sri Lanka, we worked on the economic empowerment of women through the Women in Enterprise programme funded by the H&M foundation.

In Afghanistan, we started a project aimed at providing life-saving primary health care.



Southeast Asia and the Pacific

In Southeast Asia, we focused on mitigating disaster risk and enhancing livelihoods through the Partners for Resilience programme. In the Philippines, we provided life-saving emergency response after typhoon Ulysses and worked on community resilience with funds from the European Union.

With funds from the European Union, we also provided cyclone-affected communities in Fiji and Vanuatu with life-saving emergency response. In Vietnam, we supported the people most affected by flooding and typhoon Molvane in four provinces in collaboration with partners from the Dutch Relief Alliance.

With funds from the European Union, we provided cyclone-affected communities in Fiji and Vanuatu with life-saving emergency response.



Middle East

In the Middle East, our work is mainly focused on the conflicts in Syria and Yemen. In the 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. With funds from the Dutch public, we were able to provide access to essential non-food items for vulnerable households affected by the conflict and COVID-19. Through European Union-funded projects, we also provided support to vulnerable communities, with a special focus on internally displaced people and their host communities.

Several projects in Yemen are specifically aimed at supporting 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.

With funds from the Ministry of Foreign Affairs and the Dutch public, we provided life-saving assistance after the explosion in Beirut. In close collaboration with partners, we supplied food and water, provided protection services, restored houses and offered emergency cash assistance.



Latin America

Our work in Latin America is focused on reducing inequalities through women's entrepreneurship 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.



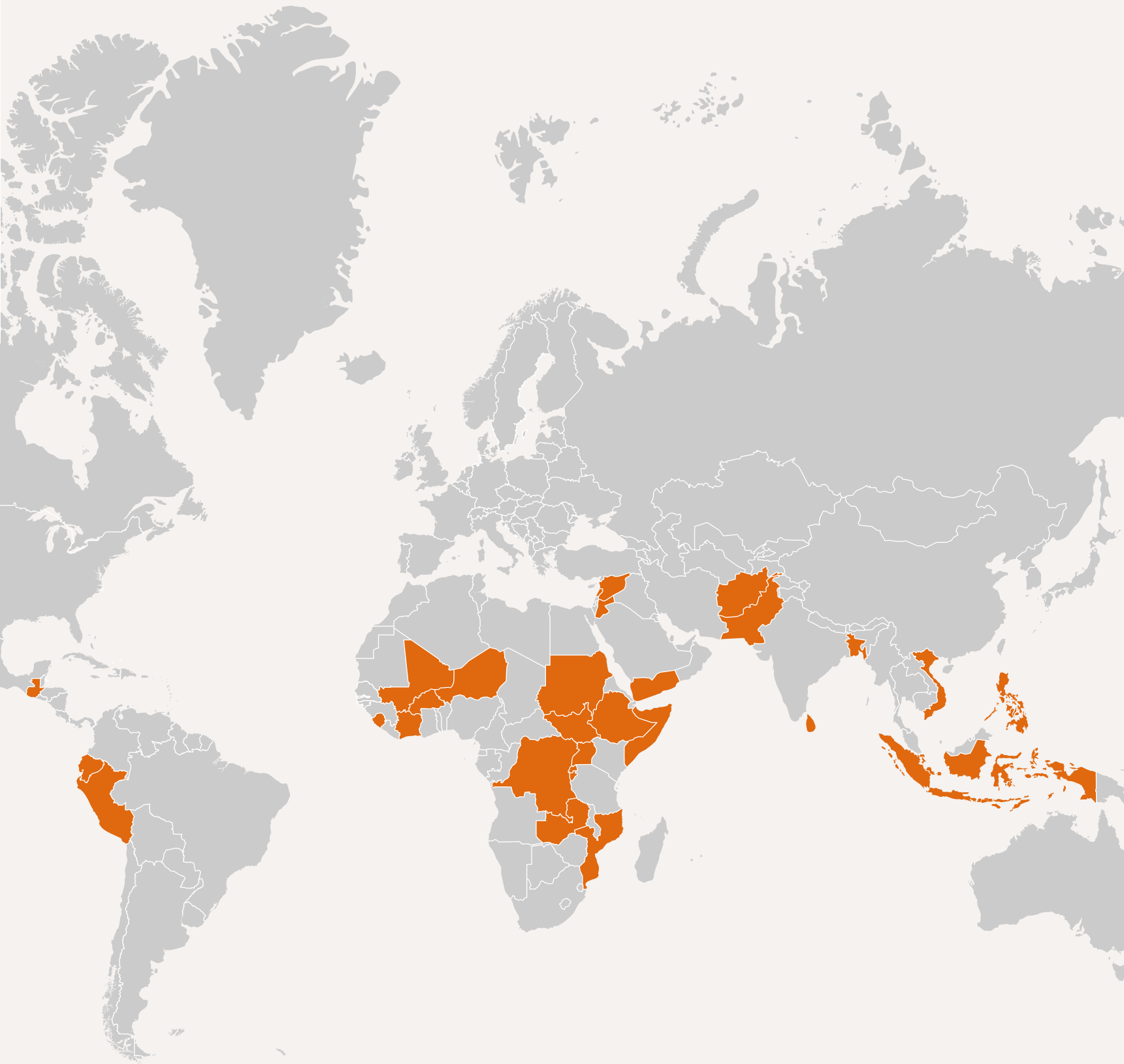
Latin America

-  **816,380** people are now covered by early warning and disaster risk management plans
-  **2,000** people were reached through COVID-19 awareness-raising campaigns
-  **1,503** community members were trained and strengthened in their capacity to prepare for disasters
-  **117** women and youth groups were strengthened in their lobbying and advocacy skills

Middle East

-  **269,617** people were provided with hygiene support
-  **43,404** people were provided with access to sufficient and safe water
-  **41,555** people were provided with cash
-  **28,743** people now have access to dignified, safe, clean and functional toilets

In 2020-2021, we reached
3,873,710 people
in 31 countries



Asia-Pacific

-  **581,149** people were provided with hygiene support
-  **442,823** people were supported to build better livelihoods and become more resilient
-  **57,492** people were provided with access to sufficient and safe water
-  **33,573** people were enabled to meet their basic food needs

Africa

-  **192,154** people received COVID-19 related health assistance
-  **55,007** people learned more about their rights and responsibilities as citizens
-  **43,134** people were provided with access to sufficient and safe water
-  **38,790** people were supported to build better livelihoods and become more resilient



Knowledge development and advocacy

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.

In 2020–2021, we shared knowledge and results related to our programmes [Every Voice Counts](#), which focuses on Women's Voice and Leadership and [Partners for Resilience](#), which focuses on Climate Change Adaptation. We also contributed to the [Partners for Resilience Flagship Report](#) which provides an overview of the work of the whole alliance.

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 we work with.

In 2020–2021, we conducted ongoing advocacy for climate adaptation finance and organised an integrated campaign on climate change adaptation in the global South. The report [Climate Adaptation Finance: Fact of Fiction](#) that we developed together with CARE Denmark and the Climate Change and Resilience Platform generated national and international media attention.

Our advocacy also focused on the implementation of the National Action Plan 1325 on Women, Peace and Security and on improving the COVID-19 response with regards to gender equality, particularly for women entrepreneurs. We worked with relevant organisations and networks such as Partos, WO=MEN, and the Climate Change and Resilience Platform on shared priorities.

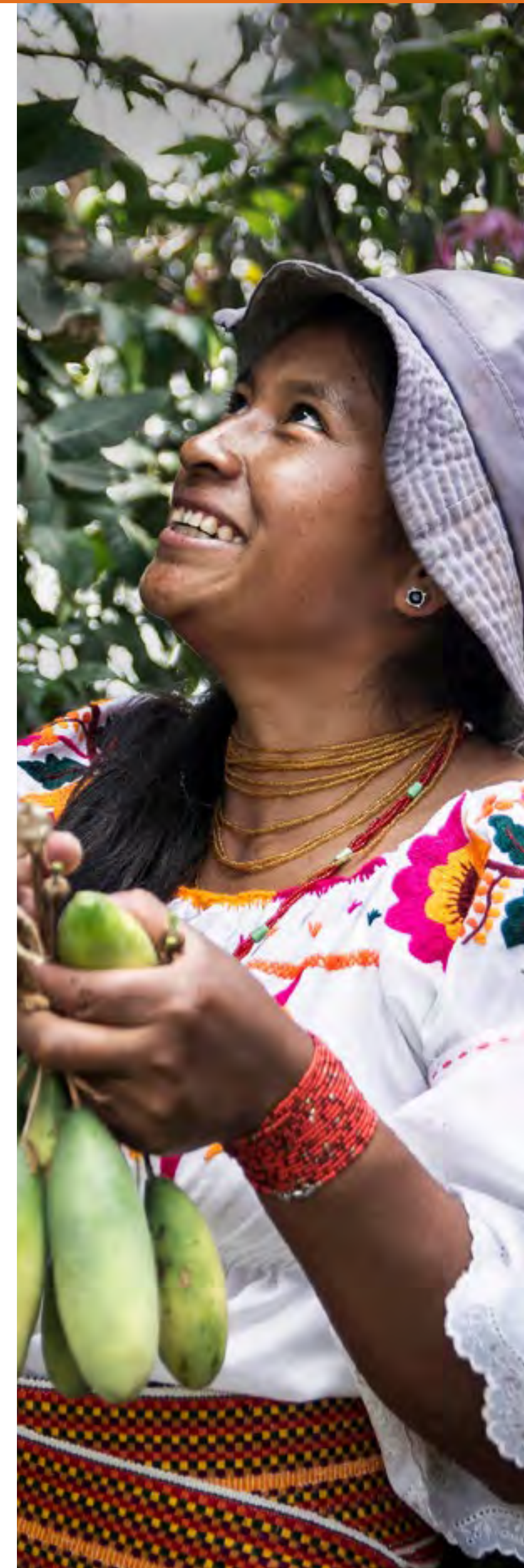
Fundraising

Our work is 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 people living in poverty. The Netherlands Ministry of Foreign Affairs and the European Commission are our most important institutional donors.

Since 2011, we have been supported by the Dutch Postcode Lottery. Annually, we receive €900,000 in unrestricted funding. Thanks to the participants of the Dutch Postcode Lottery, CARE can continue fighting poverty by battling inequality. Other important private donors include foundations, corporate donors and individual donors.

CARE and the Bennink Foundation jointly started a family planning project in the Democratic Republic of the Congo in July 2020 to strengthen the position of women and girls. Thanks to contributions from the W.M. de Hoop Foundation, Foundation den Brinker, Foundation IJsselvliedt Gevaerts and Foundation Anna Muntz, we were able to start a school nutrition and school uniform project for vulnerable children in Somalia.

Together with H&M Foundation, we started phase III of the Women in Enterprise programme, to promote women's entrepreneurship in Guatemala, Ivory Coast, Jordan, Peru, Sierra Leone, Sri Lanka and Yemen. We also brokered a partnership between the Rabo Foundation and CARE USA to introduce Chomoka, a smartphone-supported tool offering access to the digital economy, in savings groups in Uganda.



We signed a contract with chocolate and cacao product manufacturer Barry Callebaut for a joint project with Unilever to promote gender equality and increase resilience in cocoa communities in Côte d’Ivoire. We also signed agreements with two Dutch social enterprises: African Clean Energy for an innovation project in a refugee settlement in Uganda and the Foundation of Elemental Water Makers to increase access to safe drinking water through desalination for a targeted group of vulnerable people in Yemen.

In 2020–2021, the number of individual donors was 69,330. All donors received monthly newsletters with updates on CARE Nederland’s developments and projects. New donors received several additional themed newsletters. We received 173 individual donor complaints over the past year. Each complaint was dealt with according to our complaints policy.

Income

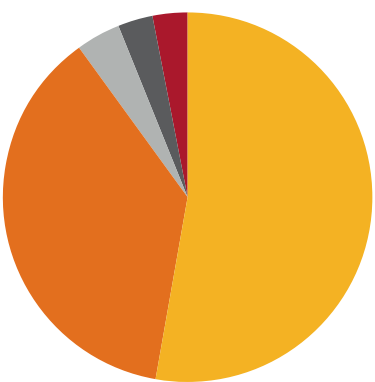
In 2020–2021, we raised €40,210,856.



- 31% from the Netherlands Ministry of Foreign Affairs
- 28% from other grants
- 23% from the European Commission
- 12% from individuals and corporate donors
- 2% from lotteries


Expenditure

In 2020–2021, we spent €41,821,104.



- 53% on Humanitarian Action
- 37% on Sustainable Development
- 4% on Income Generation
- 3% on Multiplying Impact¹
- 3% on Management & Administration

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

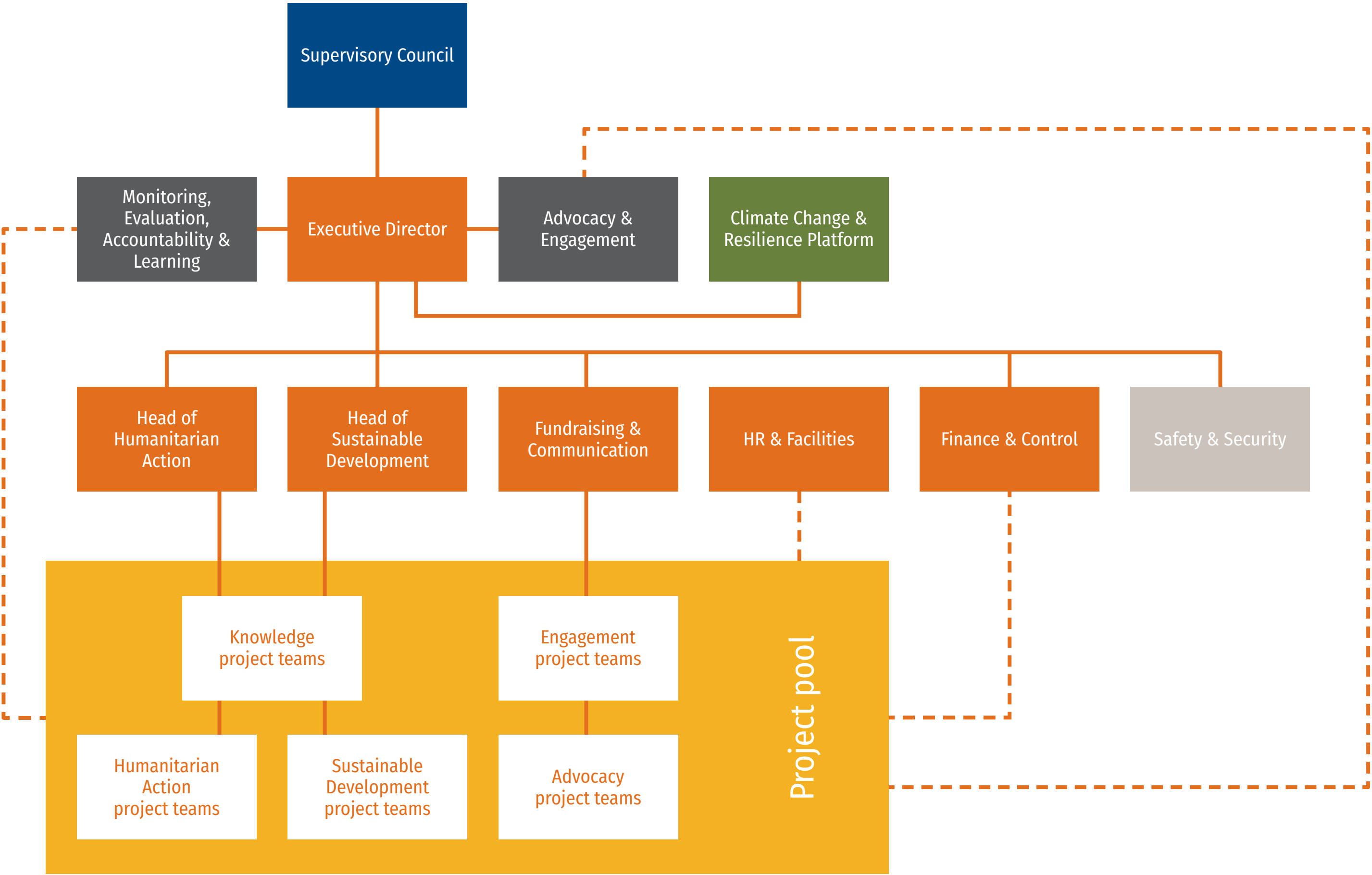


Our people and culture

Chapter 7

CARE had a total of 53 employees at the end of the 2020–2021 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) / Giro555
- Dutch Coalition for Humanitarian Innovation
- Dutch Relief Alliance

In addition, Reintje van Haeringen is a member of the Supervisory Board of FMO, the Dutch entrepreneurial development bank, and member of the Advisory Board for the C4C Foundation.

Supervisory Council

Duties of the Supervisory Council

The Supervisory Council monitors the Board’s policy as well as CARE Nederland’s overall performance. The Council is responsible for ensuring that the implementation of projects and programmes conforms to the organisation’s long-term strategic plan and budget. The Council is specifically 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 Bakhuizen	October 2016 - October 2020	October 2020 – October 2024		■
Jan Broekhuizen	January 2015 - January 2019	January 2019 - January 2023	■	
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

Over the past financial year, we have found ourselves in the grip of the ongoing COVID-19 crisis. The crisis has emphasised how inequality and vulnerability remain important drivers of poverty. The rapidly increasing effects of climate change, particularly on communities in fragile contexts, is another factor that exacerbates inequality. This is why it is so important that we join forces to address these issues – within and outside the CARE International confederation.

This year, the Supervisory Council formally convened on six occasions. The financial statements and the annual report for the 2019–2020 financial year were adopted in November 2020. In February 2021, the Midterm Review of the Annual Operating Plan 2020–2021 was discussed. In March, a self-evaluation by the Supervisory Council was carried out using guidelines provided by the consulting firm PwC. During this

meeting, the CARE International Accountability Standards for Supervisory Councils were also discussed. During a meeting in April 2021, the Supervisory Council was informed about a new multi-annual programme that CARE started in collaboration with SNV, Wageningen and KIT to improve climate-resilient livelihoods in Burkina Faso, Mali and Niger. An extra meeting took place in March 2021 to discuss the process of development of the new CARE Nederland strategy. This strategy was then approved in the June 2021 meeting, where the planning and budget for the 2021–2022 financial year were also approved.

The Audit Committee convened with the manager of Finance and Compliance on two occasions: in November 2020 to approve the annual report and financial statements, and in June 2021 to approve the annual operating plan and budget for the following financial year. The Audit Committee is

The COVID-19 and climate crises have emphasized how inequality and vulnerability remain important drivers of poverty and why it is so important that we join forces to address these issues—within and outside the CARE International confederation.

satisfied with the financial result over the 2021–2022 financial year, as due to COVID–19 it was a challenging year; both for CARE Nederland and the offices in the countries where projects are implemented. The Remuneration Committee held an evaluation with the Executive Director in July 2020 to discuss performance over the past year and set priorities for the current year.

The CARE International Council, which consists of the chairs of the Supervisory Councils of the different CARE members, convened virtually for their annual meeting in June 2021 in the presence of the Executive Directors. The most important topics of discussion were the CARE International Accountability Dashboard; a CARE India cookstove project which allows CARE members to employ gold–standard carbon offsetting for unavoidable emissions; and the changing role of INGOs in the face of shifting power and localisation processes in development cooperation.

In addition to continued work on project implementation, advocacy and fundraising, we are pleased to report that this year CARE Nederland developed a new 5–year strategy in line with the CARE International Vision 2030. We feel that this new strategy allows the organisation to be proactive in terms of partnerships, fundraising and advocacy for impact on poverty.

In order to make a significant change in today’s world and contribute to social justice, it is crucial that CARE establish solid, long–term partnerships with donors and public and private partners across the globe, including in the regions where we aim to achieve impact. We are therefore very happy to see that an increasing number of donors is willing to invest in projects that are designed and funded for five to ten–year periods.

We are particularly grateful for the long–standing and ongoing support of the 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.

The Supervisory Council would also 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.

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 travelling and ultimately 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. Furthermore, we applied a policy that promotes the use of alternative means of transport (instead of flights) for short distances.
- **Ensure safety and security for all our staff**
Staff members who travel abroad attended an external Safety and Security training session. Staff travelling to high-risk destinations received 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**

We applied a Safeguarding Complaint Mechanism and a Whistleblower Policy, which provides more and better opportunities for employees to address misconduct. As of April 2021, CARE NL adheres to the Inter-Agency Misconduct Disclosure Scheme.

- **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 (2020) can be found [here](#). In fiscal year 2020–2021, no complaints related to CARE Nederland staff or projects were recorded. 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. Since then, we have been working with evolving scenarios regarding the impact of COVID-19, which allow us to anticipate and mitigate negative consequences. CARE Nederland uses a risk matrix to help determine the size and scope of each risk it faces.

- **Strategic risks:** Strategic risks 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. We positively influence the debate on the importance of development cooperation and 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. Since travelling to county offices was limited, we applied alternative ways to ensure proper monitoring of projects (e.g., through virtual meetings and local consultants).

- **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. CARE Nederland's investments in individual fundraising activities has led to an increase in income from individual donors. We work closely with the CARE USA Internal Audit Team in order to contribute to the financial capacity of country offices and decrease the risk of ineligible costs.
- **Reputation risks:** Reputation risks are those 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 2020–2021

Chapter 8

Our 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 2020 to 30 June 2021. 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 7 candidate/affiliate organisations. We adhere to CARE International’s vision and mission:

Vision

We seek a world of hope, inclusion and social justice, where poverty has been overcome and all people live with dignity and security.

Mission

CARE works around the globe to save lives, defeat poverty and achieve social justice.

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 through the following 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

2 Financial management report

2.1 Income and expenditure

CARE Nederland's total revenue in financial year 2020 – 2021 (FY21) was just over EUR 40.2 million, which is a decrease of 24% (12.5 million) compared to financial year 2019 – 2020 (FY20) but 1% (0.5 million) above the budgeted revenue of approximately EUR 39.7 million. Due to continuing investments, the income from individual donations grew by 12% to the amount of EUR 4.3 million. The total expenses are in line with the revenue. Programme-specific donations that CARE Nederland has not yet spent have been added to the designated funds.

- Due to more grants, the income for implementing Humanitarian Action projects and programmes was almost EUR 6 million above budget and the expenses exceeded the budget by EUR 6.6 million, approximately the same as in FY20.
- The income for our Sustainable Development projects and programmes decreased by more than EUR 10 million and stayed EUR 6.1 million behind budget. Over 43% of this decrease is caused by our two flagship programmes which ended in December 2020.
- CARE Nederland received donations (total EUR 1 million) from the Samenwerkende Hulp Organisaties (SHO) for programmes in Beirut, Lebanon, and to respond at the global COVID-19 pandemic.

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 7,000, 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 2020 to 30 June 2021 (indicated as 2020–2021).

3.2 Balance sheet (After appropriation of result)

Assets	30 June 2021	30 June 2020
I. Tangible fixed assets (ref. 5.1)	24,578	32,409
II. Financial fixed assets (ref. 5.2)	54,134	54,071
	78,712	86,480
III. Receivables, prepayments and accrued income (ref. 5.3)	20,496,023	19,919,558
IV. Cash and cash equivalents (ref. 5.4)	8,885,171	19,157,795
	29,381,194	39,077,353
Total assets	29,459,906	39,163,833

Liabilities	30 June 2021	30 June 2020
V. Reserves and funds (ref. 5.5 and 5.6)	6,051,301	7,642,200
• Continuity reserve	3,465,650	3,458,285
• Earmarked reserves	1,602,699	1,826,776
• Earmarked funds	982,952	2,357,139
VI. Current liabilities (ref. 5.7)	22,584,946	29,951,479
VII. Non-current liabilities (ref. 5.8)	823,659	1,570,154
Total liabilities	29,459,906	39,163,833

3.3 Statement of income and expenditure

	Result 2020-2021	Budget 2020-2021	Result 2019-2020
Revenue			
I. Individual donations (ref. 6.1.1)	4,304,655	3,400,000	3,853,310
II. Corporate donations (ref. 6.1.1)	583,708	515,000	2,885,977
III. Lotteries (ref. 6.1.2)	900,000	975,000	900,000
IV. Government grants (ref. 6.1.3)	33,429,047	34,252,000	44,856,081
V. Other fundraising organisations (ref. 6.1.4)	1,022,250	540,000	69,486
Other revenue			
VI. Other income (ref. 6.1.5)	28,804-	-	100,320
Total revenue	40,210,856	39,682,000	52,665,174
Expense			
VII. Expenditure on objectives (ref. 6.2.2)	39,169,274	38,947,000	49,706,248
Humanitarian Action	22,204,282	15,618,000	21,865,414
Sustainable Development	15,557,595	21,693,000	26,583,783
Multiplying Impact	1,407,397	1,636,000	1,257,051
VIII. Fundraising (ref. 6.2.3)	1,489,847	2,258,000	1,381,356
IX. Management and administration costs (ref. 6.2.3)	1,161,983	947,000	1,069,306
Total expenses	41,821,104	42,152,000	52,156,910
Result before change financial revenue/expense	1,610,248-	2,470,000-	508,264
Result financial revenue/expense (ref. 6.1.6)	19,348	36,000-	97,031-
Result after change finance revenue/expense	1,590,900-	2,506,000-	411,233

3.4 Appropriation of the result

	Result 2020-2021	Budget 2020-2021	Result 2019-2020
Result	1,590,900-	2,506,000-	411,233
Continuity reserve	7,364	51,000	84,892
Earmarked reserves	224,077-	606,000-	362,437-
Earmarked reserve for covering the costs of the organisation	-	-	-
Earmarked reserve for covering the costs of SHO	9,359	10,000-	35,913-
Earmarked reserve for covering the costs of NPL	24,910-	30,000-	27,175-
Earmarked reserve for covering the costs of H&M	187,445-	179,000-	111,602
Earmarked reserve for covering direct project costs	94,424	255,000-	282,695-
Earmarked reserve for high-risk projects	63,000-	-	12,880
Earmarked reserve for capacity and quality development	-	-	35,000-
Earmarked reserve for fundraising	30,000-	136,000-	60,000-
Green fund reserve	22,505-	4,000	4,000
Earmarked reserve for innovative activities	-	-	50,000-
Earmarked reserve for emergency aid projects	-	-	135-
Earmarked funds	1,374,187-	1,951,000-	688,777

3.5 Cash flow statement

	2020-2021	2019-2020
Total liquid assets as of 1 July	19,157,795	20,881,893
Cash flow from operational activities		
Cash received from donors	5,434,300	4,869,460
Cash received from subsidies	31,824,888	47,252,268
Payments in the context of subsidies	41,952,290-	46,969,282-
Payments to suppliers and employees	5,523,956-	6,940,787-
	10,217,058-	1,788,341-
Received interest	-	2,427
Paid interest	44,802-	-
Revenue from other income and expenses	-	-
Payments for other income and expenses	-	-
	44,802-	2,427
Cash flow from investing activities		
Investments in tangible fixed assets	5,941	26,211
Disposals of tangible fixed assets	-	-
	5,941	26,211
	10,255,919-	1,759,703-
Exchange rate differences of funds	16,705-	35,605
Increase / Decrease in funds	10,272,624-	1,724,098-
Total liquid assets as of June 30	8,885,171	19,157,795

3.6 Key performance indicators

	Result 2020–2021	Target 2020–2021	Result 2019–2020
Expenditure on objective as a percentage of total income	97	90	94
Expenditure on objective as a percentage of total expenditure	94	85	95
Management and administration expenses as a percentage of total expenditure	2.8	2.6	2.1

In FY21, the expense on strategic objectives divided by the total income is relatively high and lies 7% above budget. This is mainly because of our running H&M Phase III programme and the Nationale Postcode Loterij programme in Jordan: the income for these programmes is accounted for in previous years, the expenses in FY21 for these programmes are covered by the designated funds. Ninety-four per cent of the total CARE Nederland expenditure in FY21 was spent on strategic objectives (almost 9% above budget), but slightly less was spent than in FY20 (1.6%). Because of additional staff costs and fundraising investments, the percentage spent on Management and administration costs is quite high compared to the FY20 actuals, but at 2.8% this is still very low.

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, the only investments included are those for which cash was paid in 2020 – 2021. 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 Hulp Organisaties (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’. Until December 2020, the arrangement was twofold:

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

As of 31 December 2020, the 5-year contract with A.S.R. verzekeringen with the ‘defined benefit plan with a maximum of EUR 30,000’ contract ended. Because an extension with the same conditions would mean an increase of the contribution by at least 80%, CARE Nederland started a trajectory to change this pension scheme. After consulting the works council, CARE Nederland decided to make the entire pension scheme a ‘defined contribution plan’. After all employees have agreed to this, the pension scheme will be changed retroactively to 1 January 2021. For the January – July 2021 period, we made an estimate of the costs based on historical costs and the salary levels within CARE Nederland.

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.

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

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		Communi- cation Equipment	Total
		Hardware	Software		
Carrying value as at 30 June 2020	2,660	16,868	-	12,880	32,409
Accumulated investments as at 30 June 2019	21,166	100,491	-	19,796	141,453
Investments in the reporting period	-	5,940	-	-	5,941
Disposals in the reporting period	-	-	-	-	-
Accumulated investments as at 30 June 2020	21,166	106,431	-	19,796	147,393
Accumulated depreciation as at 30 June 2019	18,505	83,623	-	6,916	109,044
Depreciation in the reporting period	1,291	9,720	-	2,760	13,771
Disposals in the reporting period	-	-	-	-	-
Accumulated depreciation as at 30 June 2020	19,796	93,343	-	9,676	122,815
Carrying value as at 30 June 2021	1,370	13,088	-	10,120	24,578

All tangible fixed assets (office equipment) are used for CARE Nederland business operations. During 2020 – 2021, the office was mainly closed and there were no investments needed in Furniture & Fittings and Communication Equipment. There were a few investments in Computer Equipment (hardware, EUR 5,941). The total depreciation in financial year 2020 – 2021 amounted to EUR 13,771. The carrying value of the tangible fixed assets on 30 June 2021 was EUR 24,578.

5.2 Financial fixed assets

Reference 5.2	30 June 2021	30 June 2020
Opening balance	54,071	54,040
Earned interest	63	31
Closing balance	54,134	54,071

CARE Nederland's part in the CARE International revolving fund, which was created in financial year 2001 – 2002, is EUR 54,134. 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 8,602 was added to the principal sum. During the reporting period, the interest on the revolving fund was EUR 63.

5.3 Receivables, prepayments and accrued income

The total project related receivables increased slightly during the reporting period, the total amount of project related receivables is EUR 19,822,382. This is almost 97% of the total receivables. The project receivables include commitments to CARE International Country Offices, partners in our projects and project costs incurred by CARE Nederland. 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 2021	30 June 2020
Ministry of Foreign Affairs	5,052,866	4,527,644
European Commission	9,104,185	11,795,458
Other donors	5,665,331	3,117,443
Total project receivables	19,822,382	19,440,545

CARE Nederland makes financial commitments for long-term (> 18 months) programmes for one year only. For programmes with a shorter running time (or when the long-term programmes have a relatively 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 2021	30 June 2020
Project receivables		
Long-term project receivables	637,591	240,714
Short-term project receivables	19,184,791	19,199,831
	19,822,382	19,440,545
Debtors		
Various debtors	265,319	63,453
	265,319	63,453
Other receivables		
Security deposits	13,032	13,032
VAT	192,528	175,310
	205,560	188,342
Prepayments and accrued income		
Prepaid pension insurances	-	117,202
Other staff costs	69,088	30,755
Interest due	-	-
Miscellaneous	133,674	79,261
	202,762	227,218
Total receivables	20,496,023	19,919,558

5.4 Cash and cash equivalents

Reference 5.4	30 June 2021	30 June 2020
Cash balances		
Cash in hand (EURO)	-	-
	-	-
Banks		
Current account (EURO)	4,305,917	1,903,836
Current account (foreign currency)	442,547	81,496
Savings account / deposit (EURO)	4,136,707	17,172,463
	8,885,171	19,157,795
Total cash and cash equivalents	8,885,171	19,157,795

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. The total amount of cash and cash equivalents decreased by more than EUR 10,000,000. There are two main reasons for this. Two large MFA partnership programs stopped in 2020 – 2021. MFA pre-financed these programs with large cash transfers at the beginning of the calendar year. In calendar year 2021, we did not receive these amounts which created a balance at year end. Because we want to reduce costs for negative interest, we have decided, as of FY20, to pre-finance larger amounts to the CARE International Country Offices and ask donors to transfer smaller amounts and only when we need it. With these measures, we have managed to reduce our cash and cash equivalents, thereby reducing the amount of negative interest we have to pay.

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 2020	Dotation	Extraction	30 June 2021
Reserves				
Continuity reserve	3,458,286	7,364	0	3,465,650
Earmarked reserve for covering the costs of the organisation	364,496	44,611	247,607	161,500
Earmarked reserve for covering direct project costs	237,899	358,297	263,873	332,323
Earmarked reserve for high-risk projects	509,725		63,000	446,725
Earmarked reserve for capacity and quality development	254,758			254,758
Earmarked reserve for Fundraising	30,000		30,000	0
Greenfund reserve	54,000		22,505	31,495
Earmarked reserve for Innovative Activities	50,000			50,000
Earmarked reserve for Emergency Aid Projects	325,898			325,898
Total earmarked reserves	1,826,776	402,908	626,985	1,602,699
Total reserves	5,285,062	410,272	626,985	5,068,349

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 2021, operating costs are calculated at EUR 6,472,895, which implies that the continuity reserve for CARE Nederland is maximised to EUR 9,709,342 for the 2020 – 2021 period. As the current continuity reserve amounts to EUR 3,465,649, 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.¹ The minimum continuity reserve should cover 50% of the organisational costs. After financial year 2020 – 2021, CARE Nederland will be able to add EUR 7,000 to the continuity reserve. Because the amount of ‘mid-term funding’ for staff decreased due to less funding from Strategic Partnerships with MFA but the organisational costs only decreased as of March – April 2021, the coverage of the continuity reserve decreased to 61% or 7.5 months. Compared to last year, this is a decrease of 2% or 0.7 month. In FY21, CARE Nederland did not need to use the continuity reserve to cover additional costs caused by staff reductions (transition pays, coaching, etc.) and could cover this within the P&L. In the mid/long term, the coverage of the continuity reserve will increase again because of lower 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, H&M Foundation and SHO), 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.

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. Part of this reserve is formed by Climate Change and Resilience Platform (CCRP) income that has not yet been spent on CCRP activities.

Risk reserve

The risk reserve is required to cover financial risks in the event that special circumstances preclude adequate project accounting² and to cover financial risks in our projects and programmes. 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 dotations to the earmarked reserve for high-risk projects. We withdraw EUR 63,000 of this reserve to cover part of the overspending (EUR 130,000) in our Every Voice Counts programme. In the coming years, we plan to add this EUR 63,000 back to the risk 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 2020 – 2021, CARE Nederland did not use these funds. For the coming year, the plan is to use part of these funds to reach our strategic goals, but by the end of the strategic period, the funds should be at the same level as on 30 June 2021.

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

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

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 years 2018 – 2019, 2019 – 2020 and 2020 – 2021 to meet our future goals. We withdraw the final EUR 30,000 from this reserve and as of FY22, the fundraising investments should be covered from the additional income we realise.

Green fund reserve

The Green fund reserve seeks to compensate for the CO2 emissions that arise from activities carried out by CARE Nederland. Because no CARE Nederland staff travelled during FY21 due to COVID-19, CARE Nederland did not add anything to the green fund reserve. In FY21, CARE Nederland invested in a certified carbon offsetting programme. This is a joint CARE offsetting programme. In financial year 2020 – 2021, CARE Nederland invested EUR 22,505 to buy 1,286 Carbon Credits. This investment is paid from the green fund reserve we formed to offset our staff travel.

Earmarked reserve for innovative activities

In financial year 2013–14, CARE Nederland introduced an earmarked reserve for innovative activities. In FY21, CARE did not need this fund to finance innovative activities.

Earmarked reserve for Emergency Aid projects

This year, CARE Nederland was not able to add funds to this reserve, nor did we need them, bringing the total reserve to EUR 325,898.

5.6 Funds

Reference 5.6	30 June 2020	Dotations	Extractions	30 June 2021
Earmarked funds				
Movement in H&M Foundation earmarked fund	1,393,270	146,504	1,031,319	508,455
Movement in Dutch Postcode Lottery earmarked fund	774,393	186,000	691,660	268,733
Movement in earmarked fund for special programmes (private donations)	45,539	100,391	82,257	63,673
Movement in earmarked fund for emergency aid (private donations)	143,937	153,561	155,407	142,091
Total earmarked funds	2,357,139	586,456	1,960,643	982,952

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 was extended until FY21. In addition, CARE Nederland received new donations in FY20 from the H&M Foundation for Phase III of the existing H&M Foundation programme. The costs CARE Nederland incurred in FY21 in these programs were withdrawn from the funds. The addition to the H&M designated fund is part of the donation we received for our programme in Bangladesh with the H&M Foundation. The movements in the NPL & SHO earmarked funds are caused by costs incurred in the NPL programme and unspent donations for the SHO COVID-19 programme in Yemen and India. The movements in the 'earmarked funds for special programmes/emergency aid' were possible because of restricted donations we received in FY21.

5.7 Current liabilities

Reference 5.7	30 June 2021	30 June 2020
Short-term project commitments	21,076,156	25,764,129
Prepayment received from donors	383,278	2,851,485
Creditors	449,600	760,711
Accruals and deferred income	0	-0
• Statutory payroll / Social security contributions	103,902	110,678
• Holiday entitlement / Holidays	192,072	176,332
• Pension insurances	91,263	-
• Other staff costs	158,445	142,495
• Miscellaneous	130,230	145,648
	675,912	575,153
Total current liabilities	22,584,946	29,951,478

Short-term project commitments have a runtime of less than one year. The short-term project commitments decreased to EUR 21,076,156. CARE Nederland received down payments for designated project grants that were not yet fully committed to by the end of FY21. These down payments decreased by almost EUR 2,500,000 because CARE Nederland requested these down payments later and we asked for smaller amounts to ensure less negative interest. Just as in FY20, there was an increase in 'Holiday entitlement' in FY21. It seems COVID-19 made it difficult to travel and therefore staff took less holiday. Total holiday entitlement at the end of FY21 was EUR 192,072.

5.8 Non-current liabilities

Reference 5.8	30 June 2021	30 June 2020
Long-term project commitments	823,659	1,570,154
Total non-current liabilities	823,659	1,570,154

Non-current liabilities consist of long-term commitments to countries and are payable within five years. Because we mostly make short-term contracts with country offices in cases of multi-annual funding, CARE Nederland's long-term project commitments are decreasing. In financial year 2020 – 2021, there was a decrease in long-term commitments of EUR 746,495.

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 804,743, which is not included on the balance sheet. CARE Nederland maintains a short-term Service Level Agreement (SLA) with CARE International UK for the provision of IT services (value around EUR 18,000).

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 CARE Nederland started implementing a couple of multi-annual programmes in FY21, the total programme-related off-balance-sheet receivables amount to EUR 14,376,400, while total off-balance-sheet payables add up to EUR 12,779,953. Of these amounts, the short-term receivables are EUR 10,697,986 and the short-term payables are EUR 10,940,716.

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 2020–2021	Budget 2020–2021	Actual 2019–2020
Individual donations	4,274,655	3,400,000	3,783,914
Bequests	30,000	-	69,395
Corporate donations	583,708	515,000	2,885,977
Total income from own fundraising activities	4,888,363	3,915,000	6,739,287

CARE Nederland's own fundraising activities are categorised into three groups of donors: 1) individuals, 2) bequests and 3) corporate donors and asset funds.

Donations from individuals & bequests

In FY21 we continued with the fundraising strategy we started in FY19. The income from donations by individual donors increased by EUR 490,741. Despite a temporary suspension of fundraising activities due to COVID-19, the income from donations by individual donors increased by 13% to EUR 4,274,665 (which is far above budget). Around EUR 150,000 of this revenue is restricted because of our Yemen and COVID-19 fundraising campaigns. This increase is the result of the investments that CARE Nederland made 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. In FY21, CARE Nederland received the remaining 30% of a legacy of which the first 70% was transferred in FY20.

Donations from corporates and asset funds

In financial year 2020 – 2021, CARE Nederland received a total of EUR 478,000 from the H&M Foundation for a new phase of our existing programme Building Resilience of Woman Garment Factory Workers in Bangladesh. Due to other corporate donations, the total income was EUR 583,709..

6.1.2 Lotteries

Reference 6.1.2	Actual 2020–2021	Budget 2020–2021	Actual 2019–2020
Dutch Postcode Lottery	900,000	975,000	900,000
Total income from Lotteries	900,000	975,000	900,000

Dutch Postcode Lottery (Nationale Postcode Loterij)

Since 2012, CARE Nederland has been a designated beneficiary of the Nationale Postcode Loterij, resulting in a total donation of EUR 900,000 in FY21.

6.1.3 Government grants

Reference 6.1.3	Actual 2020–2021	Budget 2020–2021	Actual 2019–2020
Grants for project activities	32,106,644	32,368,000	43,388,184
Ministry of Foreign Affairs	12,315,811	16,249,000	22,024,034
European Commission	8,967,629	6,463,000	9,336,668
Other grants	10,823,204	9,656,000	12,027,482
Grants to cover administration costs	1,322,403	1,884,000	1,467,897
Ministry of Foreign Affairs	336,978	599,000	590,963
European Commission	379,396	525,000	410,534
Other grants	606,029	760,000	466,400
Total income from institutional donor grants	33,429,047	34,252,000	44,856,081

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 FY21, the total revenue from government grants decreased by EUR 11,247,034 to EUR 33,429,047 and is quite in line with the budget (2% below). This decrease is mainly because two large Strategic Partnerships with MFA ended in December 2020. Whereas the income from MFA remained under budget, income from the EU and other institutional grants was above budget.

Income from the recovery of administrative costs remained far under budget, mainly due to fewer MFA grants. Not all of the programmes that we expected to close during FY21 have ended, and in some cases we are still waiting on final donor approval. We expect to recognise the remaining 15% of the ICR in FY22 after the definitive grant amount has been determined and approved by donors.

6.1.4 Other fundraising organisations

Reference 6.1.4	Actual 2020–2021	Budget 2020–2021	Actual 2019–2020
CARE International Fundraising	127,773	80,000	69,486
Other Fundraising Organisations	894,477	460,000	-
Total income from third-party campaigns	1,022,250	540,000	69,486

CARE Nederland received several contributions from CARE International members for the Climate Change and Resilience Platform (CCRP) activities in the Netherlands. Besides the yearly contributions, the CCRP received a one-off donation from CARE International of EUR 34,700. Other CARE International members provided staff for the CCRP. In FY21, CARE Nederland received donations from SHO for two programmes (Beirut & COVID-19 response) that added up to EUR 894,477. A part of these donations will be added to the designated funds because the costs of these programmes will be incurred in FY22 or later.

6.1.5 Other income

Reference 6.1.5	Actual 2020–2021	Budget 2020–2021	Actual 2019–2020
Other income	28,804-	-	100,320
Miscellaneous	28,804-	-	100,320
Total other income	28,804-	-	100,320

The other revenue is income for CARE Nederland staff working for the Dutch Relief Alliance and other CARE member partners. The amount of other income is negative because of an overspend in the EVC flagship programme (EUR 130,000), which is accounted for here.

6.1.6 Financial revenue/expense

Reference 6.1.6	Actual 2020–2021	Budget 2020–2021	Actual 2019–2020
Interest income and income from investments	44,802-	4,000	144-
Interest	44,802-	4,000	144-
Financial Expense-exchange gain/loss	64,149	40,000-	96,887-
Currency exchange difference	64,149	40,000-	96,887-
Total interest income and income from investments	19,348	36,000-	97,031-

CARE Nederland has no portfolio investments; therefore, only income from interest is presented. Negative interest rates caused a total of EUR 44,802 in additional costs for CARE Nederland.

CARE Nederland had an exchange gain on foreign currencies of EUR 64,149. This gain led to additional commitments to the country offices as well, so CARE Nederland's costs increased by the same amount. The effect of the FY21 exchange losses balances out in the result.

6.1.7 Overview of income from non-individual donors

Non-individual donors	2020–2021	2019–2020
Corporates / Asset Funds	4,987,332	6,909,093
European Commission	14,030,141	15,802,194
Development and Co-operation (EuropAid)	2,048,578	6,738,565
Humanitarian Aid and Civil Protection (ECHO)	7,298,447	3,008,637
Through third parties	4,683,116	6,054,992
Ministry of Foreign Affairs	18,817,613	28,950,273
Ministry of Foreign Affairs	12,652,789	22,614,997
Through third parties	6,164,824	6,335,276
Dutch Postcode Lottery	900,000	900,000
Dutch Postcode Lottery	900,000	900,000
Through third parties	-	-
SHO / Giro 555	894,477	-
Other non-individual donors	581,293	103,615
Total	40,210,856	52,665,175

In FY19, CARE Nederland received EUR 40,210,856 from non-individual donors. The source of this funding is summarised 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’. There is a sharp decrease in funding we received from MFA, mainly caused by the end of the strategic partnerships Partners for Resilience and Every Voice Counts. Where EU funding for development programmes also decreased, we received a lot more funding for Humanitarian Aid and Civil Protection programmes.

CARE Nederland also receives funding as the ‘lead’ of a consortium. In FY20, CARE Nederland was the lead of various consortia in different countries. Through a Dutch partner, the last phase of our flagship programme Every Voice Counts and our Women, Peace and Security programme in Yemen were implemented. On behalf of the consortium members, CARE Nederland received EUR 10,126,638 from donors. This amount is included in the CARE Nederland revenue. This is a decrease of 15% compared to the previous financial year (EUR 11,905,344). The table below presents the details.

Countries of operation	CARE Nederland as consortium lead	Consortium Partner	Total 2020–2021
Humanitarian Action			
Ecuador	263,609	180,000	443,609
Indonesia	13,748-	97,812-	111,560-
Pakistan	1,569,183	1,400,846	2,970,029
Philippines	28,654	-	28,654
Somalia	2,006,450	2,922,005	4,928,455
Syria	51,155	1,186-	49,969
Thailand and Vietnam	5,756	-	5,756
Uganda	129,404	348,558	477,962
Yemen	997,490	5,172,281	6,169,771
Sustainable Development			
Afghanistan	20,620-	-	20,620-
Burundi	50,711	8,061	58,772
Ethiopia	710	-	710
Pakistan	64,000-	-	64,000-
Rwanda	5,500-	8,061	2,561
Somalia	1,337,349	8,061	1,345,410
Sudan	3,975-	8,061	4,086
Yemen	707,426	349,703	1,057,129
Total	7,040,054	10,306,639	17,346,693

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 2020–2021	Budget 2020–2021	Actual 2019–2020
Humanitarian Action	22,204,282	15,618,000	21,865,414
Programme commitments	21,485,485	14,788,000	21,192,501
Costs incurred by CARE Nederland	718,797	830,000	672,913
Sustainable Development	15,557,595	21,693,000	26,583,783
Programme commitments	13,911,185	20,769,000	24,955,687
Costs incurred by CARE Nederland	1,646,410	924,000	1,628,096
Multiplying Impact	1,407,397	1,636,000	1,257,051
Programme commitments	132,928	190,000	1,424-
Costs incurred by CARE Nederland	1,274,469	1,446,000	1,258,475
Total expenditure on objectives	39,169,274	38,947,000	49,706,248

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

The expenditure on objectives is in line with the budget and in line with the FY21 revenue. The expenditure on Humanitarian Action however exceeds the budget by almost EUR 6,600,000. Part of this is the money that CARE Nederland (as lead) allocated for a ‘future DRA Taskforce project’ implemented by Oxfam Novib & Save the Children. Furthermore, we implemented more ECHO programmes than expected. CARE Nederland responded to humanitarian crises in Yemen, Somalia, Sudan, South Sudan, Syria, Lebanon, Cameroon, Zambia, Mozambique, DRC, Ecuador, Pakistan, Afghanistan, Vietnam and the Philippines and Indonesia through the CARE International network (and our partners) with a total expenditure of EUR 22,204,282.

Expenditure on Sustainable Development remained more than EUR 6,100,000 under budget. We were not as successful with new Sustainable Development programmes as expected when we made the budget. In addition to our multi-country programmes, CARE Nederland has programmes in Burundi, Ivory Coast, Sierra Leone, Uganda, Somalia, Ethiopia, Sudan, South Sudan, the DRC, Yemen, Jordan and Bangladesh.

Our expenditure on Multiplying Impact is a bit below budget, but it increased by 12% compared to our expenses in FY20.

Funding source	Humanitarian Action	Sustainable Development	Multiplying Impact	Total 2020–2021	Total 2019–2020
Ministry of Foreign Affairs	8,412,149	3,903,662	-	12,315,811	22,024,034
European Commission	6,978,829	1,988,800	-	8,967,629	9,336,668
SHO / Giro 555	645,864	-	-	645,864	-
Corporates / Asset Funds	-	2,746,426	132,928	2,879,354	1,993,468
Other donors	5,061,189	5,049,334	-	10,110,523	12,083,038
Own resources	1,106,251	1,869,373	1,274,469	4,250,093	4,269,040
Total expenditure on objective	22,204,282	15,557,595	1,407,397	39,169,274	49,706,248

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

Reference 6.2.3	Objectives			Fundraising	Management and administration costs	Actual 2020 –2021	Budget 2020–2021	Actual 2019–2020
	Humanitarian Action	Sustainable Development	Multiplying Impact					
Allocation								
Grants & contributions	21,252,380	13,005,385	143,277	-	-	34,401,042	34,726,000	44,830,094
Public information & awareness campaigns	-	-	947,167	924,303	-	1,871,470	1,755,000	1,826,597
Staff costs	711,291	2,023,581	240,295	423,671	791,314	4,190,151	4,105,000	4,193,986
Housing costs	29,806	65,484	9,496	17,575	45,917	168,278	193,600	171,913
Office & general costs	208,366	457,786	66,385	122,860	320,994	1,176,391	1,349,400	1,121,133
Depreciation	2,439	5,359	777	1,438	3,758	13,771	23,000	13,186
Total	22,204,282	15,557,595	1,407,397	1,489,847	1,161,983	41,821,103	42,152,000	52,156,909

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 5,549,000. Compared to FY20, this is an increase of less than 1%. With this, CARE Nederland remained within the budget of EUR 5,671,000 by EUR 122,000.

Due to additional fundraising activities, the costs of income generation in FY21 increased by 8% compared to the previous year.

The 'Management & administration' costs incurred in FY19 increased by almost 9% to EUR 1,161,983, mainly because of higher 'Office & general costs' & 'Staff costs'.

Staff costs	Actual 2020–2021	Budget 2020–2021	Actual 2019–2020
Gross salaries	2,717,226	2,635,000	2,740,869
Holiday entitlement and holidays	254,252	218,000	233,737
Social security contributions	550,949	517,000	524,923
Pension contributions	383,776	381,000	369,829
Employee insurances	125,186	128,000	124,174
Commuting expenses	3,572	68,000	44,039
Year-end gratification	155,191	158,000	156,414
Total staff costs	4,190,152	4,105,000	4,193,986

6.2.4 Personnel

Staff	Actual 2020–2021	Actual 2019–2020	Budget 2020–2021
Employees in the Netherlands	53.00	55.00	56.00
Advocacy	1.00	1.00	2.00
Management	2.00	2.00	2.00
Finance	4.00	4.00	4.00
Quality Management & IT	2.00	4.00	4.00
Office Management	2.00	2.00	2.00
Human Resources	5.00	5.00	4.00
Programmes	28.00	29.00	30.00
Communication & Fundraising	9.00	8.00	8.00
Employees as at the end of the reporting year	53.00	55.00	56.00
Average FTEs in the Netherlands	50.27	50.83	48.20
Average FTEs abroad	-	0.48	-

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 105,392 (from 01/07/2020 – 30/06/2021), the current Board remuneration remains below the Goede Doelen Nederland maximum. According to the *Regeling beloning directeuren van goededoelenorganisaties*, CARE Nederland scores 420 BSD points. Thus, the maximum income is EUR 125,011. 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 136,278), remains within the maximum stipulated scheme of EUR 209,000 as well.

Management Board remuneration	Actual 2020–2021	Actual 2019–2020
R.P.F. van Haeringen		
Employment contract		
Nature (term)	Fixed contract	Fixed contract
Number of hours	38	38
Part-time percentage	100	100
Period	01/07/2020 t/m 30/06/2021	01/07/2019 t/m 30/06/2020
* Statutory Director as of April 4 th 2018		
Remuneration		
Annual income	105,392	100,756
• Gross annual salary	92,449	88,382
• Holiday pay	7,396	7,071
• Year-end gratitude	5,547	5,303
Social security contributions (employer's share)	10,391	10,559
Pension contributions (employer's share)	20,495	18,443
Total remuneration	136,278	129,758

The Supervisory Council performs its duties in an honorary capacity. Due to COVID-19, there was no face-to-face CARE International Supervisory Council meeting, so there were no travel costs in FY21. Total expenses for the Supervisory Council therefore decreased and were EUR 1,461.

Remuneration and expense reimbursement Supervisory Board	2020-2021	2019-2020
Sum of expenses	1,461	4,152

6.4 Audit fees

Audit fees	2020-2021	2019-2020
Audit of the financial statements	66,670	57,075
Other audit services	14,450	35,175
Tax services	-	-
Other no audit services	-	-
Total	81,120	92,250

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.

The costs for the audit of the financial statements increased by EUR 9,595. 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. In FY21, the costs for other audit services decreased by EUR 20,725. In FY20, these costs were quite high because of the ECHO ex-ante FPA assessment.

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 2021, 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 2021 by the Board, which consists of:

Ms. Reintje van Haeringen

The Annual Report and the accompanying financial statements were adopted on 23 November 2021 by the Supervisory Council, which consists of the following executives:

Ms. Mariëtte Doornekamp (chair)

Ms. Karen Bakhuizen

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 FY20 1 July 2019 - 30 June 2020			Total FY21 1 July 2020 - 30 June 2021			Total Cumulative as per 30 June 2021		
	Emergency aid	Rehabilitation	Total	Emergency aid	Rehabilitation	Total	Emergency aid	Rehabilitation	Total
Income									
Income from joint campaigns			-			-			904,273
Interest			-			-			-
Total income			-			-			904,273
Costs for preparation & coordination			-			-			-
Ceiling for administrative costs			18,085			-			63,299
Total amount available for the action			-18,085			-			840,974
Expenditure									
Commitments by participant			-			-			859,059
Support via implementing organisation	-	-		-	-		-	-	
Support via the international network	-	-		-	-		859,059	-	
Support via the participant	-	-		-	-		-	-	
Available to additional commitments			-18,085			-			-18,085
Participant cash flow									
Transfers by the participant related to:			385,013			54,890			859,059
Support via implementing organisation	-	-		-	-		-	-	
Support via the international network	385,013	-		54,890	-		859,059	-	
Support via the participant	-	-		-	-		-	-	
Local expenditure			185,544			196,708			840,973
Support via implementing organisation	-	-		-	-		-	-	
Support via the international network	108,731	76,813		60,655	136,053		628,107	212,866	
Support via the participant	-	-		-	-		-	-	

7.2 Financial accounts of the national SHO Beirut action

	Total FY21 7 August 2020 - 30 June 2021			Total Cumulative as per 30 June 2021		
	Emergency aid	Rehabilitation	Total	Emergency aid	Rehabilitation	Total
Income						
Income from joint campaigns			694,477			694,477
Interest			-			-
Total income			694,477			694,477
Costs for preparation & coordination			-			-
Ceiling for administrative costs			48,613			48,613
Total amount available for the action			645,864			645,864
Expenditure						
Commitments by participant			645,864			645,864
Support via implementing organisation	-	-		-	-	
Support via the international network	645,864	-		645,864	-	
Support via the participant	-	-		-	-	
Available to additional commitments			-0			-0
Participant cash flow						
Transfers by the participant related to:			645,864			645,864
Support via implementing organisation	-	-		-	-	
Support via the international network	645,864	-		645,864	-	
Support via the participant	-	-		-	-	
Local expenditure			392,014			392,014
Support via implementing organisation	-	-		-	-	
Support via the international network	392,014	-		392,014	-	
Support via the participant	-	-		-	-	

7.3 Financial accounts of the national SHO COVID-19 response

	Total FY21 6 May 2020 - 5 May 2021			Total Cumulative as per 30 June 2021		
	Emergency aid	Rehabilitation	Total	Emergency aid	Rehabilitation	Total
Income						
Income from joint campaigns			200,000			200,000
Interest			-			-
Total income			200,000			200,000
Costs for preparation & coordination			-			-
Ceiling for administrative costs			14,000			14,000
Total amount available for the action			186,000			186,000
Expenditure						
Commitments by participant			-			-
Support via implementing organisation	-	-		-	-	
Support via the international network	-	-		-	-	
Support via the participant	-	-		-	-	
Available to additional commitments			186,000			186,000
Participant cash flow						
Transfers by the participant related to:			-			-
Support via implementing organisation	-	-		-	-	
Support via the international network	-	-		-	-	
Support via the participant	-	-		-	-	
Local expenditure			-			-
Support via implementing organisation	-	-		-	-	
Support via the international network	-	-		-	-	
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 2020/2021

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 2021, 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 2020/2021 of Stichting CARE Nederland, Den Haag.

The annual accounts comprise:

- the balance sheet as at 30 June 2021;
- 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 regulations 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 accounts

The annual accounts contain other information. This includes all information in the annual accounts in addition to the annual accounts and our auditor's report thereon.

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 all the information regarding the directors' report 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 the 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 procedures 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 in the annual accounts any event and circumstances that may cast significant doubt on the Foundation's ability to continue as a going concern. 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 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, 7 June 2022

PricewaterhouseCoopers Accountants N.V.

Original has been signed by M. Gaasterland RA

Appendix to our auditor's report on the annual accounts 2020/2021 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 2021-2022

Chapter 9

Fiscal year 2021–2022 marks the start of our new strategic period in which we are implementing CARE Nederland’s strategic roadmap FY22–FY26 to overcoming poverty. The strategic roadmap FY22–FY26 reflects our ambitions on different topics, all of which are built around our aspiration to change the conditions that promote the perpetuation of poverty and contribute to systems change.

Our priorities for 2021-2022

Advocacy

We will invest in additional capacity for advocacy to further enhance our advocacy work on climate change adaptation. In addition to this, we will continue to advocate for gender equality in development programming, as well as in the countries where we operate. We will also further develop and propagate our position in the debate about ‘shifting the power’ for equitable partnerships.

Programmes

In our programmatic work, we will focus on the quality and scalability of solutions that we co-develop with country offices and partners. Furthermore, we will invest in a long-term commitment for systems change with a selected set of country offices and their partner networks, focusing on changing the systemic issues they face in their fight for poverty reduction and equality.

Partnerships

We will be deliberate about complementarity and mutual added value with our partners in the Netherlands and around the globe. At the same time, we will continue to develop a shared vision on equitable partnerships with organisations and communities close to impact.



Organisation

We will work to develop an organisational culture that allows for collaboration and learning across all the work that we do. In addition, we will focus on the development of knowledge products relevant to our programming, to enhance the quality of our work and as an evidence base for our advocacy work.

Funding

Our aim for next year is to maintain our revenue level of development funding. Apart from investing in institutional and private donors for programme-related work, we will continue to increase our funding from individual givers, as this provides us with the unearmarked funds required to leverage other funding and to continue to innovate and advocate for poverty reduction and equality.

Budget for 2021-2022

Statement of income and expenditure	Budget 2021-2022
Income	€ 40,011,000
Fundraising	€ 5,837,000
• Individual fundraising	€ 4,322,000
• Corporate fundraising	€ 540,000
• Lotteries	€ 975,000
Grants	€ 33,576,000
Other fundraising organisations	€ 560,000
Other revenue	€ 38,000
Expenditure	€ 40,352,000
Strategic objectives (grants/direct costs)	€ 37,752,000
• Humanitarian Action	€ 20,292,000
• Sustainable Development	€ 17,124,000
• Advocacy	€ 336,000
Fundraising	€ 1,500,000
General & administration	€ 1,100,000
Result before change finance revenue/expense	€ 341,000 -/-
Result financial revenue/expense	€ 40,000 -/-
• Interest	€ 40,000
• Financial expense	-
Result after change finance revenue/expense	€ 381,000 -/-
Appropriation of result to designated reserves	€ 249,000 -/-
Appropriation of result to designated funds	€ 215,000 -/-
Continuity reserve movement	€ 83,000

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CARE Nederland in collaboration with Florine Kuethe

Corrections: Kristen Gehrman

Design: Engine Branding & Identity

Photography: CARE International/CARE Nederland



A photograph of a smiling man and woman in a rustic, possibly African, setting. The man is wearing a blue beanie and a patterned shirt, and the woman is wearing a colorful patterned dress. They are standing in front of a wall with a thatched roof structure above them. The text "A different approach." and "A fairer world." is overlaid on the image in white, with each line on a separate orange rectangular background.

A different approach.

A fairer world.