



F I N A N C I A L R E P O R T 2019

1 january - 31 december

Content

Page

Report

1. Introduction	1
2. Financial position	2
3. Note to the financial report	4

Financial report

Annex A	Balance Sheet as at 31 December 2019	5
Annex B	Operating account - Statement of Income and Expenses	6
Annex C	General Notes	7
Annex D	Notes to the Balance Sheet as at 31 December 2019	8
Annex E	Notes to the Status of Income and Expenditures of 2019	10
Annex F	Overview Projects 2019	13
Annex G	Overview Budget projects 2019	14
Annex H	Overview Projects 2018	15

Independent auditors report	16
------------------------------------	----

1. Introduction

Human Security Collective

Financial Report 1 January – 31 December 2019

In the report an overview is provided of the financial position and prolonged available capacity of the Foundation Human Security Collective together with 8 annexes:

Annex A: The balance sheet up till December 31 2019. HSC general reserve (equity) is € 519.957. In addition € 30.901 is set aside for the professional development of HSC staff and the organization as a whole.

Annex B: The statement of Income and Expenses. The year closes with a positive result of € 9.102.

Annex C: General notes with an explanation of accounting principles for determining the financial report.

Annex D: An Explanation of the Balance sheet till December 31 2019.

Annex E: Notes on the Status of Income and Expenses. In the operating account a break-down of Income and Expenses is provided: 1) Income from projects, third party lease (consultancy assignments), interest of bank accounts and miscellaneous (overhead allocated to projects) and 2) Expenses for costs of personnel, organization, general expenses, housing, services, IT, and project-related activities. HSC own contribution to the execution of projects is, as was forecasted, higher than in 2018 primarily because of staff costs related to the acquisition of new projects and the required co-financing of activities for a number of projects.

Annex F: An overview of the projects in 2019.

Annex G: An overview of the Project Budget for 2019.

Annex H: An overview of the Projects in 2018.

HSC closes the financial year 2019 with sufficient financial resources to sustain the organization in 2020 and 2021. The organization's general reserve fund and the Open Society Foundation unrestricted grant allow for further organizational development of HSC and for exploring additional acquisition opportunities. In 2019 HSC submitted in partnership with the Dutch Foundation "People on a Mission" a four-year project to the Dutch Ministry of Foreign Affairs "Human Rights Fund for the Freedom of Religion and Belief (for Cameroun and the Philippines)" which was approved. HSC is developing new partnerships in Tunisia (CSID) and in Cameroun (UNDP). The Sigrid Rausing Trust supported HSC Global NPO Coalition on the FATF related work through a one-year grant which may be extended with a three year grant in 2020, which may be renewed till 2029. In the pipeline for approval are proposals for a Strategic Program on the nexus Development and Security and Youth Leadership in Tunisia (both to be funded by the Dutch Ministry of Foreign Affairs).

2. Financial position

	Actual 2019 x € 1.000	Budget 2019 x € 1.000	Actual 2018 x € 1.000
<i><u>Income</u></i>			
Contributions HSC	1.050	1.186	1.058
Mutation project prerequisites	31	-87	44
	1.081	1.099	1.102
Direct Project Expenses	454	424	453
Gross margin	627	675	650
<i><u>Expenditures</u></i>			
Personnel	545	559	531
Organisation	1	16	30
General	104	134	31
Housing	10	14	9
Services	0	1	0
ICT	16	15	15
	677	740	617
Shortage	-50	-65	32
Other Income	59	0	74
Interest	0	0	0
Total other income	59	0	75
Result	9	-65	107

Financial position

For an assessment of the financial position of the foundation, the amounts of the balance sheet (Annex A) grouped as follows:

	31-12-2019	31-12-2018
<u>Prolonged Available Capacity</u>		
<i><u>Equity</u></i>		
General reserve	519.957	484.235
Reserve professional development	30.901	25.729
	550.858	509.964
Increase compared to previous year		
Operating surplus/ deficit	3.931	100.109
Addition/ withdrawal facilities	5.172	6.641
	9.102	106.750

Available working capital

Receivables	54.764	77.261
Cash and cash equivalents	819.117	867.759
	<hr/> 873.881	<hr/> 945.020
Current Liabilities	<hr/> 79.368	<hr/> 82.683
Working capital	<hr/> 794.514 <hr/>	<hr/> 862.337 <hr/>
Increase compared to previous year	<hr/> -67.823 <hr/>	<hr/> 107.887 <hr/>
Prepaid project costs	0	0
Positive balance and increase of facilities	9.102	106.750
	<hr/>	<hr/>
	<hr/> 9.102 <hr/>	<hr/> 106.750 <hr/>

At year end 2019 the financial position of HSC is solid.

Treasurer
Klaas Jansen

3. Note to the Financial Report 2019

At the time of drawing up the financial report 2019, the Covid 19 pandemic dominates daily life and has a major impact on the economy. Everyone is impacted by the crisis, and our foundation is no exception.

At the moment, the consequences are not immediately noticeable for HSC, but in view of the current great uncertainty, it cannot be excluded that our foundation will experience the negative effects of the crisis in the near future. HSC will closely monitor the developments and take necessary measures to minimize the consequences. We applied for and received the NOW tegemoetkoming in loonkosten (Government supported scheme for compensation of employment costs), which is currently held in reserve.

Two Dutch Ministry of Foreign Affairs funded projects, ARC Mali, and FORB Cameroun and the Philippines, can be extended under the no-cost extension scheme due to the crisis. The NOW will be used by HSC if this extension is needed due to irrevocable delays in our project execution. The accountancy firm that executes the institutional and project audits of the foundation advised us on the way we need to account for the NOW to the UWV, and will conduct the audit on the NOW (real) expenditures.

Additional precautionary measures taken by HSC to address the consequences of the crisis are provided in our 2020 Planning document.

Despite the uncertain situation, it was decided to prepare the financial report and statement on the basis of a continuation of the activities implemented by HSC. On the one hand due to the solid financial position of the foundation and on the other hand due to the measures the government has taken in support of healthy profit and nonprofit companies and organizations, it is expected that HSC is able to proceed with its work in the coming year(s).

Balance Sheet as at 31 December 2019**Annex A**

<u>Assets</u>	<u>31-12-2019</u>	<u>31-12-2018</u>
Current Assets		
<i>Accounts receivable</i>	54.764	77.261
<i>Current account</i>	<u>819.117</u>	<u>822.291</u>
	<u>873.881</u>	<u>899.552</u>
<u>Liabilities</u>		
<i>Equity</i>		
General reserve	519.957	484.235
Reserve professional development	<u>30.901</u>	<u>25.729</u>
	550.858	509.964
<i>Current liabilities / accounts payable</i>	79.368	82.683
<i>Advanced project payments</i>	243.656	306.906
	<u>873.882</u>	<u>899.553</u>

Operating Account*Statement of income and expenses***Annex B****Income**

		Actual 2019	Actual 2018	Budgeted 2019
Contribution to HSC	1.049.639	1.058.040	1.186.381	
Mutation advanced project payment	31.459	44.330	-87.334	
Interest	184	471	400	
Other Income	<u>58.852</u>	<u>74.052</u>	<u>0</u>	
		1.140.133	1.176.892	1.099.447

Expenditures

Staff costs	544.594	531.356	559.000	
Organisation Expenses	788	30.458	16.300	
General Expenses	104.376	31.231	134.364	
Housing Costs	10.238	8.904	14.340	
Services	184	282	660	
ICT	16.444	15.113	15.000	
Project Charges	<u>454.407</u>	<u>452.797</u>	<u>424.355</u>	
		1.131.031	1.070.142	1.164.018

Results Financial Year

<u>9.102</u>	<u>106.750</u>	<u>-64.572</u>
---------------------	-----------------------	-----------------------

Breakdown of results

Reserve Professional Development	5.172	6.641	
General Reserve	3.931	100.109	-64.572
	<u>9.102</u>	<u>106.750</u>	<u>-64.572</u>

Accounting Principles

Annex C

Receivables

The receivables are valued at their nominal value.
All receivables are reviewed individually and decided upon whether it is doubtful.
In case of doubt a provision for bad debt is created.

Other Assests and Liabilities

Unless mentioned otherwise, these are valued at their nominal value.

Provision for Professional Development

A provision has been created for keeping and developing the knowledge and expertise of the staff members.

Principles for Determining the Results

Revenues and expenses are accounted for in the period they are related to, regardless of whether they have been received or paid at that moment.

Revenues are incorporated if they have been realized. Expenses are accounted for if they are foreseeable.

Correction to the reserve per 1 January 2019

An correction has been made to the Reserve per 1 January 2019.
The corrective action was made after discovering an erroneous booking of the own contribution to the OAK project in 2018. The amount of 31.791 euro was included in the HSC funding in 2018, but has been corrected to the Reserve and Project Balance.
The correction does not affect the understanding of the Financial report 2018.

Notes to the Balance Sheet as at 31 December 2019**Annex D****Assets** **2019** **2018****Accounts receivable**

Interest ABN/Amro	149	398
Warranty	1.150	1.150
Dutch Ministry of Foreign Affairs	0	47.372
St. Participe	15.765	15.765
Wo=Men	0	3.600
ECNL	21.993	1.431
Other	15.708	7.545

Total accounts receivable	<u>54.764</u>	<u>77.261</u>
----------------------------------	----------------------	----------------------

Liquid assets

Cash	1.628	1.205
Bank Account	373.693	377.677
Bank Account (savings)	443.796	443.408

Total Liquid Assets	<u>819.117</u>	<u>822.291</u>
----------------------------	-----------------------	-----------------------

*These are directly requestable balances.***Liabilities****General Reserve**

Balance as of 1 January	484.235	384.125
Correction (Error recovery in 2019)	31.791	
Balance as of 1 January 2019 (corrected)	<u>516.026</u>	
Increase: result financial year	3.931	100.109
	<u>3.931</u>	<u>100.109</u>
Balance at 31 December	<u>519.957</u>	<u>484.235</u>

Reserve Professional Development

Balance at 1 January	25.729	19.088
Increase: endowment	9.000	9.000
Decrease: various trainings and courses	<u>3.828</u>	<u>2.359</u>
	<u>5.172</u>	<u>6.641</u>
Balance at 31 December	<u>30.901</u>	<u>25.729</u>

	<u>2019</u>	<u>2018</u>
<i><u>Accounts payable</u></i>		
Still to be paid holiday contribution/ days	23.121	22.699
Accrued liabilities	1.000	0
Justice and Peace	5.261	13.700
Project costs to be paid	1.683	7.495
Tax authorities	11.735	10.192
Auditor	5.225	5.500
Perpectivity	0	10.415
Foreign accounts payable	16.528	1.753
PFZW Pension fund	7.360	0
Miscellaneous	7.455	10.929
	<hr/>	<hr/>
Total accounts payable	<u>79.368</u>	<u>82.683</u>
<i><u>In advanced received contributions:</u></i>		
Projects (see annex F)	243.656	306.906
Correction balance 1 January		
Projects (see annex F)	0	0
	<hr/>	<hr/>
Balance at 31 December	<u>243.656</u>	<u>306.906</u>

Financial obligations not featured in the balance sheet:

Rental contract with " Stichting het Nutshuis " concerning office space Riviervismarkt 5, the Hague and an extra room 'Glazen kamer'. The contract of the office space ends per 31-12-2021 and can be terminated by that date, with a term of notice of 6 months before the end of contract. The office space rent in 2019 was € 9.137, including services. The costs of the "Glazen kamer" rental are € 1.452 on yearly base (price level 2019).

Notes to the Operating Account*On the Status on Income and Expenses***Annex E**

<u>Income</u>	<u>Actual</u> <u>2019</u>	<u>Actual</u> <u>2018</u>	<u>Budgeted</u> <u>2019</u>
Contributions:			
Mofa	25.000	226.705	0
OSF	260.870	240.910	322.727
Canada Global Affairs	0	0	56.980
Norwegian Church	225.000	265.000	225.000
ICCO	25.088	0	0
UNDP	34.755	0	0
Australian Government	24.524	0	0
Sigrid Rausing Trust	78.816	0	40230
ECNL	53.419	18.765	25.641
Wanep	0	27.249	0
Cordaid NAP	105.349	170.195	153.200
ECNL / OAK	27.826	41.136	21.368
Zon MW	63.060	15.765	90.000
NWO	12.391	10.565	12.931
Mensen met een Missie	17.656	15.600	3.980
Justice and Peace	0	4.212	0
US Foundations	0	0	113.960
Other	0	0	0
Fundraising project	95.885	21.937	120.364
			0
	1.049.639	1.058.040	1.186.381
Mutation Project Requirement:			
Balance at 1 January	306.906	351.236	267.142
Correction per 1-1-2019	-31.791		
Corrected balance per 1/1-2019	275.115		
Balance at 31 December	243.656	306.906	354.477
Mutation Required	31.459	44.330	-87.334
<i>* For a complete overview on projects income and expenses see Annex F</i>			
Interest Income			
Interest Banks	184	471	400
	184	471	400
Other Income			
Lease staff for third parties	23.107	43.329	0
Miscellaneous	35.745	30.723	0
	58.852	74.052	0
Total Income	1.140.133	1.176.892	1.099.447

Expenditures

		<u>Actual</u> <u>2019</u>	<u>Actual</u> <u>2018</u>	<u>Budgeted</u> <u>2019</u>
Personnel Expenses				
Salaries	424.379	421.435	410.500	
Social Security Expenses	65.474	61.534	59.536	
Verg.zkv	2.149	2.001	2.222	
Pension wg	40.152	40.711	40.076	
Travel expenses w/w	6.008	7.229	7.738	
Other pers.expenses	1.965	-1.735	7.526	
Hired personnel	2.043	7.513	18.561	
Arboservice	944	572	601	
Insurance ZW	6.361	2.976	4.240	
Professional Development	3.828	2.359	8.000	
Sick pay	-8.709	-13.237	0	
		544.594	531.356	559.000
Organisation Expenses				
Phone costs etc.	3.907	2.112	3.500	
Postage	33	14	100	
Banking costs	456	753	900	
Exchange rate difference	-14.738	23.096	0	
Office supplies	199	201	400	
Insurances	3.039	1.544	3.000	
Subscriptions / documentation	95	0	200	
Copying costs, etc.	631	600	700	
Conferences / seminars (abroad)	5.806	1.434	3.000	
Contributions	0	546	500	
Other organisational costs	545	0	0	
ISO certification	0	157	4.000	
Expenses earlier years	815	0	0	
		788	30.458	16.300
General Expenses				
Audit fees	5.110	5.869	4.500	
KKA-TAD/administration	2.027	2.142	2.500	
Publicity	0	0	1.000	
Cost management (board)	1.277	944	4.000	
Travel-accomm. expenses (NL)	69	339	1.500	
General Costs	8	0	500	
Own contribution projects	95.885	21.937	120.364	
Meeting costs	0	0	0	
		104.376	31.231	134.364

Expenditures

	<u>Actual 2019</u>	<u>Actual 2018</u>	<u>Budgeted 2019</u>
Housing Expenses			
Rent	<u>10.238</u>	<u>8.904</u>	<u>14.340</u>
	10.238	8.904	14.340
Services			
Housekeeping services	184	282	660
depreciation inventory	<u>0</u>	<u>0</u>	<u>0</u>
	184	282	660
Automation			
ICT (including hardware)	<u>16.444</u>	<u>15.113</u>	<u>15.000</u>
	16.444	15.113	15.000
Activity-project Expenses			
Third party	<u>454.407</u>	<u>452.797</u>	<u>424.355</u>
	454.407	452.797	424.355
Total	<u><u>1.131.031</u></u>	<u><u>1.070.142</u></u>	<u><u>1.164.018</u></u>

	<u>Number Fte's</u>	<u>Number Fte's</u>	<u>Number Fte's</u>
<u>Staffing</u>			
Executive Director	1,00	1,00	1,00
Co-Directors	2,00	2,00	2,00
Program Officer	2,97	3,40	2,67
Communication Officer	0,80	0,80	0,80
Administration	<u>0,60</u>	<u>0,57</u>	<u>0,60</u>
Total	7,37	7,77	7,07
Internships positions 1 persons	0,00	0,00	0,00

Overview Project 2019

Income	OSF De-risking G20	OSF Core Funding	OSF Institutional Support	SRT Global Coalition	NWO WOTRO	CVE Masterclass	CVE Masterclass Ethiopia	CVE/PVE Toolkit	UNDP Cameroon's PVE Project	MM PVE Workshop Cameroon	Strategic Partnership	Mali ARC	Coordination ARC Project	Tunisia Youth Leadership Tunisia	Tunisia FATF	Libya 1325 NAP	OAK FATF expert hub	Time4Your-Future	Acquisitie	Overige	Total Projects
Balance Sheet as of 1/1-2019	38.637	5.323	0	0	-2.339	105.432	0	37.226	0	13.966	0	4.195	0	-221	-100	70.514	30.369	3.765	0	139	306.906
Correction per 1-1-2019																	-31.791				-31.791
Corrected balance per 1/1-2019	38.637	5.323	0	0	-2.339	105.432	0	37.226	0	13.966	0	4.195	0	-221	-100	70.514	-1.422	3.765	0	139	275.115
MOFA						20.000		5.000													25.000
Canada Global Affairs																					0
US Foundations																					0
Norwegian Church Aid (NCA)												225.000									225.000
ICCO													25.088								25.088
ECNL															53.419		27.826				81.245
OSF	0	0	260.870																		260.870
Cordaid NAP 1325																105.349					105.349
Australian Gvt. Dep.For.Aff.Trade							24.524														24.524
SRT				78.816																	78.816
Mensen met een Missie										17.656											17.656
UNDP									34.755												34.755
Fonds 1818																					0
Zon MW																		63.060			63.060
NWO					12.391																12.391
Other																					0
Total External Income	38.637	5.323	260.870	78.816	10.052	125.432	24.524	42.226	34.755	31.622	0	229.195	25.088	-221	53.319	175.863	26.404	66.825	0	139	1.228.868
Own contribution Institutional								6.868	559		10.419				220	100	70		77.787	-139	95.885
Total Income	38.637	5.323	260.870	78.816	10.052	125.432	24.524	49.094	35.314	31.622	10.419	229.195	25.088	0	53.419	175.863	26.474	66.825	77.787	0	1.324.753
Expenditures																					
Salary costs	20.870	0	125.609	22.299	10.034	46.243	11.200	24.800	22.957	27.600	8.000	79.846	19.325	0	3.478	59.605	18.522	66.802	59.500		626.690
Project expenses	17.767	5.323	12.413	22.284	18	14.367	3.684	24.294	7.747	4.022	2.419	146.783	5.763	0	49.941	111.320	7.952	23	18.287		454.407
																					0
Total Expenditures	38.636	5.323	138.022	44.583	10.052	60.610	14.884	49.094	30.704	31.622	10.419	226.630	25.088	0	53.419	170.925	26.474	66.825	77.787	0	1.081.097
Balance Projects	0	0	122.848	34.233	0	64.822	9.640	0	4.610	0	0	2.565	0	0	0	4.937	0	0	0	0	243.656

Overview Project Budget 2019

Income	OSF De-risking G20	OSF Core Funding	NWO WOTRO	CVE Masterclass	CVE/PVE Toolkit	Mali ARC	Tunisia Youth Leadership Tunisia	Tunisia FATF	Libya 1325 NAP	OAK FATF expert hub	FATF Global Coalition	FATF National Risk Assessment	US philanthropy various	Time4Your-Future	PVE Workshop Cameroon	Nog af te sluiten	Overige	Total Projects
Balance Sheet as of 1/1-2019	20.637	0	-2.339	104.033	32.226	27.576	0	-18.764	63.660	30.369	0	0	0	-12.000	13.966	7.639	139	267.142
MOFA				0	0		0											0
Canada Global Affairs												56.980						56.980
US Foundations													113.960					113.960
Norwegian Church Aid (NCA)						225.000												225.000
ECNL Tunisia								25.641										25.641
OSF	50.000	272.727																322.727
Cordaid NAP 1325									153.200									153.200
ECNL Expert Hub FATF										21.368								21.368
SRT											40.230							40.230
Mensen met een Missie															3.980			3.980
Fonds 1818																		0
Zon MW														90.000				90.000
NWO			12.931															12.931
Other																		0
Total External Income	70.637	272.727	10.592	104.033	32.226	252.576	0	6.877	216.860	51.737	40.230	56.980	113.960	78.000	17.946	7.639	139	1.333.160
Own contribution OAK										20.364								20.364
Own contribution Institutional																	100.000	100.000
Total Income	70.637	272.727	10.592	104.033	32.226	252.576	0	6.877	216.860	72.101	40.230	56.980	113.960	78.000	17.946	7.639	100.139	1.453.523
Expenditures																		
Salary costs	21.818	100.000	10.592	37.000	18.500	100.000	0	20.000	120.000	18.182	28.000	30.000	70.000	60.000	15.600		25.000	674.692
Project expenses	13.636	20.000	0	33.142	20.000	152.740	0	5.641	80.000	10.909	12.000	26.980	43.960	3.000	2.346		0	424.355
Total Expenditures	35.455	120.000	10.592	70.142	38.500	252.740	0	25.641	200.000	29.091	40.000	56.980	113.960	63.000	17.946	0	25.000	1.099.047
Balance Projects	35.182	152.727	0	33.891	-6.274	-164	0	-18.764	16.860	43.010	230	0	0	15.000	0	7.639	75.139	354.477

Overview Project 2018

Income	OSF Indonesia	OSF De-risking I	OSF G-20	OSF Core Funding	OSF FATF and GSP Pakistan	NWO WORTRO	CVE Masterclass	CVE Toolkit	Tunesië phase 1	Tunesië Delft phase 2	Mali ARC	Wanep Mall	Libya 1325 NAP	OAK FATF expert hub	Loosduinse kamer	Tunisia MPO Gov. Engag.FATF	Time 4 your future	PVE Workshop Cameroon	ECNL Phase 2	Workshop Cameroon	Other	Total Projects
Balance Sheet as of 1/1-2018	-2.680	15.248	0	0	22.515	-2.886	57.818	50.000	-13.558	165.899	-4.590	-16.000	77.544	0	-4.262	0	0	0	6.049	0	139	351.236
MOFA							120.000	45.000	14.333	47.372												226.705
ECNL																18.765						18.765
OSF			59.092	181.818																		240.910
Cordaid NAP 1325													170.195									170.195
ECNL / OAK														41.136								41.136
Fonds 1818																				0		0
NWO						10.565														0		10.565
Norwegian Church Aid (NCA)											265.000									0		265.000
GPPAC												27.249										27.249
Mensen met een Missie																		15.600				15.600
Zon MW																	15.765					15.765
Other															4.212							4.212
Total External Income	-2.680	15.248	59.092	181.818	22.515	7.679	177.818	95.000	775	213.271	260.410	11.249	247.739	41.136	-50	18.765	15.765	15.600	6.049		139	1.387.339
Own contribution	3.111				108				-775			-11.249		31.791	5.000				-6.049			21.937
Total External Income	431	15.248	59.092	181.818	22.623	7.679	177.818	95.000	0	213.271	260.410	0	247.739	72.927	4.950	18.765	15.765	15.600	0	0	139	1.409.276
Expenditures																						
Salary costs	0	5.400	20.455	124.062	16.591	10.000	33.600	56.000		98.700	110.706		129.200	21.818	5.950	5.091	12.000	0	0	0		649.573
Project expenses	431	9.848	0	52.433	6.032	18	38.786	1.774		114.792	145.509		48.025	20.740	-1.000	13.774	0	1.634	0	0		452.797
Total Expenditures	431	15.248	20.455	176.495	22.623	10.018	72.386	57.774	0	213.492	256.215	0	177.225	42.558	4.950	18.865	12.000	1.634	0	0		1.102.370
Balance Projects 31-12-2018	0	0	38.637	5.323	0	-2.339	105.432	37.226	0	-221	4.195	0	70.514	30.369	0	-100	3.765	13.966	0		139	306.906

Foundation Human Security Collective
Attn.: Mrs. C.J. van Broekhoven
Riviervismarkt 5
2513 AM 's-Gravenhage

INDEPENDENT AUDITOR'S REPORT

A. Report on the audit of the financial statements 2019 included in the annual report

Our opinion

We have audited the financial statements 2019 of Foundation Human Security Collective at 's-Gravenhage.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Foundation Human Security Collective as at 31 December 2019, and of its result for 2019 in accordance with the 'RJ-Richtlijn 640 Organisaties zonder winststreven' (Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board).

The financial statements comprise:

1. the balance sheet as at 31 December 2019;
2. the profit and loss account for 2019;
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Foundation Human Security Collective in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (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).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

B. Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the 'RJ-Richtlijn 640 Organisaties zonder winststreven' (Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board).

Furthermore, management is responsible for such internal control as management determines is

necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and 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 these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, 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 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 company's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company'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 financial statements 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. However, future events or conditions may cause a company to cease to continue as a going concern;



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

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

Schoonhoven, June 19, 2020

Versluis Accountancy B.V.
J. Versluis RA