



FINANCIAL REPORT 2017

1 january - 31 december

Voor identificatiedoeleinden
Schoonhoven, d.d.
Versluis Accountancy B.V.
J. Versluis RA

8/8/2018
Versluis

Stichting Human Security Collective
Riviervismarkt 5, 2513 AM Den Haag

Den Haag, 8 augustus 2018

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Introduction

HUMAN SECURITY COLLECTIVE

Financial report 1 January – 31 December 2017

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 2017: HSC has a general reserve (equity) of € 384.125

Annex B: Statement of Income and Expense. The Operating Account shows a positive balance of € 16.414 (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 2017 projects for each of the donors with income and expenses. € 351.236 project funding will be transferred to 2018.

Annex G: Overview of 2016 projects for each of the donors with income and expenses.

HSC closes the financial year 2017 with sufficient resources to sustain the organization in the coming years (see financial forecast 2018). The earmarked working capital for raising funds for HSC resulted in the approval of 6 projects in 2017. (100% success rate on HSC acquisition) The majority of the projects started at the beginning of 2018. 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 2017 x € 1.000	Budget 2017 x € 1.000	Actual 2016 x € 1.000
<u>Income</u>			
Contributions HSC	1.187	1.349	711
Mutation project prerequisites	-39	0	-273
	1.148	1.349	438
Direct Project Expenses	665	733	249
Gross margin	483	616	189
<u>Expenditures</u>			
Personnel	504	452	332
Organisation	34	18	17
General	7	17	7
Housing	9	13	8
Services	0	0	0
ICT	7	6	5
	561	507	369
Shortage	-78	109	-179
Other Income	101	0	38
Interest	2	3	4
Total other income	104	3	42
Result	26	112	-137

Financial position

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

	31-12-2017	31-12-2016
<u>Prolonged Available Capacity</u>		
Equity	528.603	-144.477
Facilities	14.923	4.166
	543.525	-140.312
Increase compared to previous year		
Operating surplus/ deficit	25.793	-137.242
Addition/ withdrawal facilities	5.042	4.166
	30.835	-133.076

Available working capital

Receivables	14.036	8.347
Cash and cash equivalents	867.759	774.110
	<u>881.795</u>	<u>782.457</u>
Current Liabilities	127.345	87.980
	<u>127.345</u>	<u>87.980</u>
Working capital	<u>754.450</u>	<u>694.478</u>
Increase compared to previous year	<u>59.973</u>	<u>132.692</u>
Prepaid project costs for 2015	0	0
Positive balance and increase of facilities	30.835	-133.076
	<u>30.835</u>	<u>-133.076</u>
	<u>30.835</u>	<u>-133.076</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 2017 included in the annual report

Our opinion

We have audited the financial statements 2017 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 2017, and of its result for 2017.

The financial statements comprise:

1. the balance sheet as at 31 December 2017;
2. the profit and loss account for 2017;
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, August 8, 2018

Versluis Accountancy B.V.

J. Versluis RA

Balance Sheet as at 31 December 2017**Annex A**

<u>Assets</u>	<u>31-12-2017</u>	<u>31-12-2016</u>
Current Assets		
<i>Accounts receivable</i>	14.036	8.347
<i>Current account</i>	<u>867.759</u>	<u>774.110</u>
	<u>881.795</u>	<u>782.457</u>
<u>Liabilities</u>		
<i>Equity</i>	<u>384.125</u>	<u>367.712</u>
	384.125	367.712
<i>Facilities</i>		
Professional Development	<u>19.088</u>	<u>14.046</u>
	19.088	14.046
<i>Current liabilities / accounts payable</i>	127.345	87.980
<i>Advanced project payments</i>	351.236	312.720
	<u>881.795</u>	<u>782.457</u>

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

		<u>Actual 2017</u>	<u>Actual 2016</u>	<u>Budgeted 2017</u>
Contribution to HSC	1.186.888	711.243	1.348.960	
Mutation advanced project payment	-38.517	-273.003	0	
Interest	2.193	4.172	2.700	
Other Income	<u>101.466</u>	<u>38.023</u>	<u>0</u>	
		1.252.030	480.434	1.351.660

Expenditures

Staff costs	503.575	331.757	451.531	
Organisation Expenses	34.004	16.777	18.434	
General Expenses	6.942	6.513	17.300	
Housing Costs	8.956	8.379	13.455	
Services Cordaid	312	174	300	
ICT	6.957	5.117	6.160	
Project Charges	<u>665.492</u>	<u>248.959</u>	<u>732.705</u>	
		1.226.237	617.676	1.239.885

Results Financial Year

<u>25.793</u>	<u>-137.242</u>	<u>111.775</u>
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Breakdown of results

Provision Professional Development	9.379	7.236	
General Reserve	16.414	-144.478	111.775
	<u>25.793</u>	<u>-137.242</u>	<u>111.775</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 Assets 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 2017**Annex D****Assets****2017****2016****Accounts receivable**

Interest ABN/Amro	1.663	3.172
Wadi Tidwa	7.155	3.200
Warranty	1.150	1.150
Other	4.068	825

Total accounts receivable**14.036****8.347****Liquid assets**

Cash	1.202	781
Bank Account	424.791	334.666
Bank Account (savings)	441.766	438.662

Total Liquid Assets**867.759****774.110***These are directly requestable balances.***Liabilities****General Reserve**

Balance as of 1 January		367.712	512.189
Increase: result financial year 2017/2016	16.414	-144.477	
		<u>16.414</u>	<u>-144.477</u>
Balance at 31 December		<u>384.125</u>	<u>367.712</u>

Provision Professional Development

Balance at 1 January		14.046	9.881
Increase: endowment	9.379	7.236	
Decrease: various trainings and courses	4.337	3.070	
		<u>5.042</u>	<u>4.166</u>
Balance at 31 December		<u>19.088</u>	<u>14.046</u>

2017**2016****Accounts payable**

Still to be paid holiday contribution/ days	22.945	13.055
Justice and Peace	18.084	30.545
project Kyrgyz Republic	9.757	18.771
Nog te betalen projectkosten	8.400	8.027
Tax authorities	10.086	8.922
Accountant	4.866	2.976
Perpectivity	12.972	0
Diverse buitenlandse Crediteuren	33.101	0
PFZW Pension	5.567	0
Miscellaneous	1.567	5.685
	<hr/>	<hr/>
Total accounts payable	<u>127.345</u>	<u>87.980</u>

In advanced received contributions:

Projects (see annex F)	351.236	39.716
Correction balance 1 January		
Projects (see annex F)	0	273.003
	<hr/>	<hr/>
Balance at 31 December	<u>351.236</u>	<u>312.720</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 € 9.219 yearly.
(price level for 2018)

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

<u>Income</u>	<u>Actual 2017</u>	<u>Actual 2016</u>	<u>Budgeted 2017</u>
Contributions:			
Mofa	277.831	238.734	678.642
Mofa	0	26.100	10.000
Mofa	0	284.236	0
OSF	371.878	0	349.561
Norwegian Church	225.000	0	0
Cordaid Youth	1.327	8.000	0
Fonds 1818	25.947	0	29.000
ECNL	15.161	45.130	22.044
Wanep	27.695	0	0
OSCE	0	0	20.000
Cordaid NAP	180.000	0	193.220
ICCT Rehab	27.920	0	26.993
GCERF	0	0	10.000
FGHR	0	0	4.500
Other	12.132	0	5.000
Fundraising project	21.997	109.044	0
	1.186.888	711.243	1.348.960
Mutation Project Requirement:			
Balance at 1 January	312.720	39.716	0
Balance at 31 December	<u>351.236</u>	<u>312.720</u>	<u>0</u>
Mutation Required	-38.517	-273.003	0
<i>* For a complete overview on projects income and expenses see Annex F</i>			
Interest Income			
Interest Banks	<u>2.193</u>	<u>4.172</u>	<u>2.700</u>
	2.193	4.172	2.700
Other Income			
lease staff for third parties	72.081	31.018	0
Miscellaneous	<u>29.385</u>	<u>7.005</u>	<u>0</u>
	101.466	38.023	0
Total Income	<u>1.252.030</u>	<u>480.434</u>	<u>1.351.660</u>

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Expenditures

		Actual <u>2017</u>	Actual <u>2016</u>	Budgeted <u>2017</u>
Personnel Expenses				
Salaries	375.166	241.189	338.863	
Social Security Expenses	54.412	37.784	47.383	
Verg.zkv	2.031	1.629	1.085	
Pension wg	36.627	23.749	35.811	
Travel expenses w/w	7.072	3.874	2.813	
Other pers.expenses	6.878	7.907	1.000	
Hired personnel	16.963	11.138	8.500	
Arboservice	549	549	910	
Insurance ZW	3.875	3.939	5.000	
Professional Development	0	0	10.166	
Sick pay	0	0	0	
		503.575	331.757	451.531

Salaries:

Travel expenses commuting:

Professional Development:

Organisation Expenses

Phone costs etc.	5.394	3.842	5.027	
Postage	18	0	300	
Banking costs	467	105	600	
Office supplies	757	441	300	
Insurances	1.756	423	567	
Subscriptions / documentation	0	77	300	
Copying costs, etc.	600	280	540	
Conferences / seminars (abroad)	2.766	11.409	10.000	
Contributions	0	0	0	
Other organisational costs	22.245	200	800	
		34.004	16.777	18.434

General Expenses

Audit fees	3.000	3.500	4.000	
KKA-TAD/administration	1.876	1.301	1.800	
Publicity	55	29	4.000	
Cost management (board)	1.141	916	5.000	
Travel-accommodation expenses (NL)	870	549	2.000	
General Costs	0	218	500	
Seminars (internal)	0	0	0	
Meeting costs	0	0	0	
		6.942	6.513	17.300

Expenditures

	Actual 2017	Actual 2016	Budgeted 2017
Housing Expenses			
Rent	<u>8.956</u>	<u>8.379</u>	<u>13.455</u>
	8.956	8.379	13.455
Services			
Housekeeping services	312	174	300
depreciation inventory	<u>0</u>	<u>0</u>	<u>0</u>
	312	174	300
Automation			
ICT (including hardware)	<u>6.957</u>	<u>5.117</u>	<u>6.160</u>
	6.957	5.117	6.160
Activity-project Expenses			
Third party	<u>665.492</u>	<u>248.959</u>	<u>732.705</u>
	665.492	248.959	732.705
Total	<u>1.226.237</u>	<u>617.676</u>	<u>1.239.885</u>

	Number Fte's	Number Fte's	Number Fte's
<u>Staffing</u>			
Executive Director	1,00	0,90	1,00
Co-Directors	2,00	1,80	2,00
Program Officer	2,60	0,80	2,60
Communication Officer	0,80	0,63	0,00
Administration	<u>0,37</u>	<u>0,00</u>	<u>0,00</u>
Total	6,77	4,13	5,60
Internships positions 1 persons	0,00	0,28	1,00

Overview Project 2017

Income	ECNL Phase 2	OSF Indonesia	OSF De-risking	OSF Pakistan	Tunesië Delft phase 1	Tunesië Delft phase 2	Mali ARC	Wanep Mali	Libya 1325 NAP	BUZA CVE Masterclass	BUZA Development Toolkit	Loosduinse Huiskamer	Overige	Total Projects
Balance Sheet as of 1/1-2017	15.164	0	0	0	88.692	254.578	-259	-65.692	0	0	0	0	20.237	312.720
MOFA														
Norwegian Church Aid						163.650	225.000			60.000	50.000		4.181	277.831
ECNL	15.161			141.424										225.000
OSF		81.818	148.636						180.000					15.161
Cordaid												25.947	1,327	371.878
Fonds 1818														181.327
ICCT Rehab								27.695					27.920	25.947
Wanep													12.132	27.920
Other														12.132
Total External Income	30.325	81.818	148.636	141.424	88.692	418.228	224.741	-37.997	180.000	60.000	50.000	25.947	65.797	1.477.610
Own contribution								21.997						21.997
Total Income	30.325	81.818	148.636	141.424	88.692	418.228	224.741	-16.000	180.000	60.000	50.000	25.947	65.797	1.499.608
Expenditures														0
Salary costs	14.545	17.728	50.909	18.727	58.900	70.700	100.000	0	72.000	0	0	24.550	54.820	482.880
Project expenses	9.730	66.771	82.479	100.181	43.350	181.628	129.331	0	30.456	2.182	0	5.659	13.724	0
Total Expenditures	24.276	84.498	133.388	118.909	102.250	252.328	229.331	0	102.456	2.182	0	30.209	68.544	665.492
Balance Projects	6.049	-2.680	15.248	22.515	-13.558	165.899	-4.590	-16.000	77.544	57.818	50.000	-4.262	-2.748	1.148.371
														351.236

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Overview Project Budget 2017

Income	ECNL Phase 2	OSF Indonesia	OSF De-risking	Trade and Civic space	Tunesie Delft phase 1	Tunesie Delft phase 2	Mali ARC	Libya 1325 NAP	Overige	Total Projects
<i>Balance Sheet as of 1/1-2017</i>	0	0	0	0	0	0	0	0	0	0
MOFA										678.642
MOFA (KPF)										10.000
ECNL	17.995				126.587	327.055	225.000		10.000	10.000
OSF		31.494	147.112	170.956					4.049	22.044
Cordaid NAP 1325								193.220		349.561
OSCE										193.220
Fonds 1818									20.000	20.000
ICCT Rehab									29.000	29.000
GCERF									26.993	26.993
FGHR									10.000	10.000
Other									4.500	4.500
Total External Income	17.995	31.494	147.112	170.956	126.587	327.055	225.000	193.220	109.542	1.348.960
<i>Own contribution</i>										
Total Income	17.995	31.494	147.112	170.956	126.587	327.055	225.000	193.220	109.542	1.348.960
Expenditures										0
Salary costs	14.396	22.494	50.387	53.986	22.500	108.340	145.000	96.610	102.542	616.255
Project expenses	3.599	9.000	96.725	116.970	104.087	218.715	80.000	96.610	7.000	732.705
Total Expenditures	17.995	31.494	147.112	170.956	126.587	327.055	225.000	193.220	109.542	1.348.960
Balance Projects	0	0	0	0	0	0	0	0	0	0

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