

**Stichting Ashoka Nederland
Amsterdam**

Audited

Financial statements 2018/2019

Initialed for identification
purposes:


RSM

RSM Netherlands
date: 18-11-2020

BALANCE SHEET AT AUGUST 31
(after appropriation of net income)

ASSETS

	<u>31-08-2019</u>	<u>31-08-2018</u>
	€	€
Current assets		
Receivables, prepayments and accrued income		
Trade Receivables	20,733	400
Other receivables, prepayments and accrued income	40,503	18,771
	<u>61,236</u>	<u>19,171</u>
Cash and banks	<u>662,135</u>	<u>836,216</u>
	<u>723,371</u>	<u>855,387</u>

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LIABILITIES

	<u>31-08-2019</u>	<u>31-08-2018</u>
	€	€
Reserves and funds		
Other reserves	164,531	84,215
	<u> </u>	<u> </u>
Current liabilities and accruals		
Accounts payable	58,561	1,185
Taxes and social security charges	6,985	8,962
Amounts due to related parties	311,181	324,067
Other liabilities, accruals and deferred income	182,113	436,959
	<u> </u>	<u> </u>
	558,840	771,172
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
	723,371	855,387
	<u> </u>	<u> </u>

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STATEMENT OF INCOME AND EXPENDITURE

	ACTUAL <u>2018/2019</u> €	BUDGET <u>2018/2019</u> €	ACTUAL <u>2017/2018</u> €
<i>Income</i>			
Individual contributions and donations	168,000	171,000	68,000
Corporate contributions and donations	33,333	1,235,629	933,633
Government contributions and donations	0	0	0
Foundation contributions and donations	957,636	0	35,000
	<hr/>	<hr/>	<hr/>
Income from fundraising	1,158,969	1,406,629	1,036,663
 <i>Various income</i>			
Other income	32,314	1,941	12,362
	<hr/>	<hr/>	<hr/>
Total income	1,191,283	1,408,570	1,049,025
 <i>Expenditure</i>			
<u>Expenditure on goals</u>	961,843	1,185,350	889,862
 <u>Fundraising</u>	25,875	42,830	60,134
 <u>Management and administration</u>	123,248	171,320	75,409
	<hr/>	<hr/>	<hr/>
Total expenditure	1,110,966	1,399,500	1,025,405
	<hr/>	<hr/>	<hr/>
 <i>Net result</i>	80,317	9,070	23,620
	<hr/>	<hr/>	<hr/>
 Appropriation of net result			
Added to: other reserves	80,317		
	<hr/>		

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GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

General

The financial statements have been prepared in accordance with the Dutch Accounting Standards for Fundraising Institutions (RJ 650). This guideline requires that costs are allocated not only to the costs of fundraising and the achievement of the organization's goals (projects and programs, providing support to partners, lobbying and advocacy, popular campaigning, and public information & marketing) but also to:

- Management and administration costs;
- Costs of generating income, disaggregated into costs of direct fundraising, expenditure on joint campaigns, expenditure on third-party campaigns and costs of securing government grants.

The financial statements cover the period from September 1, 2018 through August 31, 2019.

Going concern

The accounting principles applied to the valuation of assets and liabilities and the determination of results in these financial statements are based on the assumption of continuity of the company.

Foreign currency

Transactions in foreign currencies are stated in the financial statements at the exchange rate of the functional currency on the transaction date.

Monetary assets and liabilities in foreign currencies are converted to the closing rate of the functional currency on the balance sheet date. The translation differences resulting from settlement and conversion are credited or charged to the income statement, unless hedge-accounting is applied.

Non-monetary assets valued at historical cost in a foreign currency are converted at the exchange rate on the transaction date.

Non-monetary assets valued at fair value in a foreign currency are converted at the exchange rate on the date on which the fair value was determined.

Translation differences on intragroup long-term loans that effectively constitute an increase or decrease in net investments in a foreign operation are directly recognised in equity as a component of the legal reserve for translation differences.

Translation differences on foreign currency loans contracted to finance a net investment in a foreign operation are recognised in the legal reserve for currency translation differences if and when such loans effectively hedge the exchange rate exposure on that net investment in a foreign operation

Estimates

In applying the principles and policies for drawing up the financial statements, the directors of Stichting Ashoka Nederland make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required

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under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

Related parties

Stichting Ashoka Nederland is part of the worldwide network of Ashoka (see www.ashoka.org for all country offices). Transactions with related parties are disclosed if they have not been entered into at arm's length. Disclosed are the nature and amounts involved with such transactions, and other information that is deemed necessary for an insight into the transactions.

Subsequent events

Events that provide further information on the actual situation at the balance sheet date and that appear before the financial statements are being prepared, are recognized in the financial statements.

Events that provide no information on the actual situation at the balance sheet date are not recognized in the financial statements. When those events are relevant for the economic decisions of users of the financial statements, the nature and the estimated financial effects of the events are disclosed in the financial statements.

PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES

General

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value.

Income and expenses are accounted on accrual basis. Result is only included when realized on the balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Receivables

Receivables are included at face value, less any provision for doubtful accounts. These provisions are determined by individual assessment of the receivables.

Cash and banks

Cash and cash equivalents are stated at face value and are readily available.

Current liabilities, accruals and deferred income

On initial recognition current liabilities are recognized at fair value. After initial recognition current liabilities are recognized at the amortized cost price.

When there are no premiums, discounts or transaction costs, the amortized cost is equal to the nominal value.

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PRINCIPLES FOR THE DETERMINATION OF THE RESULT

General

With due consideration to the accounting policies for the valuation of assets and liabilities outlined above, net income is defined as the difference between (i) income from fundraising, the share of revenues from joint campaigns and third-party campaigns, government grants, other income and (ii) expenditure in the context of the goal of 'structural poverty alleviation' (inclusive of imputed costs), the costs of generating income, and the management and administration costs. Income and expenditure is attributed to the year to which it relates and expenditure is recorded at historical cost unless indicated otherwise.

Income from fundraising

Income from fundraising is recognized in the year to which the item of income relates. Non-recurring items of income are recognized in the year in which they are received. Gains arising from inheritances, legacies, bequests, etc. are recognized in the year in which the amount involved can be measured reliably.

Expenditure on goals

Expenditure on the achieving the goals include expenses to select and support fellows, expenses to set up changemaker programs to build changemaker skills and partnership to set up and collaborate in changemaker alliances.

Costs of fundraising

The costs of fundraising include the direct and indirect costs of recruiting and maintaining relationships, measured at historical cost.

Management and administration

The management and administration include the costs of the Board of Directors, the financial accounting function, the general secretariats, and the controllers and all costs indirectly allocated thereto, to the extent that these cannot be allocated directly to the goals and generation of income.

Employee benefits/pensions

Employee benefits are charged to the profit and loss account in the period in which the employee services are rendered and, to the extent not already paid, as a liability on the balance sheet. If the amount already paid exceeds the benefits owed, the excess is recognized as a current asset to the extent that there will be a reimbursement by the employees or a reduction in future payments by the Company.

For benefits with accumulating rights, sabbatical leave, profit-sharing and bonuses the projected costs are taken into account during the employment. An expected payment resulting from profit-sharing and bonus payments is recognized if the obligation for that payment has arisen on or before the balance sheet date and a reliable estimate of the liabilities can be made. Contributions received as a result of a life-course savings scheme ('levensloopregeling') are taken into account in the period in which the contributions are due.

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If a benefit is paid in case of non-accumulating rights (e.g., continued payment in case of sickness or disability), the projected costs are recognized in the period in which such benefit is payable. For existing commitments at the balance sheet date to continue the payment of benefits (including termination benefits) to employees who are expected to be unable to perform work wholly or partly due to sickness or disability in the future, a provision is recognized.

The recognized liability relates to the best estimate of the expenditure necessary to settle the obligation at the balance sheet date. The best estimate is based on contractual agreements with employees (collective agreement and individual employment contract). Additions to and reversals of liabilities are charged or credited to the profit and loss account.

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NOTES TO THE FINANCIAL STATEMENTS

(Amounts in euro's)

CURRENT ASSETS

	<u>31-08-2019</u>	<u>31-08-2018</u>
<u>Trade receivables</u>		
Nominal value*	20,733	400
	<hr/>	<hr/>
<u>Other receivables, prepayments and accrued income</u>		
Revenue to be invoiced	38,890	17,600
Deposit	0	100
Prepaid expenses	1,613	1,071
	<hr/>	<hr/>
	40,503	18,771
	<hr/>	<hr/>
<u>Cash and banks</u>		
ING-bank current account	65,873	34,967
ING-bank saving account	596,262	801,249
	<hr/>	<hr/>
	662,135	836,216
	<hr/>	<hr/>

The current assets are used for the daily operation and for funding the objectives of the foundation.

All claims have a maturity shorter than one year (< 1 year).

**Trade receivables / Nominal value: EUR 8,000 of this total amount refers to a receivable from a related party (Ashoka Spain)*

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**Stichting Ashoka Nederland
Amsterdam**

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LIABILITIES

Reserves and funds

	<u>2018/2019</u>	<u>2017/2018</u>
<u>Other reserves*</u>		
Balance as at September 1	84,215	60,595
Appropriation of result financial year	80,317	23,620
	<hr/>	<hr/>
Balance as at August 31	164,532	84,215
	<hr/>	<hr/>

**Reserves and Funds / Other reserves: reserve is freely available to be spent in accordance with the mission of Ashoka Nederland*

CURRENT LIABILITIES

	<u>31-08-2019</u>	<u>31-08-2018</u>
Accounts payable		
Trade creditors	58,561	1,184
	<hr/>	<hr/>
Taxes and social security charges		
Wage tax	6,985	8,962
	<hr/>	<hr/>
Amounts due to related parties		
Ashoka Global	311,181	324,067
	<hr/>	<hr/>
Other liabilities, accruals and deferred income		
Personnel Expenses	43,221	14,953
Audit expenses	34,157	59,010
Holiday allowance	4,980	3,771
Other liabilities	21,618	3,941
Deferred income	78,137	355,284
	<hr/>	<hr/>
	182,113	436,959
	<hr/>	<hr/>

**The current liabilities include no amounts with a residual term of more than one year*


***No interest and guarantees have been agreed.*

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Rental obligations

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NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE

(Amounts in euro's)

	ACTUAL 2018/2019	BUDGET 2018/2019	ACTUAL 2017/2018
Income			
Income from fundraising			
Individual contributions and donations	168,000	171,000	68,000
Corporate contributions and donations	33,333	1,235,629	933,663
Government contributions and donations	0	0	0
Foundation contributions and donations	957,636	0	35,500
	<hr/>	<hr/>	<hr/>
	1,158,969	1,406,629	1,036,663
Other income			
Transfer for contributing in Global program			
Various income	32,314	1,941	12,262
	<hr/>	<hr/>	<hr/>
	32,314	1,941	12,262
	<hr/>	<hr/>	<hr/>
Total	<hr/> 1,191,283 <hr/>	<hr/> 1,408,570 <hr/>	<hr/> 1,049,025 <hr/>

Explanation of the difference in revenue between budget and actual numbers FY19:

- Individual contributions and donations - We raised less ASN income than expected but we were happy to onboard 5 new ASN members in FY19; a significant increase compared to the previous fiscal year.
- Corporate Contributions and donations – In previous fiscal years we presented contributions from for example Philips Foundation and Ebay Foundation as 'corporate' revenues but in fact they are 'foundation' revenues, so we presented these revenues under 'Foundation contributions and donations'. The corporate revenue from PWC was as expected.
- Foundation Contributions – In total we raised less income from corporate foundations than expected because we allocated less revenue from Philips Foundation to this fiscal year; we were faced with a delay in the program, hence we will have to carry out some activities in the next fiscal year. We were able to raise new contributions from RoundGlass Foundation and Google.org.

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Expenditure

Expenditure on goals

	<u>ACTUAL</u> <u>2018/2019</u>	<u>BUDGET</u> <u>2018/2019</u>	<u>ACTUAL</u> <u>2017/2018</u>
Accelerating Health Access Programme	713,290	956,133	692,430
Rethink Refugees Programme	0	0	186
Circular Futures Programme	174,474	229,217	165,295
Changemaker School selection /Education day	0	0	414
Venture / Fellowship/ ASN	0	0	31,537
Learning for Holistic Wellbeing Programme	62,919	0	0
Google Impact Challenge Programme	8,910	0	0
Global Change Leaders (Primat)	2,250	0	
	<u>961,843</u>	<u>1,110,965</u>	<u>889,862</u>
<u>Fundraising</u>	25,875	42,830	60,134
<u>Management and administration</u>	123,248	171,320	75,409
Total expenditure	<u>1,110,966</u>	<u>1,399,500</u>	<u>1,025,405</u>

Explanation of the difference in expenditures between budget and actual numbers FY19:

- Accelerating Health Access - We spent less than expected due to the fact we faced a delay in the program; some activities are postponed to a later phase.
- Circular Futures – We spent less than expected on this program because the partnership with Ebay Foundation was not prolonged as we envisioned.
- Learning for Holistic Wellbeing – This program was not yet expected when drafting the budget for FY19 in Annual report FY18.
- Google.org Impact Challenge - This program was not yet expected when drafting the budget for FY19 in Annual report FY18.
- Global Change Leaders (Primat) – This expenditure was an unexpected contribution to a Weaving program, for which we were compensated by Ashoka UK.
- Expenditures on Fundraising, Management and Administration – We spent less on overhead costs not covered by programmes than expected. These expenditures are covered by unrestricted funds (ASN revenues and corporate contributions). We had a smaller team than envisioned and we could allocate more overhead expenditures to programs.

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Expenditure on goals

Expenditure on goals accounts for 80.74% of total income (2017/2018: 84.83%).

Expenditure on goals accounts for 86.57% of total expenditure (2017/2018: 86.78%).

Cost of fundraising / management and administration

The expenses of fundraising accounts for 2.17% of total income (2017/2018: 5.73%).

The expenditure management and administration accounts for 10.35% of the total income (2017/2018: 7.19%).

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Expenditure allocation

Cost Category	Expenditure on goals	Fund Raising	Management and administration	Actuals FY19	Actuals FY18
Communication	419	136	545	1,100	799
Office Rent	11,946	1,218	4,873	18,038	6,347
Office/Other	67,788	2,034	27,878	97,700	66,565
Personnel	196,470	15,526	62,103	274,099	288,623
Project Cost	685,219	6,962	27,848	720,029	654,859
Eindtotaal	961,843	25,876	123,247	1,110,966	1,017,193

Average number of employees

The average number of employees during the year, converted to full-time equivalents, was in 2018/2019: 5 (2017/2018: 6).

The average number of employees broken down by activity, was as follows:

	<u>2018/2019</u>	<u>2017/2018</u>
Director	1	1
Finance / Operation / HR	1	1
Youth Years	1	1
Venture & Fellowship		1
Community building		1
Communication		
Program Manager	2	1
Total	5	6

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Remuneration of (former) directors and supervisory directors

In 2018/2019 an amount of € 80,624 for the remuneration of the director (80% -100% contract) was charged to the foundation. There was one acting Director in 2018/2019.

In 2017/2018 we had a new Director (two acting Directors in total) and a total remuneration of € 63,082.

Proposed appropriation of the result

The operating result 2018/2019 amounting to € 80,317 should be added to the other reserves. This proposal has been incorporated in these financial statements.

Subsequent event (Covid-19)

The current developments surrounding the Corona (COVID-19) virus has a major impact on the health of people and our society, as well as on the operational and financial performance of organizations and the assessment of the possibility of maintaining continuity. Management has taken solid measures for people and customer relations to continue the operational activities and monitor financial results and liquidity as best as possible. Besides the current expectations in result, management is positive and confident about the results / liquidity and cash position in relation to its continuity. The liquidity is sufficient enough to cover a potential decrease of turnover as result of the Corona (COVID-19) virus.

Signing of the financial statements

A.G. Mourot

M.S. Schouten

J. Kester

O.J.M. Heister

A. Raskin

N.N. Lodeizen

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