



human security collective

FINANCIAL REPORT 2016

1 january - 31 december

Stichting Human Security Collective
Riviervismarkt 5, 2513 AM Den Haag

Den Haag, 7 april 2017

Voor identificatiedoeleinden
Schoonhoven, d.d. 12/4/2017
Versluis Accountancy B.V.
J. Versluis RA

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Introduction

HUMAN SECURITY COLLECTIVE

Financial report 1 January – 31 December 2016

The report gives an overview of HSC income and expenses which are presented in a number of annexes as follows:

Annex A: Balance sheet as at December 31st 2016: HSC has a general reserve (equity) of € 367.712

Annex B: Statement of Income and Expense. The Operating Account shows a negative balance of € 137.242 (Financial Result).

Annex C: General Notes with an explanation of accounting principles for determining the financial result.

Annex D: Explanation of the Balance Sheet as at December 31st

Annex E: Notes on the status of income and expenses. The operating account shows income from projects, consultancies, interest of bank accounts and other (overhead costs related to projects), and expenses broken down into costs for personnel, organization, general expenses, housing, services and activities/projects.

Annex F: Overview of 2016 projects for each of the donors with income and expenses. € 312.720 project funding will be transferred to 2017.

Annex G: Overview of 2015 projects for each of the donors with income and expenses.

HSC closes the financial year 2016 with sufficient resources to sustain the organization in the coming years (see financial forecast 2017). The earmarked working capital for raising funds for HSC resulted in the approval of 6 projects in 2016. (100% success rate on HSC acquisition) The majority of the projects started at the beginning of 2017. The projects were obtained through tender procedures, direct requests for submitting a proposal, and through the approval of eligibility for financial support by a philanthropic fund.

Executive Director

Lia van Broekhoven

	Actual 2016 x € 1.000	Budget 2016 x € 1.000	Actual 2015 x € 1.000
<u>Income</u>			
Contributions HSC	711	471	483
Mutation project prerequisites	-273	-60	3
	438	411	486
Direct Project Expenses	249	173	94
Gross margin	189	238	392
<u>Expenditures</u>			
Personnel	332	321	323
Organisation	17	17	10
General	7	16	7
Housing	8	9	8
Services	0	0	0
ICT	5	4	4
	369	367	353
Shortage	-179	-129	39
Other Income	38	33	73
Interest	4	5	6
Total other income	42	37	78
Result	-137	-92	117

Financial position

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

	31-12-2016	31-12-2015
<u>Prolonged Available Capacity</u>		
Equity	-144.477	512.189
Facilities	4.166	9.881
	-140.312	522.070
Increase compared to previous year		
Operating surplus/ deficit	-137.242	117.499
Addition/ withdrawal facilities	4.166	4.243
	-133.076	121.742

Available working capital

Receivables	8.347	28.667
Cash and cash equivalents	<u>774.110</u>	<u>626.216</u>
	782.457	654.882
Current Liabilities	<u>87.980</u>	<u>93.097</u>
Working capital	<u>694.478</u>	<u>561.786</u>
Increase compared to previous year	<u>132.692</u>	<u>0</u>
Prepaid project costs for 2015	0	0
Positive balance and increase of facilities	<u>-133.076</u>	<u>121.742</u>
	<u>-133.076</u>	<u>121.742</u>

At year end 2016 the financial position of HSC is solid.

Treasurer
Klaas Jansen

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

INDEPENDENT AUDITOR'S REPORT

To: Appropriate addressee

A. Report on the audit of the financial statements 2016 included in the annual report

Our opinion

We have audited the financial statements 2016 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 2016, and of its result for 2016.

The financial statements comprise:

1. the balance sheet as at 31 December 2016;
2. the profit and loss account for 2016;
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. 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, April 7, 2017


Versluis Accountancy B.V.
J. Versluis RA

Balance Sheet as at 31 December 2016**Annex A**

<u>Assets</u>	<u>31-12-2016</u>	<u>31-12-2015</u>
Current Assets		
<i>Accounts receivable</i>	8.347	28.667
<i>Current account</i>	<u>774.110</u>	<u>626.216</u>
	<u>782.457</u>	<u>654.882</u>
Liabilities		
<i>Equity</i>		
Foundation capital	0	0
Equity	<u>367.712</u>	<u>512.189</u>
	367.712	512.189
<i>Facilities</i>		
Professional Development	<u>14.046</u>	<u>9.881</u>
	14.046	9.881
<i>Current liabilities / accounts payable</i>	87.980	93.097
<i>Advanced project payments</i>	312.720	39.716
	<u>782.457</u>	<u>654.882</u>

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

		<u>Actual 2016</u>	<u>Actual 2015</u>	<u>Budgeted 2016</u>
Contribution Cordaid to HSC	711.243	482.674	470.734	
Mutation advanced project payment	-273.003	3.400	-60.067	
Interest	4.172	5.721	4.500	
Other Income	<u>38.023</u>	<u>72.724</u>	<u>32.500</u>	
		480.434	564.519	447.667

Expenditures

Staff costs	331.757	323.492	321.311	
Organisation Expenses	16.777	10.206	16.800	
General Expenses	6.513	7.063	16.300	
Housing Costs	8.379	8.027	8.677	
Services Cordaid	174	193	250	
ICT	5.117	4.295	3.690	
Project Charges	<u>248.959</u>	<u>93.745</u>	<u>172.533</u>	
		617.676	447.020	539.561

Results Financial Year

<u>-137.242</u>	<u>117.499</u>	<u>-91.895</u>
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Breakdown of results

Provision Professional Development	7.236	7.093	
General Reserve	-144.477	110.406	-91.895
	<u>-137.242</u>	<u>117.499</u>	<u>-91.895</u>

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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.

Notes to the Balance Sheet as at 31 December 2016**Annex D****Assets****2016****2015****Accounts receivable**

Consultancy	0	18.044
Interest ABN/Amro	3.172	5.715
ICCT	3.200	0
ECNL	0	783
Warranty	1.150	1.150
The Hagua Academy	0	1.200
Other	825	1.775

Total accounts receivable**8.347****28.667****Liquid assets**

Cash	781	0
Bank Account	334.666	222.522
Bank Account (savings)	438.662	403.694

Total Liquid Assets**774.110****626.216***These are directly requestable balances.***Liabilities****Equity**

Foundation capital	0	0
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General Reserve

Balance as of 1 January	512.189	401.783
Increase: result financial year 2015/2014	-144.477	110.406
	<u>-144.477</u>	<u>110.406</u>

Balance at 31 December**367.712****512.189****Provision Professional Development**

Balance at 1 January	9.881	5.638
Increase: endowment	7.236	7.093
Decrease: various trainings and courses	3.070	2.850

4.1664.243**Balance at 31 December****14.046****9.881**

	<u>2016</u>	<u>2015</u>
<i><u>Accounts payable</u></i>		
Still to be paid holiday contribution/ days	13.055	13.015
Justice and Peace	30.545	9.242
project Kyrgyz Republic	18.771	0
Workshop june 2014	8.027	7.777
Tax authorities	8.922	6.348
Accountant	2.976	2.170
Free Sight Assosiation	0	25.740
Stg Participatie Delft	0	25.950
Miscellaneous	5.685	2.855
Correction balance 1 January	<hr/>	<hr/>
Total accounts payable	<u>87.980</u>	<u>93.097</u>
<i><u>In advanced received contributions:</u></i>		
Projects (see annex F)	39.716	42.814
Correction balance 1 January		303
Projects (see annex F)	273.003	-3.400
	<hr/>	<hr/>
Balance at 31 December	<u>312.720</u>	<u>39.716</u>

Financial obligations not featured in the balance sheet:

Rental contract with " Stichting het Nutshuis " concerning office space Riviervismarkt 5, the Hague.
The contract has an open end and can be closed within 1 year. The rent including services is € 8.859 yearly.
(price level for 2016)

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Notes to the Operating Account*On the Status on Income and Expenses****Bijlage E*****Income****Actual
2016****Actual
2015****Budgeted
2016****Contributions:**

Cordaid Institutional	0	217.220	0
Cordaid Youth	8.000	46.408	30.000
ECNL	45.130	47.936	62.000
Dutch Ambasy Jakarta	0	0	20.000
ADA	0	49.070	0
Mofa	238.734	122.040	238.734
Mofa	26.100	0	0
Mofa	284.236	0	0
Actaliance	0	0	20.000
FGHR	0	0	50.000
KPF	0	0	10.000
Fundraising project	109.044	0	40.000
	711.243	482.674	470.734

Mutation Project Requirement:

Balance at 1 January	39.716	43.116	81.760
Balance at 31 December	<u>312.720</u>	<u>39.716</u>	<u>141.828</u>
Mutation Required	-273.003	3.400	-60.067

** For a complete overview on projects income and expenses see Annex F***Interest Income**

Interest Banks	<u>4.172</u>	<u>5.721</u>	<u>4.500</u>
	4.172	5.721	4.500

Other Income

lease staff for third parties	31.018	54.932	32.500
Miscellaneous	<u>7.005</u>	<u>17.792</u>	<u>0</u>
	38.023	72.724	32.500

Total Income

480.434	564.519	447.667
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Expenditures

		<u>Actual</u> <u>2016</u>	<u>Actual</u> <u>2015</u>	<u>Budgeted</u> <u>2016</u>
Personnel Expenses				
Salaries	241.189	239.786	237.379	
Social Security Expenses	37.784	34.349	34.580	
Verg.zkv	1.629	1.683	916	
Pension wg	23.749	23.299	25.001	
Travel expenses w/w	3.874	3.276	2.813	
Other pers.expenses	7.907	835	1.000	
Hired personnel	11.138	16.302	8.500	
Arboservice	549	314	0	
Insurance ZW	3.939	3.649	4.000	
Professional Development	0	0	7.121	
Sick pay	0	0	0	
		331.757	323.492	321.311

Salaries:

Travel expenses commuting:

Professional Development:

Organisation Expenses

Phone costs etc.	3.842	3.420	3.160	
Postage	0	22	200	
Banking costs	105	351	450	
Office supplies	441	675	600	
Insurances	423	518	540	
Subscriptions / documentation	77	0	300	
Copying costs, etc.	280	225	750	
Conferences / seminars (abroad)	11.409	4.944	10.000	
Contributions	0	0	0	
Other organisational costs	200	51	800	
		16.777	10.206	16.800

General Expenses

Audit fees	3.500	2.700	3.000	
KKA-TAD/administration	1.301	1.125	1.800	
Publicity	29	439	4.000	
Cost management (board)	916	2.181	5.000	
Travel-accommodation expenses (NL)	549	0	2.000	
General Costs	218	554	500	
Seminars (internal)	0	0	0	
Meeting costs	0	63	0	
		6.513	7.063	16.300

Expenditures

		Actual 2016	Actual 2015	Budgeted 2016
Housing Expenses				
Rent	<u>8.379</u>	<u>8.027</u>	<u>8.677</u>	
		8.379	8.027	8.677
Services Cordaid				
Housekeeping services	174	193	250	
depreciation inventory	<u>0</u>	<u>0</u>	<u>0</u>	
		174	193	250
Automation				
ICT (including hardware)	<u>5.117</u>	<u>4.295</u>	<u>3.690</u>	
		5.117	4.295	3.690
Activity-project Expenses				
Cordaid Institutional	0	21.468	0	
Third party	<u>248.959</u>	<u>72.277</u>	<u>172.533</u>	
		248.959	93.745	172.533
Total		<u>617.676</u>	<u>447.020</u>	<u>539.561</u>

	Number Fte's	Number Fte's	Number Fte's
<u>Staffing</u>			
Executive Director	0,90	0,97	0,90
Co-Directors	1,80	1,93	1,80
Program Officer	0,80	0,80	1,60
Communication Officer	0,63	0,45	0,00
Total	4,13	4,15	4,30
Internships positions 1 persons	0,28	0,10	1,00

Overview Project 2016

Income	Core Activities	Research								Total Projects
		Other	Delft / Tunisia	Delft / Tunisia II	ECNL	ECNL II	Youth Leadership	ARD Mali	ARC Mali	
Balance Sheet as of 1 January 2016	-41	0	37.450	0	724	10.382	29.927	-38.727	0	39.716
Contributions (in advance) contribution BUZA Delft Tunisia contribution OSF (ECNL) contribution Cordaid Youth Other Income		33.144	238.734	284.236		45.130	8.000			568.100
Total External Income	-41	33.144	276.184	284.236	724	55.512	37.927	-38.727	0	648.960
Own contribution		102.000								102.000
Total Income Expenditures	-41	135.144	276.184	284.236	724	55.512	37.927	-38.727	0	750.960
Salary costs			71.050	28.000		34.906	33.200	22.125		189.281
Organisation cost		102.000	116.442	1.659		5.442	6.054	4.841	259	236.697
Workshop		131								131
Consultants		12.132								12.132
Total Expenditures	0	114.263	187.492	29.659	0	40.348	39.254	26.966	259	438.240
Balance Projects	-41	20.881	88.692	254.578	724	15.164	-1.327	-65.692	-259	312.720

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Overview Project 2015

Income	Core Activities	Delft / Tunisia	ECNL	ECNL II	Youth Leadership	Mali	Total Projects
<i>Balance Sheet as of 1 January 2015</i>	20.404	0	-3.200	0	30.228	-4.618	42.814
<i>Correction Balance 1 January</i>	303						303
<i>Contributions (in advance)</i>							
<i>Cordaid</i>	217.220		0	0	46.408		263.628
<i>contribution ADA</i>						49.070	49.070
<i>contribution OSF (ECNL)</i>			25.615	22.321			47.936
<i>contribution OSF (International)</i>							0
<i>contribution Mofa</i>		122.040			0		122.040
<i>contribution Mofa (Great Brittan)</i>	0						0
<i>contribution Dutch Embassy Jakarta</i>	0						0
<i>contribution OVSE</i>	0						0
<i>contribution Act Alliance</i>	0						0
<i>Other Income</i>	0						0
Total External Income	237.927	122.040	22.415	22.321	76.636	44.452	525.791
<i>Own contribution</i>							0
Total Income	237.927	122.040	22.415	22.321	76.636	44.452	525.791
Expenditures							
Salary costs	216.500	32.900	21.240	11.520	42.400	67.770	392.330
							0
Organisation cost	21.468						21.468
							0
Workshop	0		451	419	4.308	15.408	20.587
							0
Consultants	0	51.690	0	0	0	0	51.690
Total Expenditures	237.968	84.590	21.691	11.939	46.708	83.178	486.075
Balance Projects	-41	37.450	724	10.382	29.927	-38.727	39.716