



Annual Report & Annual Account 2016

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I Annual Report 2016

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LIST OF ABBREVIATIONS

ARV	Anti-retroviral	PY	Phu Yen province
BOT	Bachelor of Occupational Therapy	QT	Quang Tri province
BT	Ben Tre province	RH	Reproductive Health
CB	Cao Bang province	SB	Supervisory Board
CBF	Central Bureau Fundraising	SDC	Swiss Development Cooperation
CBO(s)	Community Based Organisation(s)	SEA	South East Asia
CBR	Community Based Rehabilitation	SMS(s)	Secondary Medical School(s)
CDF	Community Development Fund	SRHR	Sexual and Reproductive Health and Rights
CHC(s)	Commune Health Centre(s)	SW	Sex Workers
CHW(s)	Commune Health Worker(s)	TEA	Transition in the East Alliance
CIPi	Community Income Protection Insurance	UHS	University of Health Sciences
CMH	Community Mental Health	UNFPA	United Nations Population Fund
CMH(L)D	Community Managed Health (Livelihood) Development	VDC	Village Development Committee
CRC(s)	Community Rehabilitation Centre(s)	(V)DF(s)	(Village) Development Fund(s)
CSO(s)	Civil Society Organisation(s)	VHW(A)	Village Health Workers (Association)
CWD	Children with Disability	VUA	Vrije Universiteit Amsterdam
DDF	Disabled People Development Fund	WE	Women Empowerment
DL	Dak Lak province	WG	WorldGranny
DOET	Department of Education and Training		
DPO	Disabled People's Organisation		
EC	European Commission		
Fte	Full time equivalent		
GIP	Global Initiative for Psychiatry		
IDU	Injection Drug Users		
IG(A)	Income Generating (Activity)		
HDMU	Hai Duong Medical University		
MFS	Mede Financiering Stelsel		
MoH	Ministry of Health		
MOT	Master of Occupational Therapy		
MPH	Master of Public Health		
MT	Management Team		
LEARN	Laos Equity and Policy Research Network		
MPUH	Medicine and Pharmacy University of Ho Chi Minh City		
MSM	Men who have sex with men		
NIOPH	National Institute of Public Health		
OT	Occupational Therapy		
OPA(s)	Older People's Association(s)		
PAM	Program Assessment Memorandum		
PFZW	Pensioenfonds Zorg en Welzijn		
PDR	People's Democratic Republic		
PBA	Personal Budget Advisor		
PLWH	People Living with HIV		
PMTCT	Prevention of Mother to Child Transmission		
PWD	People with Disability		

INTRODUCTION

2016 has been a year of transition for MCNV. In January 2016, I succeeded Pamela Wright as director of MCNV. During the first three months, Pamela Wright and I worked closely together, in order to secure a proper handover of her tasks and responsibilities to me. Pamela retired on April 1st, 2016, after a successful career at MCNV, that started back in 1999. MCNV is very grateful to Pamela for all the significant and important work she has done for the organisation, during this long, meaningful period in the history of MCNV.

MCNV could carry out its work, thanks to the support of private donors, family and capital funds, and institutional donors, such as the Ministry of Foreign Affairs, USAID and the European Commission. MCNV has implemented programs in order to improve the living and health conditions of disadvantaged groups in Vietnam and Lao PDR, especially those groups that did not yet benefit from the economic development in South-East Asia. MCNV has been the coordinating member of the Transition in the East Alliance (TEA), together with Global Initiative for Psychiatry (GIP) and WorldGranny (WG). TEA has been active in Georgia, Lao PDR, Sri Lanka, Tajikistan and Vietnam. In 2016 the TEA program has ended. Narrative and financial reports have been submitted to and were approved by the Dutch Ministry of Foreign Affairs.

MCNV informed its private donors about its activities in the quarterly MCNV magazine. This has been possible thanks to the efforts of several volunteer editors. In December, the MCNV calendar for 2017 was published with beautiful pictures. The calendar's theme was "Discover Lao PDR".

Transparency and quality are important values to MCNV. In 2016 an external audit by "Bureau Veritas" was carried out in order to assess in an objective way MCNV's compliance with ISO 9001: 2008. The audit has been successful. Additionally, MCNV has received the charity seal from the Dutch Central Bureau of Fundraising (CBF). MCNV is now a so called "CBF Erkend doel". We have also submitted our data to www.geef.nl to show that MCNV is a transparent organisation. MCNV reached the 100% transparency status.

In 2016, MCNV had sufficient capacity in the Netherlands and in Vietnam, but not yet a satisfactory level of funding to fully enable the offices to continue and expand all their activities. In 2016 we have restructured and focused our acquisition activities, this has already brought in new, multiyear funding. In Lao PDR, MCNV has received sufficient funding, and got awarded new programs. Now the capacity of the country team needs further development. We will focus on it during the coming years.

MCNV is an international NGO with offices in Vietnam and Lao PDR. In order to be transparent to our international network, MCNV has decided to publish the annual report and the annual accounts 2016 in English instead of Dutch. If you have any questions about this document, please feel free to contact the Amsterdam office for a further explanation. This annual report is linked to the strategic plan 2012-2016.

In the first chapter, the policy and strategy of MCNV is explained. Program information can be found in chapter 2, referring to the programs, which MCNV has carried out in 2016 as well as their main results. Chapter 3 explains MCNV's governance structure, provides information about the members of the Supervisory Board, their rotation schedule, etcetera. Chapter 4 pays attention to transparency and accountability of MCNV. Here, information can be accessed regarding external complaints, risk- and quality management. Chapter 5 offers information about MCNV's communication, public relations and fundraising. Finally, chapter 6 shows the financial policy and quantitative data of MCNV.

Guus Paardekooper
Board of Director MCNV

1. POLICY AND STRATEGY

1.1 Legitimacy

MCNV's legitimacy is based on three aspects:

- Approximately 5,500 individual and family donors contribute regularly to support our work, trusting MCNV to translate their donations into effective assistance for the beneficiaries. Institutional donors such as the Dutch Ministry of Foreign Affairs and the European Commission support development in Vietnam and Lao PDR, and entrusted MCNV to use the funds they made available effectively and efficiently.
- The Vietnamese and Laotian partners aim to improve their capacity and the quality of their health systems and ask MCNV for assistance wherever gaps are left by their own institutions. New partners ask MCNV to work with them, existing partners solicit for new programs.
- Although several countries in South East Asia (SEA) are experiencing economic development, their social development is lagging. The authorities and the marginalised communities lack examples of good practice to cope with the growing disparities between social groups, that are the result of rapid and unequal economic growth. MCNV's legitimacy remains in its focus on the vulnerable groups, that have not been able to participate in and benefit from the development process.

1.2 Social Determinants of Health, Vision and Mission

The world is rapidly changing and globalising. Economic growth gave Vietnam the status of a Lower Middle Income Country. Other countries in the region such as Lao PDR, Cambodia and Myanmar have also shown increasing economic growth but have not yet reached the status of a Lower Middle income Country.

However, the benefits of this growth are not equally distributed in these countries. Health inequities in SEA are a result of several other inequities – access to health care, schools, and education, conditions of work and leisure, housing, and development in communities, towns, and cities. This unequal distribution of health is the result of poor social policies and programs, unfair economic arrangements, and shortcomings in the political arena. The principles of the Social Determinants of Health defined by the World Health Organisation are:

- Improve the conditions of daily life – the circumstances in which people are born, grow, live, work, and age.
- Tackle the inequitable distribution of power, money, and resources – the structural drivers of those conditions of daily life – globally, nationally, and locally.
- Measure the problem, evaluate action, expand the knowledge base, develop a workforce that is trained in the social determinants of health, and raise public awareness about the social determinants of health.

MCNV's programs influenced at least one of the social determinants of health for its target groups among the disadvantaged and contributed to improving health equity. MCNV paid special attention to closing the gap between marginalised and non-marginalised groups in its partner countries and to documenting how it does that and whether it succeeds. We promote the use of participatory approach. Participation is needed for sustainable development, but also because empowerment towards real participation is a strategic challenge in the present South East Asian cultural and political context. While the region is in a transition phase from top-down planning and hierarchical structures to decentralisation and grass-roots democracy, the people at each level need to be prepared to face the challenges and responsibilities that will become available to them.

Our vision: "Especially in countries in South East Asia which are in a phase of transition, marginalised groups need to be empowered to obtain equitable access to health care, education, housing and food security, so that they can influence the processes, systems and individuals that presently limit their development"

MCNV focuses on the most vulnerable and marginalised groups: the rural poor in remote areas, ethnic minorities, adults and children with disabilities, HIV-positive mothers and their children, women and girls in general who are not able to use their potentials, and the urban poor.

MCNV assists marginalised people in countries in transition in South East Asia to have more equitable access to social determinants of health. At the same time, we believe in the need for evidence-based models that can be disseminated over a wider geographic area, thus increasing our impact and influence in the region. That brings us to our mission.

Our mission: “To contribute to the structural improvement of the health of disadvantaged groups in South-East Asia by developing evidence-based participatory models that build capacity and focus on the major determinants of population health.”

1.3 Strategic Alliances

In 2011, MCNV started working in a new program in alliance with, Global Initiative on Psychiatry (focusing on mental health around the world), and WorldGranny (aiming to support the elderly and disadvantaged in developing countries). The organisations implemented the program Transition in the East Alliance in Georgia, Lao PDR, Sri Lanka, Tajikistan and Vietnam. The program, funded by the Dutch Ministry of Foreign Affairs, ended on July 1st 2016. The final reports were approved by the Ministry in December 2016.

In 2015 MCNV started working in a new program called LEARN, funded by the European Union. In this program MCNV worked together with the National Institute for Public Health and the University of Health Sciences in Lao PDR, the “Hanoi School of Public Health”, the Athena Institute of the Free University Amsterdam and the United Nations Population Fund.

In 2016 MCNV continued their cooperation with Handicap International regarding an USAID funded project on occupational therapy.

In 2016 MCNV worked with the Medical Universities of Hanoi, Ho Chi Minh City and Hue. In Hue we also worked with the Agricultural University. In the Netherlands, the collaboration with the Athena Institute of the Free University Amsterdam continued and was formalised in a Memorandum of Understanding.

MCNV and a.s.r. Insurance participated in a partnership election and won! This resulted in a partnership for at least 3 years. The pilot on a community income protection insurance in Ben Tre province took place in 2016. When micro-entrepreneurs in rural Vietnam cannot work due to sickness or accidents they have no income. To help them mitigate the consequences, a.s.r. Insurance and MCNV have set up an insurance in Vietnam that compensates income loss due to incapacity to work.

Working in alliances or coalitions with other organisations is a fruitful way to access new sources of funding and to broaden the expertise available to MCNV in SEA. In 2016 MCNV was looking for new opportunities for alliances or coalitions, this resulted in new programs that will start in 2017.

2. PROGRAMS

In 2016 most the implementation of most programs has been continued, though funding has decreased significantly, while the TEA program finished in the course of 2016. The remaining TEA funding has only been spent on documentation and reporting. The TEA report has been submitted in October and was approved in December. Decreased funding resulted in the finalization of the Malaria program and the closure of the Nha Trang office in Vietnam. In Laos, the Lao Equity through Policy Analysis and Research Networks (LEARN) program gained speed and the MCNV program in Nong district was continued at a low pace, through MCNV private donor funding. By the end of November was the new bi-country NWO WOTRO Nutrition Sensitive Agriculture program officially started, though no activities have been implemented yet in 2016.

2.1 Program areas and interventions in Vietnam

In 2016 MCNV Vietnam has maintained the existing program work in almost the same fields as previous years. The details are:

- Disability program including Community Based Rehabilitation (CBR) projects in Dien Bien and Cao Bang; Inclusive Education projects in Quang Tri (QT) and Phu Yen (PY) province; projects on Income Generating Activities in Cao Bang (CB) and Dak Lak (DL) province and projects on Occupational Therapy (OT) in Hai Duong, Ho Chi Minh city and at national level (Ministry of Health-MoH);
- Community Management Health Development (CMHD) program including project of mental health care in QT and PY; improve nutrition for children under 5 years old with malnutrition in PY; capacity building for the Secondary Medical Schools of QT and CB; Organisational Development for the Village Health Workers Associations of QT, CB and PY province; improve life skills and reproductive health for youth in QT; support income generation for the poor and disabled people in QT and PY through Community Development Fund (CDF) and Disabled people Development Fund (DDF). Most actions of the CMHD program were an integrated part of a 5 – year TEA program that has ended by June 2016;
- Sexual and Reproductive Health and Rights (SRHR) program continue to support women living with HIV/AIDS to remain their medical treatment and income generating activities through the Sunflower network in Ha Giang, Thai Nguyen, Cao Bang, Quang Ninh, Dien Bien and Yen Bai province. Additionally within this program we have continued to pilot a model of SRH education for students of boarding high schools in Dien Bien (DB) province;
- Community Management Health and Livelihood Development (CMHLD) program to maintain the outcome of livelihood development in Khanh Vinh district, Khanh Hoa City.
- Women Empowerment (WE) program: a Micro-finance project in 12 communes of Binh Dai District, Ben Tre (BT) province to support women develop their small business with small loans; a cooperation between MCNV and Center for Women Development on building capacity of filming as a tool for data collection focus on topic of Gender equity and Community Development.

The above projects have been implemented in 12 provinces and one city. An estimated total of more than 10,000 individuals and a number of organisations benefitted from MCNV supports in Vietnam. More detailed and specific data of beneficiaries, outcomes and counterparts can be found in Annex B-1.1 – 1.4.

New projects/ work in 2016

- Occupational Therapy education project as a part of the Disability program. MCNV has cooperated with Ministry of Health of Vietnam and 2 medical universities (Hai Duong University in the North, and Ho Chi Minh city University in the South) to develop human resource of OT trainers as well curriculum of OT training at Bachelor level. This project received technical support from Manipal University – India.
- As part of Micro Finance project in BT, the Women Empowerment program provide poor women and their families with loans to build mini water containers so that they can keep clean water in the raining season to use it in the dry season, when the area is effected seriously by drought and salt water intrusion. This work indicates, that it is the clear intention of MCNV to step-by-step become more involved in addressing the issue of climate change as well as livelihood adaptation, in response to the change of climate.

Changes of program work

Due to decreasing funds, MCNV closed the Nha Trang office in June 2016. By closing the office, we also had to phase out all our work in Khanh Vinh District, Khanh Hoa Province. MCNV will build on the heritage of this work in planning her future programs and interventions.

Relevance between existing programs and new MCNV strategy 2017-2022

Our existing programs/projects show clearly that MCNV work in Vietnam is closely engaged to the new strategy in which our investment and work covers strategic themes including Health, Social Inclusion, Livelihood and Climate Change Adaptation significantly. In the field of Entrepreneurship and Value Chains, MCNV has running and extending programs in microfinance, and women's entrepreneurship. New programs are in development under the themes of Entrepreneurship and Value Chains and livelihoods and Climate Change. Several cross-cutting issues are well integrated in different programs/projects (Networking, Civil Social Organisation promotion, Empowerment). It is still very challenging to measure the cost-effectiveness of MCNV's investment/intervention. MCNV has paid sufficient attention and dedication to advocacy and policy lobby work. But the documentation of good practices in the field has been lacking behind.

2.2 Programs in Lao PDR

The MoU for the LEARN program has been signed officially in January 2016. From that moment on, the program implementation has been started. Several activities have been developed: annex B-1.6 shows the details of the LEARN program implementation. In Nong district, Savannakhet province, the TEA program activities were continued through MCNV private donor funding, though at a lower pace and in a smaller number of villages (5 out of 14). The details of the activities implemented and the results are explained in annex B-1.5.

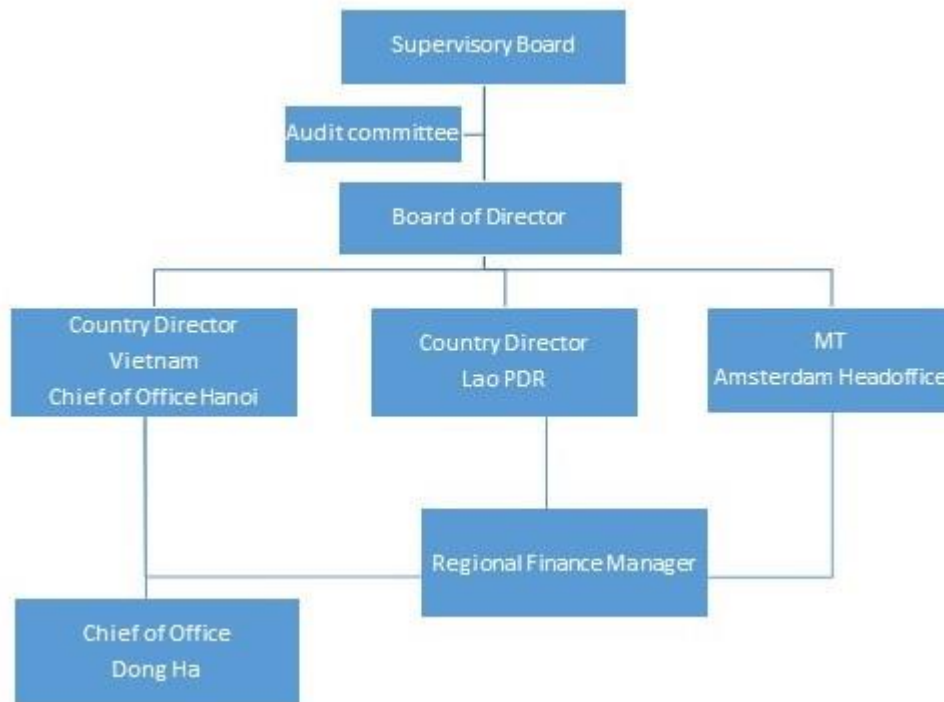
Both programs in Laos PDR do fit very well in the new 2017 -2021 strategy of MCNV. Throughout the year MCNV has been successful in acquiring new funds for our programs in Laos, so that new programs can be started and activities will be extended in 2017.

3. MCNV – ORGANISATION

3.1 Accountability

The governance structure of MCNV consisted of a Supervisory Board (SB), a Board of Director (director) and an executive organisation. The functions of supervision and management are formally separated. The roles of the various sections within the organisation are defined in the Code of Good Governance. In 2016 the SB looked at the Code of Good Governance to see if the document was still up to date. The code is based around the Wijffels Code and the Central Fundraising Bureau Quality Seal. SB and director ensure that (apparent) conflicts of interest are avoided.

The organisational structure of MCNV:



At the end of March 2016 Pamela Wright retired. In January 2016 Guus Paardekooper has been appointed as director. In both Vietnam and Lao PDR Country Director were appointed.

The organisational structure of the headoffice in Amsterdam:



Code of Conduct and CBF approved charity

In 2016 MCNV continued her membership of branch organisation Partos and applied their code of conduct. The code of conduct was reflected in MCNV's Code of Good Governance. Additionally, MCNV formulated a code of conduct that focuses on the work of MCNV in programs with its partners. In 2016 MCNV was approved as charity by the Central Bureau of Fundraising.

Board of Directors

In the period January- March 2016 the Board of Directors of MCNV had two members: E.P. Wright and G.J. Paardekooper. In the period April-December 2016 the Board of Directors had one member: G.J. Paardekooper. Reason for this construction was the retirement of E.P. Wright. The first three months of 2016 were used for handing over tasks and responsibilities to the new Board of Directors, also referred to as director. MCNV's SB appointed the director. The director received a contract for a definite period and a remuneration, see annex B-2. The director was exclusively authorised. He was not provided with a loan, advance and/ or guarantee. The director had no conflicting other positions.

The principal concern of the director was the management of MCNV, only subject to restrictions imposed by law or the Articles of the Foundation. This included the preparation, adoption and implementation of the policy of MCNV in accordance with its mission. The director was also responsible for the financial management of MCNV. He periodically evaluated the achieved goals and performance of the executive organisation. He received financial reports, narrative reports and performance (team) reports for evaluation. The consolidated annual account showed MCNV's expenditures and financial position. Moreover, the director received conclusions and recommendations from program evaluation reports as well as the full reports. Each quarter the director informed the SB in a written report.

The director approved the annual report and financial statements 2015 and the management letter 2015. In 2016 the strategic plan 2017-2021 has been drafted by the director and the senior program manager with consultation of the staff, SB and local partners. The final plan was successfully submitted to and approved by the SB in its December meeting. All decisions made in 2016 by the director were registered in a decision list and shared with the SB. The director had the final responsibility of (daily) management of the MCNV organisation and the implementation of its programs and activities.

The director didn't share data from third parties without their explicit consent (e.g. data of private donors).

Alliance Board TEA

TEA had an Alliance Board consisting of members from the (Supervisory) Board of MCNV, GIP and WG. The Alliance Board had no legal authority and reported to the (Supervisory) Board of MCNV, GIP and WG. Responsibilities and authorities were determined at all levels. It was clear which decisions the Alliance Board was and was not allowed to take without approval of MCNV's director. The decisive voice in the Alliance Board was from MCNV's director. In 2016 the Alliance Board had one formal meeting, to approve the final reports. This was the official end of the program.

Supervisory Board

The primary responsibility of the SB was to exercise supervision:

- Accountability in advance (policy-making and plans for approval: annual plans, budget, strategic plan);
- Supervising the performance of the director and hence the organisation (appointment and evaluation of director, appointment and evaluation of accountant);
- Accountability in retrospect (rendering account and adoption/approval).

The SB consists of seven members. Their membership is solely on their own title. Members are appointed by co-optation with the consent of the director. Apart from direct costs of travel, the members of the SB receive no remuneration. They did not receive loans, advances and / or guarantees. Nor did they have conflicting jobs.

In 2016 four SB meetings were held, including one workshop regarding the strategic plan 2017-2021. In June the annual report and financial statement 2015 have been approved, in September the management letter and revised budget 2016 and in December the annual plan and budget 2017. The SB has evaluated the functioning of the director and offered him another year contract.

Members of the SB in 2016

Miel Josemans (acting chair)

"In 2005 I became a MCNV board member specialised in human resource management and in 2012 I joined the SB. Representing MCNV I also presided over the TEA program." - Miel Josemans, managing director of research at Sanquin Blood Supply.

Henk van de Ruit (financial expert)

"It is a pleasure to work with the enthusiastic, creative and professional staff of MCNV. MCNV proved to be an organisation with a great added value, directed towards what the people in Vietnam need." - Henk van de Ruit, financial controller and manager at the Technical University of Delft, chairman of audit committee MCNV.

Luu Ngoc Hoat

"In my work at the Medical University of Hanoi, I regularly collaborated with MCNV, particularly in projects in research and training. The many years of enjoyable and respectful cooperation formed the basis for my decision to become a member of the SB of MCNV." - Luu Ngoc Hoat, former Vice Rector of Hanoi Medical University.

Mattijs Smits

"I lived in Laos, Thailand and Vietnam for long periods and did research there, particularly regarding questions on the interface of energy, climate and development. MCNV has a people-oriented, integrated approach to development in a region that is dear to me." - Mattijs Smits, Lecturer on Environmental Policy, University of Wageningen.

Marijke Postma-Rustenhoven

"For many years I have supported and admired MCNV, particularly because of its prolonged collaboration with Vietnam and the progress and value of its work. MCNV's focus on vulnerable groups and their empowerment is important to me, something that I am eager to dedicate myself to"- Marijke Postma-Rustenhoven has been a regional board member of Humanitas and has worked in organisational development in the Netherlands and abroad.

Pieter van den Hombergh

"Already as a student back in 1968 I admired the work of MCNV. After working in Kenya and later as a family doctor I focussed more on the general medicine orientation of health care in Africa. After my trips to Vietnam, China and Burma it became clear to me that MCNV was going through an interesting development. Principles like equity, empowerment and inclusion appeal to general practitioners. For such an NGO I'll do it." - Pieter van den Hombergh, consultant general medicine, retired general practitioner and tropical doctor.

Wim Welbers

"As a consultant for Global Initiative on Psychiatry (GIP) I was involved in the TEA-program, and that was how I got to know MCNV. MCNV's mission is to give people access to education, housing, safe foods and (mental) healthcare. My own insights and motivations fit seamlessly with MCNV's fieldwork and the results that I have seen. That is why I want to be a part of MCNV." - Wim Welbers, manager mental healthcare GGZ.

Audit committee

Henk van de Ruit (chair) and Miel Josemans were members of the audit committee. The audit commissie held two meetings in 2016 to discuss the management letter, the financial overview quarter two and three, the revised budget 2016 and the budget 2017.

Evaluation

The SB and the director evaluated themselves. The results of this self-evaluation were shared in a SB meeting.

Supervisory Board

Information: the SB has received sufficient information. The frequency of the information was limited to their meetings. The director gave sufficient information regarding management and financial issues. The audit committee worked well and received sufficient information.

Composition: the composition of the SB has been satisfactory. Three new members have joined the SB this year, among them a chair and vice-chair. Expertise on fundraising was still focus of attention. One of the SB members, who lives in Vietnam, was present at the September meeting. Most of the time he has not been involved in preparation of the meetings. More effort is required to ensure that his view/views from the region will be heard in the SB. We will explore the possibilities of recruiting an extra SB member from the region.

Working methods: the meetings have been well prepared and organised by the secretariat of MCNV. Decision-making was well-balanced with input from all SB members. The members of the SB were independent from each other. Discussions were free and open and led to decision-making without the need for formal voting. The attendance rate of the meetings was high. Decisions were always taken after thorough debates. In the annual workshop the SB contributed to discussions concerning the strategy 2017-2021.

Director- SB: the director was focused on the current priorities, ambitious to streamline processes and to ensure the financial health of MCNV. The new director has grown in his role and with pleasure the SB extended his appointment for another year. The SB members were open to contribute more actively in certain tasks, putting from their experiences.

Other issues: MCNV is in a transition period, moving from funding by Dutch organisations and government to funding by other (international) sources, apart from the donations by private donors.

The offices in Vietnam and Lao PDR will become more involved in preparing project proposals and fundraising. The new website is promising as a tool in communication, in South East Asia and in the Netherlands.

Director

The director has taken the lead and has 'inspired MCNV's evolution' in a fast changing environment of international development, needs and opportunities, while building further on MCNV's advantages and track record. Therefore, MCNV's new strategy 2017 -2021 has been developed throughout the year. This has been done through a participatory process, resulting in a concise and clear strategy document. Additional funding has been acquired: this is the first step in establishing a structural improvement of MCNV's financial performance, aimed to result in a balanced budget 2018. Several new (strategic) leads have been developed.

The director has taken the final decisions in the areas of organisation, planning and development of operational and financial procedures, policy, human resources and activities of MCNV. This has resulted in the approval of the year planning and budget 2017, in line with the new MCNV strategy and its serious financial challenges. Strategic changes in MCNV's capacity in key positions have been applied, when and where necessary.

The director has taken the final responsibility for the delegation of responsibilities to staff in the areas of policy, finance, personnel, communication, fundraising and quality. All key staff members have applied changes in their way of working, based on the guidance/suggestions from the director. MCNV's co-workers have had the freedom to respond to it, and have taken this up very well. New initiatives in the areas of communication (website etc.), acquisition (successful approach of new partners), and in/external collaboration have been implemented.

Initiating acquisition initiatives, and the contribution to decisions on funding from private donors and organisations as well as providing information to support requests for such funding, have been actively taken up. The director has contributed in identifying and preparing proposals for institutional funding. Additionally,

MCNV's acquisition approach has been adjusted, resulting in close collaboration by acquisition teams for each proposal, while reaching out to new groups of donors, like Capital and Corporate Social Responsibility funds.

The director has taken responsibility for the establishment, development, and maintenance of external contacts arising from MCNV management, e.g. Dutch and foreign funding agencies, national and local authorities, collaborating institutes, interest groups and donors. He has started building on the existing networks and contacts, such as Partos, DCDD etc., and extending these contacts to new forms of collaboration/partnerships. This is a long-term process, which has just started. A nice collaboration has been established with the United Nations Population Fund (UNFPA) in Lao PDR in the context of the LEARN program. More and extended collaborations with corporate partners have also been established (AFAS, a.s.r. Insurance).

The director has actively contributed to the promotion of a positive image of MCNV, by being involved in the creation of new communication/public relations tools. The main outputs are the new website and promotional materials, like an attractive, public version of the year report 2015. This report depicts MCNV as a modern organisation, effective, learning and evolving towards a network organisation. The PR/acquisition team has done well, implementing new ways of working, and producing several good proposals to new donors. The director has also initiated the creation of a new 'corporate image' of MCNV.

Furthermore, the director has taken on additional tasks that arise from his position, within MCNV and outside in relevant networks. In 2016, this was the development of new networks in the fields of Climate Change Adaptation and Entrepreneurship/ Value Chains. Additionally, he initiated for the development of new networks in countries other than Vietnam, Lao PDR or the Netherlands.

Communication with the offices in Vietnam and Lao PDR runs mainly through the Internet (email, Skype, Whatsapp) especially with the Country Directors in Vietnam and Lao PDR. Information and personal experience obtained during regular visits to the field (Ben Tre, Quang Tri, Phu Yen, Dien Bien, Nong district) helped the director to understand thoroughly the reports and proposals prepared by staff in Vietnam and Lao PDR. This combination of sources of information was required for adequate decision-making.

The communication with the SB about the performance and development of MCNV follows the plan, with clear and open quarterly reports and additional relevant documents shared in between meetings. In 2016 the director changed some of the procedures, e.g. by informing the SB beforehand about the required co-funding for proposals through the PAM documents. The director did appreciate the collaboration and support from the SB throughout the year with all decisions and reports that were made.

Rotation Schedule

Members of the SB have been appointed for a period of four consecutive years (maximum eight years).

Name	Function	Date of Appointment	Date of Reappointment	Date of Resignation
Miel Josemans	Acting Chair	26-04-2012	X	26-04-2017
Henk van de Ruit	Financial expert	20-09-2012	22-12-2016	20-09-2020
Luu Ngoc Hoat	Member	26-04-2012	04-04-2016	26-04-2020
Mattijs Smits	Member	26-02-2015		26-02-2019
Pieter van den Hombergh	Member	16-06-2016		16-06-2020
Marijke Postma-Rustenhoven	Member	16-06-2016		16-06-2020
Wim Welbers	Member	22-09-2016		22-09-2020

3.2 Executive organisation

At the end of 2016 MCNV had five offices. The headoffice in Amsterdam, a representative office in Hanoi, a project office in Dong Ha (Vietnam), a representative office in Vientiane and a project office in Nong (Lao PDR). Staff from all countries worked together through email, skype and during working visits. Every office had specific activities and the staff has been adjusted accordingly. In Lao PDR and Vietnam, the personnel policy was to work preferably with local staff. In Lao PDR, the only expat was the country director. Each country had a financial manager. Amsterdam office had a consultant as financial manager. The country directors from Vietnam and Lao PDR together with the director formed a Management team. In 2016 the senior program advisor in Amsterdam was also a member of the MT, to participate in the development of the strategic plan 2017-2021. Guidelines for the MT were described in the Code of Good Governance. The team in Lao PDR was relatively new and received support from their Vietnamese colleagues. The Country Directors monitored the consistency and quality of the activities in Vietnam and Lao PDR. In Amsterdam, the director monitored the consistency and quality.

Program evaluation was done according to the requirements of the donor and the size of the program. Institutional donors received reports in writing. In case of a labelled private donation the donor received a written report at the end of the activity. MCNV reported for the public at large in her newsletter and in the annual report.

Most of the staff was academically or college educated. Opportunities were offered to follow specific (re)training. In Amsterdam, the director and the office coordinator were the contacts for the members of the SB. Annex B-3 gives an overview of the training, webinar and seminar of MCNV staff.

Policies, procedures and processes within MCNV were recorded in the quality manual, the code of good governance, personnel and financial manuals. The manuals are updated when changes occur. Each country has their own personnel manual to comply with local labour law. The manuals guaranteed a certain quality standard. In February/March 2016 the annual staff satisfaction survey was conducted in Vietnam. In Lao PDR and Amsterdam there has been no survey. Main outcomes of the survey were: 61% of staff miss a clear vision and plan for the future. All staff expressed their pride to work for MCNV and were positive about the working conditions. 89% was satisfied with his/ her job and his/ her performance, they found their job challenging enough and skills/ knowledge was used sufficiently. Compared to 2015 the staff was more positive about career development opportunities. They were positive about the quality of the country director in Vietnam. The offices worked closer and more harmonised together, and decision making was more clear. Main concern was the shortage of funding and rumours.

Functions

An overview of MCNV's staff at the end of 2016 is shown below. The salary scale in the Netherlands is related to the Dutch CAO Welfare, the salary scales of Vietnam and Lao PDR are related to the salaries of other international NGOs working there.

Staff from the Netherlands and Expat staff	Number	FTE	Max. fulltime annual salary
Director MCNV	1	1	€ 70.489
Country Director Lao PDR & Program Manager LEARN	1	1	€ 60.549
Sr. Program Advisor	1	0,8	€ 60.549
Sr. Advisor Fundraising & Communication	1	0.7	€ 60.549
Office & Quality Manager	1	0.6	€ 50.453
Donor and Financial Employee	1	0.4	€ 38.686
Cleaner	1	0.1	€ 27.540
Subtotal	7	4.6	

At the end of 2016 MCNV had 7 staff from the Netherlands or Europe, a total of 4.6 FTE. This number decreased because the TEA program ended, the contract of the financial manager was not extended and one senior advisor retired.

Staff from Vietnam c.q. Lao PDR	Number	FTE	fulltime annual salary
Country Director Vietnam	1	1	€ 37.450
Chief of Office/ Program Manager	1	1	€ 24.361
Regional Finance manager	1	1	€ 21.026
Project manager Lao PDR	1	1	€ 15.000
Coordinator Lao PDR	1	1	€ 12.000
Program Officer A Vietnam	2	2	€ 17.708
Program Officer B Vietnam	3	3	€ 14.949
Program Officer C Vietnam	2	2	€ 10.743
Accountant B Vietnam	1	1	€ 12.678
Accountant C Vietnam	2	2	€ 11.813
Finance and administrative assistant Lao PDR	2	2	€ 10.000
Project c.q. financial assistant A Vietnam	1	1	€ 7.151
Project c.q. financial assistant B Vietnam	1	1	€ 5.603
Subtotal	19	19	

At the end of 2016 MCNV had 19 staff members from Vietnam and Lao PDR. This number decreased in 2016 because of the termination of the TEA program and resignation of staff.

TOTAL MCNV STAFF 31 DECEMBER 2016: 26 staff with a Fulltime equivalent of 23.6

The salary costs of some staff have been included in the financial reports of subsidised programs. In doing so these salary costs do not affect the budget of the offices.

3.3 Volunteers

A policy towards volunteers is not part of the strategic plan 2012-2016. In practice, we do have a policy. Originally MCNV started as an organisation with only volunteers. A lot has changed since then. MCNV now consists of a small team of professionals with different specialities. Some functions are still executed by volunteers. For example, the members of the SB, the editorial staff of MCNV's newsletter and the tour leaders of the donor travels. Besides that, there is a general employee, who retired, but still works for MCNV as a volunteer. He organises the donor trip and is part of the editorial staff of MCNV's newsletter. In 2016 we welcomed a program advisor who worked as a volunteer for MCNV. She helped with developing proposals for institutional funds. She was so successful that we could offer her a paid parttime position as senior program advisor in 2017.

In Vietnam, there were several volunteers. One volunteer helped people with disabilities to develop personal development plans, learn from good practices and write case studies for sharing with other partners. He supported the Quang Tri Charity Union on sharing rehabilitation techniques. A soccer coach from the KNVB conducted a 5-day training course on youth soccer coaching. During weekends, three Vietnamese volunteers taught English lessons to a group of ethnic minority youth in Huong Hoa district. A group of 30 students of Hue University built a playground for children in Huong Hoa district. An American student edited English documents at Hanoi office. A volunteer who acted as a translator for office and programs and the HIV program had an assistant on a voluntary basis. In Lao PDR, there were no volunteers in 2016.

Volunteers are part of MCNV's liability insurance. In case specific expertise is requested and a volunteer will be working on a regular basis for MCNV and/ or for a longer period, a volunteer contract will be drafted. There is a format volunteer contract available. Editorial staff, tour leaders and members of the SB do not have a contract. Volunteers can get a refund of travel expenses, but only with a receipt. As an exception, MCNV can pay a fee within the provisions for volunteers in the law on income tax (article 2 paragraph 6). In the first six months of 2016 the general employee received this fee.

Volunteers in 2016	Number of persons	Amount of time in days
Supervisory Board	7	30
General employee/ editorial staff	1	25
Editorial staff	3	18
Tour Leader	1	25
Program Advisor	1	74
Support People with Disability	1	55
Soccer coach	1	5
English teachers	3	48
Students building playground	30	210
Program assistant	1	50
English editor	1	12
Translator	1	54
Total	51	606

Students

In 2016 four students from the Athena Institute of the Free University Amsterdam did research for MCNV. In Vietnam, Daan van Gils explored if and how Disabled People Organisations in Quang Tri district benefitted from the use of mobile phones and tablets. Also in Vietnam, Josephine Borremans did a study on the impact membership of DPOs had on the living conditions of People with a Handicap in Vinh Linh District. Tobie Beerens conducted a research on current food intake and food culture of the residents in Nong District, Savannakhet, Lao PDR. Max van den Berk did a research on the health research capacity in Lao PDR.

Daan's study showed that usage of ICT led to positive results. The focus of ICT use can be found predominantly in the provision of labour-related information and showing inspirational films to other members of Disabled People Organisations. Moreover, the devices are often used to raise awareness for pitifully situations and thereby try to raise funds from donors. For many, these methods have led to substantial improvements in knowledge and standard of living. Results show that participation in the labour market and the changes that members see with peer-disabled or on video, are a large booster for the confidence of People with a Handicap. Moreover, their abilities to start up a business and thereby raise their salary strengthen their confidence and lowers their sense of self-stigma. However, not everybody is benefitting from this program because of the way the devices are used. Inactive members and elderly seem to miss out on the benefits that the program brings as the information is shared on social events such as meetings. Because of this mechanism, the most vulnerable of the research population seem to be neglected by the program and improvements that the devices bring. Therefore, new options will be debated within MCNV that may increase ways of reaching these most vulnerable parts of the communities better.

Josephine's preliminary study results showed that the members of the Disabled People Organisations benefitted from their membership in several ways. Membership gave them access to credit and gave them the opportunity to start a small business. Also, membership led to more confidence and helped to socially interact more with peers and with the communities around them.

Tobie's research showed that (wo)men (including lactating and pregnant women) had a significantly lower energy intake than recommended. Their diet is unbalanced and for a large part consists of glutinous rice and bamboo shoots. Many deficiencies were observed for almost all tested micronutrients and all life stages, with a few exceptions. Data about the food culture shows many cultural factors that might have an impact on food intake, however the exact impact pathways and the level of impact remains unclear. The low quantity and quality of food intake in Nong district, suggests that current and new programs should focus on the problem of malnutrition in this area. More research should be conducted towards the possible impact of food culture on food intake.

Max's preliminary study results suggest that National priorities and budget constraints create issues with continuity of research, by creating a strong reliance on international donors for research funding. In turn lack of continuity of research erodes precious research capacity due to staff forgetting how to write proposals and other research related tasks. Local reports from international actors are in English as are most high impact journals which in conjunction with low English skills, causes a significant barrier to information on health. It seems that solutions from Lao PDR to various constraints is to outsource data collection to technical staff, however these seem to lack reflexive attitudes. At the central level a need exists for more research capacity in general, however, large need for qualitative and clinical research, with qualitative being the more affordable. Currently, quantitative research is outsourced to technical staff, providing research at low cost. However, results suggest that technical staff lacks scientific attitudes and therefore is unable to go beyond the protocol to reveal answers to why questions. At the central level, where questionnaires are used, needs exist for upgrades of knowledge about statistics.

4. TRANSPARANCY AND ACCOUNTABILITY

In 2016 MCNV was an approved charity by the Dutch Central Bureau of Fundraising. Our accountability was transparent. We allocated our funds to reach our objectives.

Accountability in advance

- Strategic plan for a period of five years;
- Long-term budget;
- Annual plan and budget.

These plans and budgets were approved by the director and SB. After approval, these documents were distributed within the organisation. Donors were informed through the MCNV newsletters and www.mcnv.org. Institutional donors received annual plans and budget that met their requirements.

Accountability afterwards

- An overview of the results achieved and funds used was shown in annual reports and project reports. The annual report and annual account of MCNV were published on www.mcnv.org
- In addition, a mid-year report was written to report about the program progress. This report was integrated with the annual team performance review.
- A summary annual report 2015 was available on mcnv.org for our partners. This overview presents the most important results of the programs and projects that were accomplished in 2015 and highlights MCNV as a 'learning organisation'.
- Program flyers were available, including a flyer with general information about MCNV. The program flyers gave information about the objectives and results for each program.
- In the MCNV newsletter the results on private fundraising were described as well as the results of the activities funded by it.
- Published reports were added to www.mcnv.org.

MCNV was accountable for all her projects. Justification was prepared following internal guidelines and in line with the requirements and time-path of the donors.

4.1 Quality of the organisation

Quality within the organisation and within the programs was important for MCNV, because in our opinion good quality leads to satisfied customers and other stakeholders. We maintained our internal organisation and made improvements when possible to keep our stakeholders satisfied.

MCNV was member of branch organisation Partos and complied with their code of conduct and quality requirements. MCNV was active in task forces and knowledge exchange concerning Quality Management of member organisations in the NGO branch organisation Partos. The efforts of Partos resulted in the 'Partos 9001' – sector specific norm for Quality Management. The criteria mainly focus on the quality of the organisation that relates to the work with southern partners. The Partos 9001 sector specific norm was adjusted to ISO 9001:2015.

MCNV applied the requirements of the Code of Good Governance from the committee Wijffels. MCNV was an approved charity by CBF. Bureau Veritas audited the ISO 9001:2008 requirements and MCNV received the ISO certificate. Since this external audit was for ISO 9001:2008 the extra Partos 9001 requirements were no longer applicable. The director reviewed the Quality Management System of MCNV to ensure that it remains up to date, appropriate and effective. During this review the director looked for possible improvements or amendments of MCNV's Quality Management System, including the quality policy and the quality objectives. In the ISO board review the director reported about internal quality audits, client satisfaction surveys, complaint register, etc and gave recommendations for improvements.

The audit was successful without any deviations from ISO 9001:2008. ISO had a learning cycle consisting of internal audits, measures for improvement, board review and external audit. In addition, the quality of MCNV was improved by implementing recommendations from the management letter of our accounting firm BDO. BDO was responsible for the carrying out the financial statements in Lao PDR, Vietnam and the Netherlands.

4.2 Knowledge Management

MCNV believes it is important to pay attention to learning as a basis for sustainable development. Learning is an integral part of MCNV and the programs it develops and implements. Thus, local stakeholders become familiar with reflection on their work and lessons learned. With this knowledge, they can improve their work continuously with or without MCNV. Development and dissemination of knowledge and lessons learned is an important issue for institutional donors as well.

In 2016 an online publication of the experiences and lessons learned within the TEA program has been published on www.mcnv.org. The partners in the TEA program (Georgia, Lao PDR, Sri Lanka, Tajikistan, Vietnam) have been closely involved in the writing process. The publication can also be found on the website of the 'Barefoot Guide Connection' (www.barefootguide.org). To launch the publication, a mini-conference was organised in April 2016. The main lessons learned were discussed at this conference. Also, a sequel publication on inclusion was announced. Several people who contributed to this new publication attended the conference and gave information. The conference was well attended by staff members of the Dutch Ministry of Foreign Affairs, Partos, the Free University Amsterdam (VU) among others.

Also in 2016 a new strategic plan of MCNV has been developed. The main themes of this strategy are:

- 1) health development;
- 2) social inclusion;
- 3) livelihood & climate change and
- 4) entrepreneurship & value chains.

The decision was taken to create 'communities of practice' around each theme. These "communities" consist of MCNV staff from various offices with thematic expertise and experience. The communities will take care of documentation of their experiences and lessons learned and sharing this within thematic learning networks.

4.3 Risk Management

The main risks for offices in Amsterdam and Vietnam were insufficient funding and the main risk for Lao PDR was a lack of capacity to meet all requirements of two very demanding EU programs. Risks in order of priority and proposed mitigation strategies are shown in annex B-4.

4.4 Client Satisfaction

MCNV had the following clients and stakeholders:

- Target groups and partners in Vietnam, Lao PDR, Georgia, Tajikistan and Sri Lanka;
- Private donors in the Netherlands;
- Private funds (family and asset funds);
- Institutional donors;
- Corporate donors.

MCNV focused on establishing and maintaining good relationship with all its clients. Client satisfaction surveys were executed to monitor information concerning clients' perceptions of the extent to which the organisation has met clients' requirements. For monitoring reasons MCNV performed several client satisfaction surveys. In 2016 MCNV performed two client satisfaction surveys:

Random donor survey

In 2016 MCNV carried out a survey among a random group of 300 donors with E-mail. The outcome was equal to earlier surveys, an average score of 8.49 out of 10. Items could be rated from 1 to 10 (low to high). This reflects an overall satisfaction. There were no specific points of attention emerging from the random donor survey. Questions and comments were given, but none required special attention. Remarkable was that most respondents did not use MCNV's website. Was this caused by the quality of the website or were the respondents not much online anyway? In 2017 a new MCNV website will be introduced, more user-friendly and modern. In next year's survey, we will look whether the use of the website is increased.

Survey among 20 participants of the MCNV donor tour 2016

Following the donor tour in April 2016, MCNV sent a client satisfaction survey to the participants of the tour; 15 out of 20 responded. The donors were very enthusiastic about the tour. Items could be rated from 1 to 10 (low to high) and the average score was 9.13. MCNV regards the donor tours as very useful and will continue organising the tours annually. MCNV evaluated the survey results in a meeting with the senior advisor fundraising and the tour guide to try to make further improvements.

4.5 External complaints

MCNV had a protocol for the recording of complaints. In 2016 we received four complaints from private donors. The nature of the complaints was different. For example: not mentioning the RSIN number clearly on the website. All complaints were followed-up and solved. There were no complaints from institutional donors. All reports were issued in time and in the right format. The final reports of the TEA program were approved by the Ministry of Foreign Affairs and the program has now officially ended. The complaint analysis was discussed in a staff meeting in December. General conclusion: the procedures are still adequate.

5. COMMUNICATION, PUBLIC RELATIONS & FUNDRAISING

MCNV has continued its work to improve the lives of disadvantaged people in Southeast Asia because it has could secure funding from a variety of sources that pay for the organisation and its work. After almost five decades, MCNV still has 5.500 private donors in the Netherlands who donate regularly and generously, providing the core funding for the organisation.

MCNV donors age with time and not all were able to continue their support (after retirement or after death). Therefore, MCNV was forced to find new private donors (read funds) and corporate donors. In 2016 we succeeded in establishing new partnerships who will support (part of) MCNV programs for a period of three years. New opportunities have opened in both the Netherlands and Vietnam for private donor funding.

In 2016 we focused on:

- 1) Upgrading and keeping MCNV donors with strong focus on periodical donations and inheritance;
- 2) Finding new sources of income:
 - a. corporate donors who want to support a specific activity or part of a program;
 - b. private funds (family- and asset funds).
- 3) Longer term support from private (including corporate) donor.

In the Netherlands, it was important to 'keep and upgrade' the (private) donors and keep them close to the beneficiaries and developments in Vietnam and Lao PDR.

Four Special Campaigns

In 2016 MCNV asked the private donors for support for four special campaigns:

Spring campaign: "A better life for people with mental disease"

Ken lived for years in a wooden cage, he seemed unmanageable by his schizophrenia. His family was desperate. Thanks to MCNV and the psychiatric hospital, Ken lives again as a free man. The response on the spring action was great, MCNV received € 35,500 and could support 2000 people with mental illness in Quang Tri.

Summer campaign "Change yourself, give it to others!"

1900 teens with little knowledge of sexual matters live in the border area of Huong Hoa. Their parents do not know how to talk with them about some difficult subjects. MCNV provides training for local health workers and organises various workshops for young and old. This campaign resulted in € 27,500 and with this budget MCNV will be able to prevent early pregnancies and give these young people and their parents insight and confidence.

Autumn campaign: "Occupational Training"

In the fall, we asked our private donors to contribute to the start-up of vocational training for occupational therapists in Vietnam. An occupational therapist helps people with disabilities to enable independent activities at home and at work. An important development for many people in Vietnam. This project was supported by many donors, we received € 31,400.

Christmas campaign: "Support Vietnam worker bees!"

Throughout Vietnam, women are hardworking, but poor, sick or older women are excluded and cannot take part in discussions and decision making. MCNV helps these women to be stronger in as many projects as possible. We asked our donors to support the worker bees of Vietnam! Our donors collectively gave € 35,000 to support them.

Family Funds, Asset Funds and Foundations

Our focus on finding new sources of income became increasingly important in 2016 as individual donors decrease in number. This technique of fundraising and approach is based on greater involvement, building up and strengthening our network and promoting long-term partnerships. In Vietnam and The Netherlands, the fundraising staff managed to find new funds for MCNV. Most funds agreed on a long-term relationship of three years.

In 2016, these sources provided funds for specific activities such as:

- support for disabled children in the resource centre in Cao Bang;
- special school for disabled children in Phu Yen and Quang Tri;
- micro loans for woman in Ben Tre province to generate income for food and clothes;
- funds to start small businesses, and provide clothes and shoes for children in Huong Hoa;
- a nutrition program in Nong district of Lao PDR;
- mother & child support in Vietnam and Lao PDR.

Inviting foundations to 'adopt' projects is apparently more and more attractive to donors. The tailor-made approach makes the people feel closer to the beneficiaries and their families than a donation in general to the organisation does. In 2016 we generated € 183,139.

Wills and testaments

Considering the age of the MCNV donor population, many already started to support MCNV during and after the Vietnam War almost forty years ago, it is a good strategy to encourage our donors to include MCNV in their wills and testaments. Compared to 2015, we received a small amount of € 12,487 in 2016. The income from this source remains unpredictable. Although we certainly wish our donors to have a long and pleasant life, we also hope that we may see this source of financing reach a steady and significant level in the years to come.

Publications

MCNV published a quarterly newsletter to provide information about the projects, how donations were spent, and the results of our efforts in Vietnam and Lao PDR. Besides information, the newsletter also voices the opinions of local staff and beneficiaries in Vietnam and Lao PDR. Faithful to the MCNV tradition, we produced a calendar for 2017. The calendar was ordered by and sent to 617 donors. The donors expressed their appreciation of this link with Vietnam and Lao PDR.

6. FINANCIAL POLICY & MANAGEMENT AND QUANTITATIVE DATA

6.1 Budget and realisation of plans 2016

In December, the director presented the annual plan and budget for the coming year to the SB for approval. The annual plan was made with input from the annual program plans, made by the program staff. The budget for 2016 with a negative result of € 692.000,- was made by the financial manager with input from director and staff. The annual plan and budget for 2016 was approved by the SB on 21 December 2015.

After the approval of the annual plan the program activities started, contracts with partners were signed. After completion of the activities the actual costs were calculated. The 2016 budget was revised, after approval by the SB in their meeting of 22 September 2016 to a negative result of € 786.598. The actual results 2016, as well as differences in program budget versus realisation can be found in paragraph 6.8.

6.2 Contract processing

MCNV worked in accordance with the CBF requirement that contracts were entirely charged to the result from the moment the contract was signed, regardless of how activities were carried out and paid for. MCNV deviates from this requirement when projects are financed by government or other institutional donors. These donors require an annual report on a cash basis. In this way, the figures in the report to the donor and the figures in the financial statements are equal. CBF was informed about this deviation.

6.3 Financial administration

MCNV's work knows to a cycle of annual plan with budget, quarterly reports and annual report. In MCNV's financial administration and financial management there was a division of responsibilities to guarantee a good organisation quality:

- The daily accounting and budget control was done by MCNV, an external administration office was consulted when necessary;
- The consolidated financial quarterly reports were produced by the external administration office and MCNV;
- The draft financial statements and balance dossier were drawn up by the external administration office, supported by MCNV's financial manager.
- The draft annual account was approved by the director subject to the adjustments discussed. This draft was discussed with the audit committee.
- The director was informed about changes in the draft annual account and annual report and gave feedback;
- The auditor BDO audited the annual account.
- The SB approved the annual report and annual account, the auditor issued an approved statement.
- Each year the auditing firms in Vietnam and the Netherlands write a management letter in response to the audit of the annual account. The lead auditor consolidates the management letters into one auditors report. This report was discussed with the audit committee, director and financial manager.

6.4 Development of capital and appropriated funds

MCNV's policy concerning its capital is to maintain a continuity fund. in case of stagnation of income, the continuity fund is meant, to meet the obligations towards projects and personnel in a careful manner. When preparing the budget, the director and the financial manager determine the desired continuity fund. In principle, this is the amount needed keep the organisation running for one year.

In addition, MCNV spent its regular income from donations in line with the objective, as much as possible in the same year. Unspent amounts raised for a specific purpose, were kept in an appropriated fund. Contracts signed with partners determine the amount charged to a specific appropriated fund. The remaining will stay available for the same kind of activities for which the funds were received.

6.5 Investment policy

The largest part of MCNV's funds was in savings accounts.

In 1997 MCNV received a stock of Wolters Kluwer shares as a gift with a value of € 890,000. MCNV formulated a conservative investment policy. The total acquisition value of the shares was received by MCNV through a partial sale at the end of 2007: € 916,000. MCNV sees the remaining fluctuating value as not taking profit. MCNV didn't trade shares on an active basis. The responsibility for the management of the portfolio lies with the director.

The director can sell shares when the following conditions set by the SB were met:

- Both the director and the financial manager must approve the sale of shares. In the absence of one of the two, the financial expert of the SB must approve the sale on his behalf.
- The reason for the sale of an X amount of shares should be clear.
- Annually in a SB meeting the minimal sale value of the shares are set. The director can only sell shares when the sale value is equal or higher than that minimum.
- Only in consultation and after approval of the SB exceptions of these conditions can be made.

In the financial quarterly reports the SB were informed about the shares.

In 2016 value change € 48,558. Unrealised profit per 31-12-2016 € 457.176, -

6.6 Income 2016

Benefits from fundraising activities

In 2016 MCNV had four fundraising actions. The benefits were 7.7% less than budgeted.

Budget: € 180.000, -

Result: € 166.138, -

Specific contributions

MCNV received 21 specific contributions in 2016. The specific gifts were 30.8% more than budgeted.

Budget: € 140.000, -

Result: € 183.139, -

Inheritance and legacies

The benefits from inheritances and legacies are not known in advance. Benefits were only budgeted if we receive a specific report of a legacy to be settled in the following year. In 2016 MCNV received € 12.487, - from inheritances and legacies.

Governmental & Institutional Grants

MCNV formulated a policy on generating income from institutional grants from governments and other institutes. MCNV focuses on grants that contain a contribution for MCNV's own organisation costs for management and advice. MCNV received in 2016 the followings grants for programs that were running by December 31, 2016 or finalised in 2016:

Dutch Ministry of Foreign affairs:

€ 8.095.771, -

As secretary of the Transition in the East Alliance, MCNV received a total amount of € 8.095.771, - for project number 22160. The project was for the period 2011-2015. December 7th 2015 we received a confirmation from the Ministry of Foreign affair that the project was budget neutral extended until June 30, 2016.

LEARN

€ 2.710.336, -

In 2014 MCNV was awarded with an EU grant for Lao PDR: the LEARN program for a period of 5 years. The program has four alliance partners: National Institute of Public Health and University of Health Sciences of Lao PDR, Hanoi School of Public Health and the Free University of Amsterdam. The program started May 1st 2015. MCNV's own contribution for implementing the program (20%) is € 542.067, - and € 183,113, - is for the program partners. MCNV's own contribution is covered by the LEARN appropriated fund.

VALOR

Vietnam Advancing Leadership on Rehabilitation (VALOR) a five-year program funded by US-AID. The program is focused on the development of a University Course Occupational Therapy.

Contract value	US\$	1.153.618.
Own contribution 15%	US\$	173.043

Lead partner for program implementation: Handicap International

Duration: 2015-2020

MCNV's own contribution is covered by the US-AID appropriated fund.

6.7 Budget 2017, Result 2016 and Budget 2016

	Budget 2017 €	Result 2016 €	Budget 2016 €
INCOME			
Benefits from fundraising activities	897.727	684.558	614.515
Benefits from joint actions	0	0	38.000
Benefits from actions by third parties	0	0	0
Governmental & Institutional grants	1.364.459	459.602	770.520
Result on investments	25.000	48.084	50.000
Others	0	2.426	0
TOTAL INCOME	2.287.186	1.194.670	1.473.035
EXPENDITURE			
Expenses for objectives			
Structural project support	2.247.088	1.512.595	1.934.146
Communication	125.058	113.500	75.713
	2.372.146	1.626.095	2.009.859
Expenses for fundraising			
Expenses private fundraising	100.554	69.445	127.643
Expenses joint actions	0	0	0
Expenses from actions by third parties	0	0	0
Expenses raising Governmental & Institutional grants	0	802	980
Expenses for shares		0	0
	100.554	70.247	128.623
Expenses Management & Administration	149.645	125.316	121.150
TOTAL EXPENDITURE	2.622.345	1.821.658	2.259.632
RESULT	-/-335.159	-/- 626.988	-/-786.597
Mutation Project Reserve		-/- 344.669	

EXPENSES FOR OBJECTIVES

	Budget 2017 €	Result 2016 €	Budget 2016 €
Mutation MCNV's capital	-335.159	-626.988	-786.597
Expenses per project			
Sexual Reproductive Health and Rights	22.122	35.313	35.925
Infectious diseases (Malaria)	0	13.263	0
Disability (CBR)	88.709	56.669	0
CBR US-Aid	210.889	189.002	197.862
Community Managed Health & Livelihood	0	139.302	132.445
CMHD	118.686	0	0
Women Empowerment	78.380	85.893	108.858
Support Training Institutes (STI)	0	7.312	0
Program Human Resource for Health (HRH)	5.600	0	192.560
TEA for Vietnam	0	92.522	0
TEA for other countries	0	-1.549	0
LEARN (EU)	787.673	297.129	590.000
TA MCNV programs funded by private donors	108.468	0	250.654
Food Security and Nutrition (FSN)	286.386	0	0
VOICE	200.000	0	0
New programs	2	0	0
	1.906.915	914.856	1.508.304
Project settlements previous years	0	-14.527	0
Indirect costs project support	340.173	604.026	425.842
	2.247.088	1.504.355	1.934.146

6.8 Analysis of Differences

Analysis of the differences between budget and result 2016 if the difference is higher than 10% and equal to or higher than €50.000, -

INCOME

	Budget 2016	Result 2016	Difference
Benefits from fundraising activities:			
a) Contributions for special purpose	160.000	166.138	6.138
b) Non-specific contributions	280.000	293.432	13.432
c) Specific contributions	145.000	183.139	38.139
d) Inheritances and legacies	17.000	12.487	-/- 4.513
e) Fundraising Vietnam	12.515	20.713	8.198
f) Result from sales of goods	0	409	409
TOTAL	614.515	676.318	61.803
a) Contributions for special purpose	2016	2015	2014
Number of donations	4.020	3.465	4.343
Average donation	€ 35,72	€ 35,94	€33,02
b) Non-specific contributions	2016	2015	2014
Number of donations	8.946	9.420	10.078
Donation agreements 31 December	€ 63.183	€ 58.494	€53.870
Result on investments	Budget 2016	Result 2016	Difference
	50.000	48.084	-/-1.916

EXPENSES PER PROJECT DIFFERENCES BUDGET-RESULT

	Budget 2016 €	Result 2016 €	Difference €
1) Sexual Reproductive Health and Rights	35.925	35.313	-/- 612
2) Malaria	0	13.263	13.263
3) Disability (CBR)	0	56.699	56.669
4) Community Managed Health (& Livelihood) Development	132.445	139.302	6.857
5) Women Empowerment	108.858	85.893	-/-22.965
6) Support Training Institute (STI)	0	7.312	7.312
7) HRH Progr Human Resource for Health	192.560	0	-/-192.560
8) TEA for Vietnam	0	92.522	92.522
9) TEA for other countries	0	-/- 1.549	-/- 1.549
10) New programs	0	0	0
11) New: LEARN (EC)	590.000	297.129	-/- 292.871
12) New: CBR – OT (US-Aid)	197.862	189.002	-/- 8.860
TOTAL	1.508.304	914.856	-/- 342.794

Explanation of the differences between budget and result 2016 if higher than 10% and equal to or higher than €50.000, -

Income

Additional specific contributions (c) due to additional fundraising activities Malaria and Disability programs; less inheritances and legacies (d) received; additional fundraising Vietnam (e) due to additional activity Malaria and Disability Programs.

Expenditures

Malaria (2) and Disability (3) and STI (6) programs added to 2016 activities; Women Empowerment program (5) lower due to delay in start by partner organisation; HRH program (7) postponed. This program will be evaluated in 2017; TEA program (8 and 9) program settlement in 2016; Lower spending LEARN program (11) as budgeted due to delayed startup partner Women Union 1st half 2016.

6.9 Key figures

	2016	2015	2014	2013	2012
Balance sheet (x 1000 euro)					
Project reserve	0	345	762	387	551
Appropriated funds	718	793	708	470	334
	718	1.144	1.460	857	885
Inventory	1	2	3	3	1
Investments	457	409	330	275	213
Cash at banks and in hand	1.846	1.927	2.972	1.744	2.090
Contract obligations	42	104	301	80	157
Income & Expenditure (x 1000 euro)					
Contributions for special purpose	166	150	169	215	203
Non-specific contributions	293	312	322	345	368
Specific contributions	183	90	124	78	101
Expenses private fundraising	69	80	118	107	115
Governmental & Institutional grants	460	833	1.117	954	1.219
Communication	114	85	100	131	105
Structural project support	1.513	1.612	1.732	1.460	1.831
Operating Balance	-/- 627	-/- 331	612	-/-27	78
Staff in FTE					
Staff in the Netherlands	4.8	5.0	5.1	4.5	5.8
Expat Staff in Vietnam/Lao PDR	1.0	2	1.8	2.3	2.5
Local staff in Vietnam	15.0	18.6	18.4	19.6	26.2
Local staff in Lao PDR	3.0	7	6.9	4.4	4.0
Total staff in Fte:	23.8	32.6	32.2	30.8	38.5

6.10 Costs for Fundraising and other Key Figures

MCNV has been approved as a charity by the Central Bureau on Fundraising (CBF). Following to regulations of the Central Bureau on Fundraising the expenses for fundraising over a period of three consecutive years shall not exceed the average of 25% of the total benefits from fundraising activities. An overview of MCNV's cost for fundraising for the last three years are shown below.

	Expenses of Fundraising in €	Total Benefits Fundraising Activities in €	Percentage
2014	117.904	1.470.457	8,0
2015	80.064	653.788	12,3
2016	69.445	676.318	10,3
Average over 3 years:	89.138	933.521	9,6

According to the regulations of the Central Bureau on Fundraising MCNV should establish a standard for the maximum expenses of Management & Administration. The SB of MCNV determined the maximum costs of Management & Administration in a year at 9% of the total expenditures.

	Expenses of Management & Administration in €	Total Expenditures in €	Percentage
2014	151.322	2.116.358	7,2
2015	129.600	1.911.664	6,8
2016	125.316	1.821.658	6,9

Below is an overview of the total expenses on MCNV's objectives compared to the total income.

	Total Expenses on Objectives in €	Total Income in €	Percentage
2014	1.832.074	2.728.579	67,1
2015	1.697.180	1.586.675	107,0
2016	1.626.095	1.194.670	136,1

Amsterdam, 3 July 2017

G.J. Paardekooper
General Director MCNV

M.I.A. Postma-Rustenhoven
Chair MCNV Supervisory Board



Annual Report

Annexes

B-1 Program annual reports

1.1 Community Managed Health Development (CMHD) and Human Resources for Health

Objective: to improve the health and welfare of the people through empowering communities, promoting equity in development and improving the quality of life of disadvantaged people.

CMHD developed activities in Cao Bang (CB), Quang Tri (QT) and Phu Yen (PY) province. Emphasis was given to setting up and building the capacity of Community Based Organisations (CBOs) and NGOs, including Disabled People's Organisations (DPO), Older People's Associations (OPA) and Village Health Workers' Associations (VHWA). MCNV promoted collaboration between Civil Society Organisations (CSOs) and health service providers to improve accessibility of the target groups to health services.

Development local Village Health Workers Association

- The VHWA of CB, QT and PY were maintained and provided services to 2000 members;
- Operational plans 2016-2020 of these VHWA were updated and management boards re-established;
- Four behaviour change communication events on early detection of cervical cancer, breast cancer, nutrition were organised for about 5000 clients in CB, QT and PY;
- 17 local DPOs were supported in fundraising and PR events.

Development DPO and OPA in QT and PY

- 17 DPO in Quang Tri and 8 DPO in PY were maintained to provide services to 3000 members;
- The DPO provided materials to support 40 people with a disability;
- Action learning, exchanging, fundraising and advocating activities were organised by 24 DPOs and 9 OPAs;
- The Rehabilitation center in Cam Lo district was maintained and provided services to 20 children.

Microfinance and livelihood in QT and PY

- 1200 clients benefitted from training courses on finance literacy;
- 9 Community Development Funds (CDF) & 11 Disabled people Development Fund (DDF) in QT and PY improved their management performance and served 1300 clients.

Football and development in QT, 250 youths improved their life-skill through events and football tournaments.

Community Mental Health in QT and PY

- 130 health workers, commune health staff have improved knowledge and skills to provide better services to people with mental health (MH) problems;
- 145 people with MH problems, 243 people at risk of MH problem improved their quality of life;
- 5 family groups of people with MH problems maintained operating and gave better MH care.

Nutrition in PY

- 40 health workers at 3 commune health centers and district health centers in PY have improved capacity on nutrition care and can provide better service to their community;
- 423 children under five years old have improved nutrition status since 2012;
- 45 mother groups maintained and provided better nutrition care to their children;
- 34 families who having children under 5 years were supported for better life conditions.

Sexual and Reproductive Health (SRH) in QT

- 800 teenagers improved their knowledge and skills on SRH through communication events at schools and communes;
- 400 teenager's girls received SRH medical check up;
- 40 district and commune health staff have improved capacity on SRH to provide better services.

Human Resources for Health, exchange visits were organised between QT Medical Center and medical schools in Lao PDR and Thailand.

Future Directions

Development local Village Health Workers Association (VHWA)

- Temporally end the projects on CSO's development for VHWA of CB, QT and PY;
- In QT: establish the fund for investment and development for ethnic minority adolescent girls in cross-border areas between Huong Hoa and Savanakheth, co-managed by VHWA and MCNV;
- In PY: the nutrition project in Dong Xuan will be co-managed by VHWA and MCNV;
- In CB: VHWA will be facilitated to focus on community mental health. CMH is the entry point for the VHWA in fundraising.

Development 24 DPO and 9 OPA in QT and PY, the projects will temporally end, but partnership maintained to look for new funding opportunities for these CSOs.

Microfinance and livelihood in QT and PY

- Closure of 5 Community Development Funds in Huong Hoa and withdrawal the capital;
- Handover of 4 Community Development Funds and 3 Disabled People Development Funds to MCNV's Micro Finance program;
- Maintain some activities to phase out 5 Community Development Funds & 8 Disabled people Development Funds in QT by December 2017.

Community Mental Health (CMH) in QT and PY

- Strengthen the CMH models by involving the provincial health service into the project implementation to be able to replicate and for accessing funding;
- Develop and document project materials such as: videoclips, CMH approach, handbook on CHM for village health workers and families of people with MH problems and training materials;
- Maintain and improve models at community: Personal Development Plans for people with MH problems; operation of family groups.

Disability in QT and PY, the projects will temporally end, but partnership maintained to look for new funding opportunities for these CSOs.

Nutrition in PY

- Establish the nutrition fund with the VHWA, to build capacity for project management at the VHWA for long-term sustainability;
- Integrate project on Nutrition Sensitive- Agriculture to the MCNV umbrella nutrition project in PY;
- Engage participation of the provincial reproductive health centre into project implementation to increase provincial policy advocacy, contribute to fundraising and increase opportunities to replication of the nutrition model;
- Strengthen and document nutrition rehabilitation models such as: operation of mother groups; social marketing approaches; nutrition rehabilitation personal development plan.

Sexual and Reproductive Health in QT, in 2017 SRH will be integrated into the adolescent project. MCNV will look for funding possibilities for cross-border adolescents between Vietnam and Lao PDR to:

- Conduct an assessment on adolescent issues at 11 communes along cross-border of Vietnam and Lao PDR;
- Involve Provincial Reproductive Health Center with the implementation of SRH;
- Develop and improve SRH materials: handbook, communication materials; video clip;
- Strengthen community based model/interventions: adolescent-to-adolescent /peer approach, use of interactive methods in SRH communication, E-health in counselling for adolescents.

Human Resources for Health, support the school in reviewing the strategic plan 2017 -2020

1.2 Disability Program

Objective: to ensure that adults and children with disabilities receive comprehensive support to develop their potential and to create enabling conditions for their inclusion in community development.

The four components of the program:

- 1 health care and medical rehabilitation;
- 2 inclusive education;
- 3 income-generation;
- 4 empowerment for People with Disability (PWD) through development of community-based organisations of disabled people.

The program supported PWD in Dien Bien (DB), Cao Bang (CB), Dak Lak (DL) and Phu Yen (PY) province. Depending on the specific context and need of each province, those components were implemented.

Strategic objective I: improve the conditions of daily life

Outcome Objective 1.1 improved health for disadvantaged people			
% of new disability cases are detected and identified at early stage with correct diagnosis			
Plan	85%	Report	80%
Comment	Estimated by CB and PY Support Centres for children who access the Centres		
% PWD/CWD who need rehabilitation in DB that can benefit from home based rehabilitation or referral services			
Plan	70%	Report 2015	50%
Comment	Contract signed late, therefore target was not completely achieved		
number of health and education staff that have build their capacity on Occupational Therapy			
Plan	100	Report	150
number of health staff in DB can provide services of CBR			
Plan	70	Report	40
Comment	Contract signed late, therefore target was not completely achieved		
Outcome Objective 1.2 improved income for disadvantaged people			
number (accumulated) of PWD and their families in DL Province that have increased income as a result of IGA with financial and technical support from MCNV			
Plan	400	Report	420
number (accumulated) of PWD and their families in CB Province that have increased income as a result of IGA with financial and technical support from MCNV			
Plan	410	Report	405
Outcome Objective 1.3 improved living conditions of disadvantaged people			
% of PWD in Dien Bien with need to, are supported to adapt house			
Plan	50%	Report	30%
Comment	Contract signed late, therefore target was not completely achieved		
Outcome Objective 1.4 increased incorporation and social inclusion of the people			
% of people with disability in project areas (DL, CB and DB) participate in social and sport activities at local and national level (at least 1 time/event)			
Plan	60%	Report	57%
Comment	Achievement is less than plan because as there was no intervention in DB yet.		
number of PWD who are members of DPO or mass organisation			
Plan	1450	Report	1445
Comment	Number of DPO is not increasing thus limiting total number of members		
Outcome Objective 1.5 children to attend in school			
% of CWD of school age who have access to appropriate education in the provinces CB, PY QTi			
Plan	92%	Report	90%

Strategic objective II: reducing inequity

Outcome Objective 2.1 improved accessibilities of services (for all) and resources			
% PWD/CWD who need rehabilitation in CB benefit from home based rehabilitation or referral services			
Plan	100%	Report	100%
Comment	Measured only in project sites		
number of CWD aged 0-6 yrs enrolled in Early Intervention in Supportive Centres in 3 provinces			
Plan	430	Report	450
% of CWD aged 0-6 yrs in programs areas identified early as having development delays are referred to and checked by PTs at higher level of health care system			
Plan	100%	Report	100%
Comment	All children who came to the Centre for early identification and need further examination were referred to hospital		
% of PWD and CWD in CB improved daily living skills.			
Plan	85%	Report	85%
% of PWD and CWD in DB improved daily living skills.			
Plan	30%	Report	35%
number of district hospitals in DB can provide rehabilitation services			
Plan	4	Report	4
number of commune health stations in DB can provide rehabilitation services			
Plan	4	Report	4
Outcome Objective 2.2 improved empowerment and ability to access to services (for all) and resources that meet their needs			
number of CBO of PWD in CB and DL are functioning			
Plan	16	Report	16
Outcome Objective 2.3: improved enabling environment			
a network of rehabilitation services is available in DB			
Plan	Yes	Report	Yes
network of support PWD in DL will still remain after phasing out MCNV support			
Plan	Yes	Report	Yes
Comment	47 out of 54 communes keep CBR after the phasing out of MCNV support.		
network of health staff who are working on Occupational Therapy			
Plan	Yes, 8 students	Report	Yes, 5 students
Comment	Plan: 4 students study Bachelor of Occupational Therapy (BOT) and 4 students study Master of Occupational Therapy (MOT). Report: 5 students started with BOT first and will continue with MOT.		

Strategic objective III: improve the knowledge base

Outcome Objective 3.1 lessons learnt from MCNV interventions and similar interventions outside MCNV, are translated into improvements of programs, MCNV policies and/or advocacy work.	
Target 1: research and/or action research	
Plan	1 research on situational analysis of OT training in Vietnam, as a database for the development of OT training
Report	Done
Target 2: documentation of lesson learnt as basis for changes in practice	
Plan	In-depth screening of all funds and organise workshops to strengthen the role and involvement of PWD clubs.
Report	Not done yet
Target 3: lessons learnt from Monitoring & Evaluation	
Plan	An internal evaluation on effectiveness and lesson learned of supporting community teachers on Inclusive Education in Cao Bang
Report	Done

<i>Target 4: expert group</i>	
Plan	Disability team collect existing materials to share within Community Empowerment
Report	Done
<i>Target 5: carry out evaluation</i>	
Plan	Internal evaluation of CBR in Cao Bang in 2016
Report	Not done yet

Future Directions

We propose the direction of MCNV's support to people within Disability Program in the next 3 years:

- Prepare exit strategy and phase out the project in CB with part of medical rehabilitation, IGA and support to CBO. Inclusive education will remain a focus up until 2019 as we committed to contribute budget together with PWC for 5 years, from 2015;
- Completely phase out MCNV support in DL;
- Focus resources to continue support to Inclusive Education in PY;
- Find more funds to expand our work in DB, to cover more communities with medical rehabilitation but also set up inclusive education services for disabled children;
- With the experience of finding funds for the development of OT education, we plan to access funds for a project on the development of Speech Therapy in Vietnam.

1.3 Sexual Reproductive Health and Rights (SRHR)

Objective: to improve the lives of women and their families infected and affected by HIV and to prevent new infections, in seven northern provinces.

In 2016 the Prevention of Mother to Child Transmission (PMTCT) and sexual and reproductive project covered seven Northern provinces in Vietnam. 2500 vulnerable people benefitted. MCNV maintained its good corporation with partners at national level (Vietnam Administration of HIV/Aids Control) and provincial levels (Red Cross, Women Union, Health Care Centres).

Comprehensive PMTCT services for especially vulnerable women (Sunflowers)

The Sunflower Network functioned more and more independent in helping vulnerable. Although their capacity was facing many issues, albeit, their performances were considered as a significant contribution to roughly 1000 women living with HIV and their family. To provide technical support to Sunflowers, MCNV frequently met and gave advice to Sunflower Steering Coordinators. 8 Sunflower groups had by monthly meetings and organised activities, such as:

Health care insurance support: 99 beneficiaries were supported. 80% of the costs were covered, the remaining 20% was own contribution. Goal was to increasing the routine of purchasing a health insurance. A health insurance is very valuable for People Living with HIV (PLWH), because in 2017 they must pay for HIV treatment service through their insurance.

Nutrition support: 61 disadvantaged children received nutrition support from MCNV by getting rice, milk etc.

Anti-retroviral (ARV) refresh training: an ARV refresh training was given to 6/8 Sunflower groups. It is important to update information on ARV and another treatment for PLWH.

Outreach and prevention: Sunflower group outreached high risk people in community. In Dien Bien the group reached more than 30 new members, who established one new group in Muong Nhe District.

Health check up for elderly: the Sunflower group in Quang Ninh Province is a group grandparents who raise their vulnerable grandchildren. Most of them are older than 65 year. 50 grandparents got a health check up.

Livelihood and economic support: In 2016 8 Sunflower group were running a revolving fund. Most revolving funds did not perform correctly and were temporarily stopped. MCNV was successful in getting loan back from two groups to be able to invest in another project. The pig bank was still running smoothly. Some pigs delivered and brought income for the poor. 18 Sunflowers members are involved in raising pigs.

SRH project

Three-year project, that started in 2015, to improve knowledge and skills on SRH and HIV prevention for nearly 150 teachers and 1500 pupils in boarding schools in Dien Bien province, managed by Dien Bien Department of Education and Training (DoET). The project worked with DoET and the boarding high schools in Phan Dinh Giot (city) and Muong Cha (rural district), both home to hundreds of ethnic minority youth from remote areas. In 2016 many activities were completed, including capacity building, SRH communication and education for both ethnic minority and local teachers. MCNV is making effort with both approach, reaching target through teachers and pupils.

Capacity building: 5 staff attended a training course on project management. In the training course, the definition, design and functioning of a project was explained. The impact of this training was that local partners understood the SRH project more clearly.

The capacity of 60 teachers improved by attending an introduction conference on the SRH guideline. All participants had a chance to share and learn from each other how to organise a good SRH lecture at school. After the conference the teachers were capable to apply the SRH guideline into their own lecture.

SRH guideline: the project continued supporting local teacher in writing a SRH guideline for teachers. The draft guideline was applied at the 2 boarding high schools. Most teachers found the guideline very applicable and useful. The project is now considering to print and publish the guideline in the coming months.

SRH education: teaching sexual and reproductive health in school is a challenge for teachers. Problem is that the schools do not have a clear approach in providing correct life-skills for adolescents. Besides the SRH guideline for teachers, the project also helps them to organise SRH sections in school. With the technical supports the local teachers taught 324 lessons on a SRH topic in school, following the 12 modules of the SRH guideline. Topics like early marriage; early sexual intercourse. Besides providing knowledge and skills for 1600 pupils, the additional impact of this project is that 60 teachers had a chance to improve their teaching skills.

SRH communicational event: 5 communication events with participatory approach on SRH topics were organised. Mostly organised by pupils themselves. The message of behavior change of sexual and reproductive for 4017 contact-pupils was send by the events.

Others: SRH examination and treatment for 278 female pupils was conducted. To provide knowledge and practical skills, the project also distributed tampons for 370 female pupils.

Strategic objective I: improve the conditions of daily life

Outcome Objective 1.1 improved health for disadvantaged people			
% of Sunflowers members share in group discussions/meetings			
Plan	800	Report	500
Number of Sunflower members reduced			
% of Sunflowers members trained in health topics (ARV, adherence, nutrition, Hepatitis C)			
Plan	95%	Report	6/8 groups
number of high risk people (SW, MSM, IDU, PLWH) from community used VCT/HIV services			
Plan	30	Report	30
number of young people (14-19 years) have improved knowledge, attitudes and practices related to SRHR			
Plan	1600	Report	1600
number of parents and teachers that have the confidence and skills, and correct information, to engage with young people on SRHR issues			
Plan	2500	Report	2500
Outcome Objective 1.5 children to attend in school			
number of vulnerable children got education support			
Plan	350	Report	
contribute to reduce number of ethnic minority youths leaving school in DB due to marriage and/or unwanted pregnancy			
Plan	No student leave school	Report	Less than 4 student per boarding high school

Strategic objective II: reducing inequity

Outcome Objective 2.1 improved accessibilities of services (for all) and resources			
number of Sunflowers members supported for health insurance			
Plan	105 cases	Report	99 cases
Comment	average 10 cases per group		
Outcome Objective 2.2 improved empowerment and ability to access to services (for all) and resources that meet their needs			
% of Sunflowers members aware of necessary health services and their right at hospital/ health care station			
Plan	100%	Achieved	70%
Outcome Objective 2.3: improved enabling environment			
number of community events organised by Sunflowers			
Plan	9	Achieved	9
number of participants attend Sunflower events			
Plan	400	Achieved	More than 400
design a guideline of SRH training for teachers in boarding high schools in DB			
Plan	1	Achieved	1
TOT training on SRH for local teachers in Dien Bien			
Plan	1	Achieved	0
training on communicational skills and life-skills for youths club in DB			
Plan	5	Achieved	1
number of communicational event organised in 2 boarding high schools in DB			
Plan	5	Achieved	5

Future Directions

2017 is the last year before handing over the HIV program (PMTCT). When the project of the boarding high schools is finished, the project should expand to other districts in DB.

1.4 Women Empowerment

Objective of Women Empowerment (WE): sustainably and effectively promote the women economic, social and political inclusion in Vietnam with special focus on Ben Tre (BT) province.

The program included two projects:

- Micro credit and saving project in Binh Dai district, BT;
- Improve the political participation of women in BT through the People Council Election in 2016.

Main activities

- The microfinance project expanded to the commune Thoi Lai to help poor women build big water containers to be able to deal with drought and salinity as results of climate change;
- a.s.r. Insurance company provided technical support with the aim to introduce community income protection insurance for poor women. Their experts have designed the product and manual;
- PlanetFinance continued its technical support to introduce Financial Literacy to MF project clients;
- Children with disability were supported to start up a media development project the “Chocolate Box” fund. This project is for 24 months with the purpose to develop mass media relating to development programs and best practices to attract more donors’ attention to MCNV and Women’s Union;
- In BT a small project started to support the development of female cooperatives in term of “hardware”. A total of 5 cooperatives for about 100 poor women.

Strategic objective I: improve the conditions of daily life

<i>Improve awareness and practice on basic health issues and production experiences for poor women who participate to project micro finance activities</i>			
Plan	Health communication messages and production experiences provided to project members through communications in credit group meetings		
Achieved	100% meeting integrated with health and living experience communication sessions		
This communication is done by group leaders/credit officers free of charge			
<i>Number of current clients, that receive credit from a project</i>			
Plan	1100	Achieved	1361
<i>Number of credit groups</i>			
Plan	105	Achieved	114
<i>Provide preferable loans to help poor women buy health insurance to protect them and their family members from health care risks and burdens.</i>			
Plan	300	Achieved	296
We are working with a.r.s Insurance to design a new micro insurance product in BT			
<i>Improve the saving habit of the poor</i>			
Plan	100% project clients	Achieved	100% project clients
<i>Increase number of loans provided to poor women by project (accumulated number)</i>			
Plan	1500	Achieved	2744
<i>Build friendship houses for women living in extremely difficult conditions from project's income.</i>			
Plan	1	Achieved	2
From income of project's service charge + 1 friendship home financed by UPS			
<i>Train credit groups leaders and members on group management and book keeping Thanh Phuoc commune</i>			
Plan	20	Achieved	30
<i>Train project management unit and group leaders on financial literacy</i>			
Plan	50	Achieved	50
Training is integrated in monthly group meetings. The remaining 50 group leaders will be trained in 2017			
<i>Provided loans to help poor women build big water containers to prepare for drought and salinity seasons</i>			
Plan	500	Achieved	546
This is effective support in term of revolving loans – big needs for containers among poor community.			

Strategic objective II: reducing inequity

<i>Increase the seed-capital to the project (total amount)</i>			
Plan	3 billion VND	Achieved	3.58 billion VND
<i>Increase the proportion of women elected in People Council in BT from 22% to 25% in 2016 election.</i>			
Plan	25%	Achieved	27,3% at provincial level 28.35% at district level 25.96% at commune level
<i>Organise 4 workshops at provincial and inter-district level to change the mindset of provincial, district and commune leaders</i>			
Plan	4	Achieved	4
Workshops with active participation from 476 leaders in all levels			
<i>Organise training course on electioneering skills for female candidates for people council election 2016</i>			
Plan	36 training course	Achieved	36 training course
More than 1800 female candidates participated			
<i>Organise community meetings for female candidates to meet and discuss with voters before election</i>			
Plan	45	Achieved	45
More than 5000 community people participated			

Strategic objective III: Improve the Knowledge base

<i>Conduct the online survey on the impact of MCNV project on the improvement of women's political participation in BT</i>			
Plan	1	Achieved	1
More than 400 responds on the survey			
<i>Start up the Media development project "Filming for development" with CWD</i>			
The project started by the end of 2016			

Future Directions

The WE program was designed and run with self-sustain orientation, the model in BT could maintain itself with minimum financial inputs from donors. Corporate Social Responsibility contribution from companies, such as UPS in 2016-2017 will be useful to achieve more social inclusion support to the extreme poor group. In 2017, MCNV will try to get more funding from small foundations for our small-scale development.

For the future, the Microfinance project in Binh Dai district needs more grants or loans to expand its coverage to more clients to achieve an effective scale of 15 communes in total. In 2017, the microfinance project will widely apply the financial literacy training to all credit group meetings. Goal is to learn each poor women client about at least 3 out of 6 financial literacy topics. With better financial management knowledge, we expect the poor women to improve their economic and social status. The financial literacy is recognised by World Bank as one main pillar to help improve the lives of the poor in microfinance.

The orientation to become an independent Social Fund with both financial viability and social interventions using the income of the social fund will continue. From the project income, more independent staff in the district level will be hired to gain more autonomy in management. It is expected that, when this project becomes an independent fund, the district structure will be independent from Women's Union by hiring full-time staff. The system at commune level should be unchanged since this system is very cost-effective and well-functioning.

In 2017 the Community Income Protection Insurance (CIPI) pilot will start in 2 communes. If this product works, we will apply this in 7 other communes. This CIPI product protects income loss for poor women clients from inability to work due to sickness. This is the first ever CIPI product among microfinance funds in Vietnam. If CIPI is successful, it is a good communication product to boost MCNV image among donor community.

Cooperative development to help poor women have stable income in climate change condition, in 2016 this project started in Ba Tri and Binh Dai district. A proposal is prepared to expand the cooperative models in BT. Cooperative development is in line with the orientation from local authority and the needs of poor women.

Creative media development project with children with disabilities, this is a project to create a team of volunteers who could support us producing multimedia material to illustrate the lessons and good practices in development area. This could help MCNV a lot in documentation and public relation.

1.5 Nong district, Savannakhet Province, Lao PDR

Provision of seeds of new rice varieties and training by doing on planting them

In 2016 MCNV has bought 2,000 kg Laboun rice seeds and 600 kg of Makhinsoung rice seeds from the Upland Rice Research Centre in Luangprabang. 130 families from 7 villages and communities planted the seeds on around 18.73 Ha, and harvested an average of 1-1.5 tons/Ha. From 2014 onwards, MCNV has provided seeds of improved rice varieties, being planted by the villagers to improve their yields, having so more (sufficient) rice to eat, and thus improving their lives. Before, the villagers produced sufficient rice to eat from during the months January to May. Now they have increased their production to such an extent, that they have sufficient rice to eat from January to August. 185 people have participated in a training on planting the new rice varieties and how to select rice seeds for a new plantation.

Improvement of Village Development Committees (VDC) in 14 villages

In 2016 villagers, have chosen their new VDC's, who will manage all kind of activities in the village. The board of seven VDC's and 14 women members have participated in trainings on how to manage activities and report about it to MCNV, the district and other organisations. 25 people borrowed a total of 59,300,000 Kip from the Village Development Funds (VDFs) for agricultural activities (banana plantations), small village shops, and fish and pig raising. In a couple of occasions, people have borrowed money, when they got sick and had to go to the hospital for a check or had to buy medicines.

Monitoring of the animal raising group

Goat: in 2013 MCNV has provided 268 goats to 66 households in 14 villages. In 2016 the VDCs worked with the families, who have raised the goats. By the end of the year goats have been 'revolved' to 24 new households. Currently there are 90 households with 375 goats in 14 villages.

Cow: In 2014 MCNV has provided 304 cows to 86 households in 13 villages. Currently 286 cows are remaining. The villagers raise the animals following traditional livestock raising standards. Traditionally, the animals are not vaccinated and should scratch together their own nourishment.

Boreholes and clean drinking water management

MCNV, a borehole company and the district health office have been providing training for villagers on water management, maintainance and repair of the boreholes. Villagers have increased their skills, regarding fitting the boreholes by themselves. The village has now clean water to use and has reduced the labour by women and children for the collection of water.

MCNV and the district health office continue to monitor and support the villagers to manage and learn how to repair their boreholes.

Baby fish and fish breeding

MCNV has provided basic materials to the district agriculture office to obtain 'starting material' for the breeding of fish. However, the district agriculture office couldn't rear the 'baby fish', due to their lack of capacity. There was just one technical staff member available, being engaged with a lot of other responsibilities.

Training for village veterinarian volunteers

28 village veterinarian volunteers from 14 villages participated in the veterinarian training. After the training, they vaccinated 58 cows, 87 goats and 127 chicken. They provided materials, vaccine and medicine to villagers, to use in the village, when needed.

Future Directions

- MCNV and the agriculture office in Nong continue to monitor and follow up with villages, so that they continue with planting of the new rice varieties and expand to other villages.
- The villagers will be trained, until they can select independently rice seeds for next plantations.
- The VDCs and VDFs continue to need support to increase their capacities.
- MCNV and the agriculture office continue to support and strengthen the veterinary practises and to improve the knowledge of villagers regarding raising animal/livestock.
- The district agriculture office has suggested to MCNV to support in providing the budget for new staff to participate in a training on preparing fish breed and rearing the baby fish.
- The district veterinarian office continues to support the village veterinarian volunteers to increase their knowledge about relevant, veterinarian issues.

1.6 Lao Equity through Policy Analysis and Research Networks (LEARN)

LEARN, a five-year program, commenced on 1 May 2015. 80% of the program is funded by the European Union. The partners of lead organisation MCNV are:

- National Institute of Public Health (NIOPH), located in Vientiane, Lao PDR;
- University of Health Sciences (UHS), located in Vientiane, Lao PDR;
- Hanoi University of Public Health, located in Hanoi, Viet Nam;
- Vrije University, located in Amsterdam, the Netherlands.

The overall objective: to contribute to better population health and Universal Health Coverage in Lao PDR through better informed public health policies and their implementation, monitoring and evaluation.

LEARN has two specific objectives:

- a) To support National Public Health Institute (NIOPH) and associated public health institutes to provide national health authorities and stakeholders with expertise, documentation, reports and relevant tools for increasingly evidence-based health policy-making leading to progress towards universal coverage and increased health equity;
- b) To enhance the institutional development, capacities, resources and role of NIOPH and associated training institutes in effectively providing evidence to policymakers with a focus on nutrition, reproductive health, cost-effectiveness and the socio-cultural dimensions of health, that are priorities of the Government of the Lao PDR.

The Memorandum of Understanding with all project partners and the government was completed with a signing ceremony in January 2016. This enabled activity acceleration in 2016.

Accomplishments and Challenges in relation to MCNV's overarching themes:

Multi-Stakeholder Collaborations

LEARN works essentially at international and national levels, through the collaboration of the academic institutions in the Netherlands, Vietnam and Lao PDR. However, the work is informed by stakeholders at provincial, district and village levels in Lao PDR through the research supported within the program.

In 2016, four Lao PhD candidates were selected and enrolled in studies at Vrije University. Their research projects will include field studies of local stakeholders, both urban and rural. One candidate is developing a research project to investigate the situation of teen-age pregnancy and literacy of sexual and reproductive health and rights. Another candidate plans to investigate the extent and causes for the unmet need for family planning, including the gap between policy and implementation of family planning programs in Lao PDR. Another candidate is planning to investigate traditional beliefs and ante-natal care provision. Another candidate plans to investigate the human resources for health with respect to SRHR. These studies will require inquiries with individuals from many population groups.

This year, LEARN sponsored a regional conference on SRHR, led by NIOPH and supported by UNFPA. This led to the formation of a regional network on SRHR and Adolescents (www.sdg4a.org), and an Adolescent Research Day event.

Empowerment of civil society groups and individuals

Although the focus of LEARN is primarily at national level, the objective of progressing towards universal coverage and increased health equity necessitates understanding the situation and requirement of individuals, especially those experiencing poorer health outcomes and with less access to services. The LEARN research projects which began to be developed in 2016 provide a pathway towards this understanding. Similarly, achieving universal coverage and health equity requires civil society involvement. The policy recommendations must include the voice, perspective, needs, and resources of individuals and civil society groups.

Knowledge Creation/Building

As mentioned in 2016 four Lao individuals started their PhD studies at Vrije University. LEARN also enabled the development of a joint international program for Master of Public Health (MPH) between the University of Health Sciences and the Hanoi University of Public Health. The two-year program that was developed will award graduates with MPH degrees from both institutions. The first cohort of 12 students began intensive English coursework in preparation for enrolment into the program.

LEARN also developed a plan for provision of research grant funding to researchers from the NIOPH and from the UHS, and includes research grant support for the four PhD candidates as well as in total 22 MPH students for their thesis research.

LEARN enabled seven Lao partner staff to benefit from information exchange and disseminate research findings at two national and three international conferences. LEARN also hosted two student interns from Vrije University to conduct research in Lao PDR. LEARN sponsored the annual National Health Research Forum, which was held in Savannakhet in 2016.

Gender

Advocacy for health policy changes arising from the LEARN research projects will address gender equity and empowerment of women. The first four research projects of LEARN focus on the needs and rights of women, the subjects are mentioned under Multi-Stakeholder collaborations.

Governance

LEARN is designed to bolster existing systems for sustainability instead of creating parallel systems. Thus, the project supports the Ministry of Health (MoH) of Lao PDR, specifically helping to strengthen our two Lao partners that are within MoH: NIOPH and UHS. Improving health for marginalised groups depends on the strength of these two institutions. LEARN supported this strengthening with several capacity-building activities. These include conducting a workshop on “Engaging Stakeholders in Research”, which specifically addressed inclusion of marginalised groups. LEARN supported NIOPH with a Strategic Development Planning workshop and continued support for developing the NIOPH Strategic Plan. Other trainings included a writing skills workshop, a presentation skills workshop, a digital communications workshop, and a research ethics committee workshop. LEARN also started to help NIOPH improve its IT infrastructure by conducting a needs assessment, which led to a tender advertised for improvements of NIOPH’s IT infrastructure and website.

Cost-effectiveness

LEARN is a very lean program. In December, an Interim Program Manager was hired who had previously managed the same EU sponsored project to support public health institutes in Myanmar. In comparison to the Myanmar project, MCNV coordinates and manages LEARN with half the human resources (6.1 FTE vs. 12.7 FTE). This very lean personnel situation presents a significant challenge for accomplishing all activities in highest quality manner, which we hope to address in 2017 depending on donor support.

MCNV in Lao PDR depends on a diverse portfolio of funding, and a LEARN objective is to help its partners obtain more research funding. Thus, MCNV joined with a consortium of partners and was awarded a nutrition sensitive agriculture project from donor WOTRO in 2016. This project brings additional research funds for NIOPH.

Future Directions

With increased staffing in 2017, LEARN will continue to achieve results that will promote evidence-based health policy in Lao PDR.

B-2 Remuneration Director

The SB has set the remuneration policy of MCNV. It also has set the remuneration of the director. The overview shows the remuneration of the director in 2015 and 2016. At the end of March 2016 Pamela Wright retired as director. January 2016 Guus Paardekooper was hired as new director of MCNV. The first three months of 2016 they worked together to handover tasks and responsibilities. This is the reason two directors are shown in the table below. Members of the SB do not receive remuneration.

MCNV	Director 2016	Director January- March 2016	Director 2015
Type of contract	Definite (1 year)	Indefinite	Indefinite
Hours	37,5	37,5	37,5
Labour Percentage	100%	60%	70%
Labour Period	12 months	3 months	12 months
Gross salary per year	64.704	9.621	44.770
Holiday allowance	2.138	3.248	2.587
Other taxable allowances	-	-	-
Variable income	-	-	-
Subtotal remuneration	66.842	12.869	47.357
Social Security costs (paid by employer)	9.660	869	3.291
Taxable disbursements	-	-	-
Pension contributions	13.733	- *	- *
Other (future) benefits	-	-	-
Severance pay	-	-	-
Subtotal other costs	-	-	-
Total Salary Costs	90.235	13.738	50.648

*Pension contributions are non-applicable due to the age of the director.

B-3 Training courses, seminars and webinars of MCNV staff

MCNV	Training course/ seminar/ webinar	By
Amsterdam	Webinar about changes in pension	PFZW
Amsterdam	Partnering for Success- How M&E can strengthen partnerships for sustainable development.	Wageningen UR
Amsterdam	Exploring the why, how and what of internationally networked NGOs	Partos
Amsterdam	Meeting of professional fundraisers	IF -Academy
Amsterdam	In-House Emergency Response	Kompas Veiligheidsgroep
Amsterdam	Seminar Privacy and Information security	CBF/ KPMG/ Goede Doelen Nederland
Lao PDR	Training Exact Globe (2 employees)	Exact Training
Vietnam	Advocacy and policy influencing (3 employees)	MDF Vietnam
Vietnam	Proposal Writing (9 employees)	In-House training by Pamela Wright

B-4 Risk Management

Risks in order of priority and proposed mitigation strategies:

Insufficient funding

Risk: MCNV requires institutional funding to continue its work in Vietnam and Lao PDR and to carry out the functions of the office in Amsterdam. In 2016 we managed to get a small one-year funding called VOICE from the Dutch Ministry of Foreign Affairs, but we require additional funding. The main risks regards the funding of the Amsterdam office and the Vietnam offices and programs.

Mitigation: MCNV has already introduced a systematic and intensive acquisition strategy. We have to continue this approach. We now update and discuss our acquisition plans between the offices monthly. In these meetings, we react to tenders, pro-actively examine plans of donors and discuss and act on possibilities of funding through different sources such as the Dutch Development Bank. This new strategy seems to work, since MCNV won two highly competitive new bids: CANTEEN in Lao PDR from EU and VOICE in The Netherlands managed by HIVOS/OXFAM NOVIB. Also, MCNV was shortlisted – but unfortunately not selected- for a highly competitive bid in Vietnam. However, there is still a small chance that our proposal will be funded: it is put on a reserve list.

Capacity issue in Lao PDR

Risk: the two EU programs in Lao PDR are very demanding. A high level of capacity is required to meet the EU requirements. In 2016 the EU warned MCNV to speed up and intensify several components of the LEARN program in Lao PDR. Also, two out of six Lao MCNV staff members left. Only two out of the four remaining Laotian staff members speak English well and they are in administrative functions. The overall low staff capacity complicates meeting the reporting and capacity developments requirements of the EU. Main risk in Lao PRD.

Mitigation: recently, a new country director and manager for LEARN has been recruited and this will mitigate the risk of the program sanctions by the EU. Training requirements of the current staff in Lao PDR will be mapped out further and suitable courses will be considered. Coaching trajectories will be developed between staff in Lao PDR and staff in Vietnam and the Netherlands. Furthermore, staff will be recruited to meet requirements of the CANTEEN program.

Lack of networks and alliances

Risk: we do not have a very clear ‘branding’ to the outside world yet. The strategy development was tedious and is still work in progress, although it is finalised now with the notion that it needs further refinement next year on basis of thematic in-depth workshops with staff.

Mitigation: all offices are actively seeking for networks that may open new funding possibilities. Allocate time and people to further refine the strategy and work on clearer branding also by finalising the strategy and website and by keep on presenting in several strategic events: strategic in the sense that they improve our visibility in all three countries, and strengthen regional and international networking.

Decrease of private donors in the Netherlands

Risk: fewer private donors contributing to MCNV will lead to decreased private funding but possibly also to decreased social relevance.

Mitigation: current strategies to encourage existing donors to stay will be continued. Additional efforts to access new private funding for example from family funds and other private foundations last year did compensate for some of the losses from the ageing individual donor base.

Insufficient attention to evaluation and documentation

Risk: we still lack documentation to show what we have done, to be ready for developing project proposals and to present MCNV in public forums or introduce MCNV to potential partners. It is also important to be a learning organisation, if activities and results are not documented they cannot easily be shared within MCNV.

Mitigation: there has been an improvement in making videos and recording materials such as the training documents in CVN. But we still can take more time and effort to make more documents and share them. So far there are not sufficient publications and they are not even adequately shared within the organisation. This task often is coming second after the program implementation. We should embed it in the discussion, while reviewing the performance, during annual performance reviews and make sure that achievements are recognised and rewarded. We also need to ensure that studies, evaluations etc. become more accessible to all staff by clearer archiving.



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1. BALANCE SHEET 31 DECEMBER 2016

	31 december 2016		31 december 2015	
ASSETS	€	€	€	€
<i>Fixed assets</i>				
Tangible fixed assets		1.214		2.035
Financial fixed assets		457.176		408.618
		<u>458.390</u>		<u>410.653</u>
<i>Current assets</i>				
Receivables	12.805		43.060	
Cash at banks and in hand	<u>1.846.269</u>		<u>1.926.592</u>	
		1.859.074		1.969.652
		<u>2.317.464</u>		<u>2.380.305</u>
EQUITY AND LIABILITIES				
Foundation equity				
Continuity Fund	611.475		817.740	
Reserve for replacement of tangible fixed assets	1.214		2.035	
Revaluation reserve	0		0	
Project reserve	<u>0</u>		<u>344.669</u>	
		612.689		1.164.444
Appropriated funds		<u>717.818</u>		<u>793.052</u>
		1.330.507		1.957.496
Long-term liabilities		32.000		0
Short-term liabilities		954.957		422.809
		<u>2.317.464</u>		<u>2.380.305</u>

2. STATEMENT OF INCOME AND EXPENDITURE IN THE PERIOD 01-01-2016 UNTILL 31-12-2016

	Result 2016 €	Budget 2016 €	Result 2015 €
INCOME			
Benefits from fundraising activities	684.558	614.515	653.788
Benefits from joint actions	0	38.000	0
Benefits from actions by third parties	0	0	0
Governmental & Institutional grants	459.602	770.520	832.660
Result on Investments	48.084	50.000	80.495
Others	2.426	0	13.278
Total Income	1.194.670	1.473.035	1.580.221
EXPENDITURE			
Expenses for Objectives			
Structural project support	1.512.595	1.934.146	1.612.205
Communication	113.500	75.713	84.975
	1.626.095	2.009.859	1.697.180
Expenses for Fundraising			
Expenses private fundraising	69.445	127.643	80.064
Expenses for joint actions	0	0	0
Expenses from actions by third parties	0	0	0
Expenses raising Governmental&Institutional grants	802	980	4.820
Expenses for shares	0	0	0
	70.247	128.623	84.884
Expenses for Management&Administration	125.316	121.150	129.600
Total Expenditure	1.821.658	2.259.632	1.911.664
Result	-/- 626.988	-/- 786.597	-/- 331.443
Mutation			
EQUITY FOUNDATION	-/- 626.988	-/- 786.597	-/- 331.443

	Result 2016	Budget 2016	Result 2015
Mutation of the deficit in the foundation equity:			
<i>Appropriated Funds</i>			
Sexual & Reproductive Health and Rights	47.118		-/- 11.922
Infectious diseases (ID-Mal)	-/- 17.828		-8.333
Disability	47.317		-/- 44.157
Phu Yen Special School	0		-/- 34.895
Community Managed Health Development	-/- 101.831		74.291
Community Managed Health & Livelihood	0		-/- 24.883
Women Empowerment (WE)	11.502		-/- 7.994
Social Enterprise	0		0
LEARN (EU)	-/- 49.318		-/- 25.088
Microcredit revolving fund	0		12.000
US-AID occupational training	-/- 22.593		156.173
ASR MVO	10.400		0
Net decrease appropriated funds	-/- 75.233		85.192
Reserve for replacement of tangible fixed assets	-/- 821		505
Continuity Fund	-/- 206.265		0
Project Reserve	-/- 344.669		-/- 417.140
Mutation equity foundation	-/- 626.988	-/- 786.597	-/- 331.443

3. ACCOUNTING PRINCIPLES

General: the general principle for the valuation of assets and liabilities, as for determining the result, is the price of acquisition. Unless stated otherwise, assets and liabilities are shown at their nominal values.

Guideline for annual reporting 650 by the Dutch Accounting Standards Board: MCNV's annual account was composed in accordance with this guideline.

Foreign Currencies: in the balance sheet, foreign currencies are converted to € at the exchange rate of the balance sheet date. Transactions in foreign currencies are converted to € at the exchange rate on the transaction date. Currency results from advances and settlements of projects are in general reported at that specific project under own activities structural project support.

Dutch law called “Wet normering bezoldiging topfunctionarissen publieke en semipublieke sector” (WNT): The purpose of the Standards for Remuneration Act (WNT) is restricting excessive remuneration and severance payments in the public and semi-public sector. Remuneration at MCNV is in accordance with this act.

ACCOUNTING PRINCIPLES BALANCE SHEET

Tangible fixed assets: tangible fixed assets necessary for operational management are valued at acquisition value depreciated over their estimated life time. Depreciation is a fixed percentage of the acquisition value. Tangible fixed assets that are used directly in the context of the objective and can be charged to one specific project, will be charged directly to this project.

Investments: investments in listed shares are valued at market value at the balance sheet date. Unrealised and realised differences in value are reported in the statement of income and expenses.

Receivables: receivables are recognised initially at fair value minus a provision in case they are unrecoverable. When a receivable is unrecoverable, it is written off.

Cash and cash equivalents: include cash-in-hand, bank balances and deposits held at call with maturities of less than 12 months. Cash and cash equivalents are stated at face value.

Equity

Continuity Fund and Project Reserve: part of the foundation's equity that is allocated to projects, allocated for replacement of tangible fixed asset or is used as a fund for the continuity of the organisation.

Appropriated funds

Appropriated funds represent the value of income that is not yet spent, this income is acquired for a specific purpose. There is not yet a contractual obligation for these appropriated funds. Appropriated funds can be created by a decision of the director. The average percentage of fundraising costs for the last 3 years is seen as overhead contribution.

Pension provision

MCNV is member of PFZW, this is a pension fund based on the average salary the employee receives. In the annual account the pension contribution of MCNV is administered as a defined contribution arrangement. The premiums paid in a year are justified as expenses in that year.

Future changes in pension contribution by the development of salaries, price indexation and return on investment of the income of the pension fund are a risk. In the balance sheet of MCNV these risks are not reflected in a provision. When a shortfall of PFZW occurs MCNV only has the obligation to pay higher future contributions, additional contributions are not applicable.

Liabilities

Short-term liabilities are liabilities with a maximum duration of one year.

Long-term liabilities have a duration of more than one year.

PRINCIPLES DETERMINING THE RESULT INCOME

Donations, legacies, inheritances and benefits from actions: are accounted for in the year in which the amounts were received.

Result from sales of goods: are accounted for in the year in which the goods were sold.

Governmental & Institutional grants: are accounted for in the period in which they are awarded and its activities started. Difference between received and committed benefits from grants are accounted for in the statement of income and expenditure in the year the differences appear.

Result on Investments: the realised and unrealised value adjustments on investments, the related income and expenses from interest and any dividends received in the year.

EXPENDITURE

Expenses for Objectives: are included under own activities. Differences between paid and committed expenses from grants are included in the statement of income and expenditure in the year in which the differences appear.

Received grants for programs that are not yet executed are accounted for as short-term liabilities. This way the grant remains available for program expenses to be spend.

The actual costs at the balance sheet date and corresponding grants are accounted for in the statement of income and expenditure under “Governmental & Institutional grants” and “Structural project support”.

Staff expenses of MCNV are allocated to the various projects and objectives based on an estimate of the hours spent per project.

MCNV’s other implementation expenses are allocated to the project at the rate of the direct on behalf of the project or objective costs incurred.

Expenditure on behalf of the objective based on cash accounting: some institutional donors require financial reporting on the programs they fund based on cash accounting. To meet the requirements of the institutional donor the local auditor certifies the financial reports on cash accounting. Condition is that the subsidised projects have a duration of more than one year.

To maintain the connection between the financial project reports to institutional donors and the other financial records, MCNV has chosen to only include those projects, on cash accounting, in the annual account when is a requirement of the institutional donor.

Depreciation: depreciation of tangible fixed assets is calculated with 20% - 33 1/3% of the acquisition value.

4. CLARIFICATION OF BALANCE SHEET 31 DECEMBER 2016

		31-12-2016
1. BALANCE SHEET 31 December 2016		€
Tangible fixed assets		1.214
Inventory		
Purchase value 1 January 2016		50.940
Purchases 2016		0
		50.940
Accumulated depreciation until 2016	48.905	
Depreciation 2016	821	
		49.726
Balance as at 31 December 2016		1.214

The depreciation period for inventory is 3 or 5 years.

	31-12-2016	31-12-2015
	€	€
FINANCIAL FIXED ASSETS	457.176	408.618
Shares*		
Value of shares 1 January	408.618	329.923
Reinvestment dividend	8.246	9.956
Profit	40.312	68.739
Value of shares 31 December	457.176	408.618
 The portfolio:		
BNP Netherlands Fund	108.123	100.330
Wolters Kluwer	349.053	308.288
	457.176	408.618
	31-12-2016	31-12-2015
	€	€
Receivables and accrued asset	12.805	43.060
Recapitulation		
Dividend tax	3.701	6.957
Debtors	0	0
Other receivables	4.596	33.344
Prepaid expenses	4.508	2.759
	12.805	43.060
 <i>Taxes and social premiums payable</i>		
Dividend tax	3.701	6.957

	31-12-2016	31-12-2015
	€	€
<i>Other receivables</i>		
Interest	507	3.218
Deposit	0	4.104
Dutch Ministry of Foreign Affairs	0	18.846
Others	4.089	7.176
	<u>4.596</u>	<u>33.344</u>
<i>Prepaid expenses</i>		
Insurance and other fixed costs	4.508	2.759
	<u>4.508</u>	<u>2.759</u>

CASH AND CASH EQUIVALENTS

The Netherlands:

Cash	91	177
ABN-AMRO Bank N.V., current account 047	250.759	12.269
ABN-AMRO Bank N.V., interest account	355.586	326.607
ABN-AMRO Bank N.V., US \$ account	2.109	2.109
ABN-AMRO Bank N.V., current account 297	82.402	144.150
ABN-AMRO Bank N.V. deposit account	0	411.700
ABN-AMRO Bank N.V. Learn current account 209	167.879	95
ABN-AMRO Bank N.V. Learn deposit account	0	105.979
ING bank 1090400	60.289	33.058
ING bank 1090400, interest account	3.140	401.222
ING bank 1706415	2.594	1.495
ING bank 1706415, interest account	33.496	142.389
Subtotal	<u>958.345</u>	<u>1.581.250</u>

Vietnam and Lao PDR:

Vietnam central bank	397.907	201.540
Lao PDR office	27.785	25.089
Lao PDR office, regarding European Commission	462.232	118.713
Subtotal	<u>887.924</u>	<u>345.342</u>

TOTAL	<u>1.846.269</u>	<u>1.926.592</u>
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Cash and cash equivalents are for free disposal

	31-12-2016	31-12-2015
	€	€
RESERVES AND FUNDS		
Balance 1 January	817.740	817.740
	-/- 229.535	0
Continuity Fund	588.205	817.740
Appropriated Reserve		
Balance 1 January	2.035	1.529
Supplement	0	1.805
Withdrawal	-/- 821	-/- 1.299
Balance 31 December	1.214	2.035
Project reserve		
Balance 1 January	344.669	761.809
Mutation from statement of Income and Expenditure	-/- 344.669	-/- 417.140
Balance 31 December	0	344.669
Appropriated Funds		
Infectious diseases (ID-Mal)	0	17.828
Disability (incl Phu Yen Special School)	102.937	55.620
Community Managed Health Development (CMHD)	66.958	168.789
Community Managed Health Livelihood Development	0	0
Women Empowerment (WE)	11.502	0
Sexual & Reproductive Health and Rights (SRHR)	47.117	0
LEARN (EU)	284.548	333.866
US-AID occupational training	133.580	156.173
Microcredit revolving fund	32.000	32.000
Social Enterprise (KBU)	28.776	28.776
ASR MVO	10.400	0
	717.818	793.052
Explanation progress Appropriated Funds		
Infectious Diseases (ID-Mal)		
Balance 1 January	17.828	26.161
Received donations	26.746	17.877
Balance to SRHR	-/- 31.311	0
Spent on objective	-/- 13.263	-/- 26.210
Balance 31 December	0	17.828
Disability (incl Phu Yen Special School)		
Balance 1 January	55.620	134.671
Received donations	109.303	48.218
Contribution to overhead	-/- 11.805	-/- 5.208
Spent on objective	-/- 50.181	-/- 122.061
Balance 31 December	102.937	55.620

	31-12-2016	31-12-2015
	€	€
Community Managed & Health Development (CMHD)		
Balance 1 January	168.789	94.498
Balance CMHLD	0	90.401
Received donations	42.008	83.759
Contribution to overhead	-/- 4.537	-/- 9.046
Spent on objective	-/- 139.302	-/- 90.823
Balance 31 December	66.958	168.789
Community Managed Health Livelihood Development		
Balance 1 January	0	24.883
Received donations	0	73.451
Contribution to overhead	0	-/- 7.933
Spent on objective	0	0
Balance to CMHD	0	-/- 90.401
Balance 31 December	0	0
Women Empowerment (WE)	0	7.994
Balance 1 January	103.918	536
Received donations	-/- 11.223	-/- 58
Contribution to overhead	-/- 81.193	-/- 25.565
Spent on objective	0	17.093
At the expense of the project reserve	11.502	0
Balance 31 December		
Sexual & Reproductive Health and Rights		
Balance 1 January	0	11.922
Donations infectious diseases	26.746	0
Received donations	63.603	1.075
Contribution to overhead	-/- 9.758	-/- 116
Spent on objective	-/- 33.474	-/- 66.316
At the expense of the project reserve	0	53.435
Balance 31 December	47.117	0
LEARN (EU)		
Balance 1 January	333.866	358.955
Supplement	0	0
Contribution to overhead	0	0
Spent on objective at the expense of MCNV	-/- 49.318	-/- 25.089
Balance 31 December	284.548	333.866
US-AID		
Balance 1 January	156.173	0
Supplement	0	156.173
Contribution to overhead	0	0
Spent on objective at the expense of MCNV	-/- 22.593	0
Balance 31 December	133.580	156.173
	31-12-2016	31-12-2015

	€	€
Microcredit revolving funds	32.000	20.000
Balance 1 January	0	12.000
Received donations	0	0
Contribution to overhead	0	0
Spent on objective	<u>32.000</u>	<u>32.000</u>
Balance 31 December		

Social Enterprise (KBU)

Balance 1 January	28.776	28.776
Positive result Social Enterprise	0	0
Spent on objective	0	0
Balance 31 December	<u>28.776</u>	<u>28.776</u>

ASR MVO

Balance 1 January	0	0
Received	10.400	0
Spent on objective	0	0
Balance 31 December	<u>10.400</u>	<u>0</u>

MCNV organised several fundraising activities in 2016 to raise funds for a specific objective. These funds will only be allocated to that specific objective.

The appropriated reserves were charged with a contribution in overhead costs. This contribution was a percentage of the received income from fundraising, the average percentage costs for fundraising over the previous three years (9,52% over the years 2014, 2015, 2015).

	<u>31-12-2016</u>	<u>31-12-2015</u>
	€	€
Long-term liabilities		
Contract obligations long-term	<u>32.000</u>	<u>0</u>
Short-term liabilities		
Recapitulation		
Contract obligations	41.676	104.024
Creditors	17.285	15.966
Dutch Ministry of Foreign Affairs	0	0
European Commission	601.724	250.316
US-Aid	48.508	0
Canteen	191.043	0
Other short-term liabilities and prepayments	<u>77.991</u>	<u>52.503</u>
	<u>978.227</u>	<u>422.809</u>

	<u>31-12-2016</u>	<u>31-12-2015</u>
	€	€
Contract obligations		
Balance contracts with creditors 1 January	128.955	236.001
Contract obligations 2016	438.369	1.038.083
Actual incurred costs in fiscal year, excluding cash	-/- 430.838	-/-1.025.207
Settlements contracts	<u>-/- 24.171</u>	<u>-/- 119.922</u>
	112.315	128.955
Advances to partners	-/- 75.654	-/- 34.576
Other receivables/ liabilities offices Vietnam/ Lao PDR	37.015	9.645
Contracts obligations long-term	<u>-/-32.000</u>	<u>0</u>
	<u>41.676</u>	<u>104.024</u>

	<u>31-12-2016</u>	<u>31-12-2015</u>
	€	€
Creditors	<u>17.285</u>	<u>15.966</u>

Dutch Ministry of Foreign Affairs

Balance 1 January	-/- 12.783	1.166.593
Received advances	0	695.323
Received final balance	80.958	0
Received interest	704	3.218
Interest and exchange differences WG	9.414	0
Additional expenses above MFA budget	79.894	0
MCNV part additional expenses	-/- 36.050	0
WG part additional expenses	-/- 896	0
Interest and exchange differences added to budget	-/- 56.982	0
Exchange differences MCNV	1.665	0
Expenses paid by GIP	0	-/- 425.494
Expenses paid by WG	0	-/- 534.313
Expenses paid by MCNV	<u>-/- 65.924</u>	<u>-/- 918.110</u>
	0	-/- 12.783
Current Account GIP	0	-/- 11
Current Account WG	0	6.177
Cost to be paid by MCNV	0	-/- 12.229
Short-term receivables	<u>0</u>	<u>18.846</u>
Balance 31 December	<u>0</u>	<u>0</u>

European Commission

Balance 1 January	250.316	0
Received advances	561.698	355.891
Received interest	212	429
Exchange rate differences	-/- 173	69
Calculated grant 1/1 until 30/4	-/- 74.166	0
Calculated grant 1/5 until 31/12	<u>-/- 159.433</u>	<u>-/- 106.073</u>
	<u>578.454</u>	<u>250.316</u>

	<u>31-12-2016</u>	<u>31-12-2015</u>
	€	€
US-Aid		
Balance 1 January	0	0
Received advances	186.542	0
Received interest	0	0
Exchange rate differences	1.932	0
Expenses paid by MCNV	<u>-/- 139.966</u>	<u>0</u>
	<u>48.508</u>	<u>0</u>

	<u>31-12-2016</u>	<u>31-12-2015</u>
	€	€
Other short-term liabilities		
Holiday allowance/ holiday leave	19.576	22.182
Income tax	8.000	9.311
Pension fund	414	-18
Auditors fee	14.250	10.588
Administration office	7.000	7.463
Bank expenses	0	1.190
VU	25.456	0
Others	<u>3.295</u>	<u>1.787</u>
	<u>77.991</u>	<u>52.503</u>

Off-balance sheet Rights and Obligations

Rights

Donations with an agreement periodic gift

Donations to an ANBI organisation, like MCNV, can be tax deduct, under the condition that an agreement for a periodic gift for a period of at least five years is signed, using the format of the Dutch Tax authority. On 31 December 2016, the number of donations registered with such an agreement was € 63.183, -
These donations are specified in the statement of Income and Expenditure

European Commission

30 December 2014 MCNV signed a contract for a grant for Lao PDR from the European Commission: the LEARN program for a period of 5 years. The program started 1 May 2015 and will end 30 April 2020. The contract value is € 2.168.269.

On December 14th, 2016 MCNV signed a grant contract coming from the European Commission to implement a program in Lao PDR on nutrition: the CANTEEN program running for a period of 54 months, starting from January 1st, 2017. The contract value is € 983,235.00.

US-AID - Handicap International

Vietnam Advancing Leadership on Rehabilitation (VALOR) a five-year program funded by US-AID, Handicap International is the lead partner, MCNV a subcontractor. The program started August 2015 and will end 31 December 2020. The contract was signed 14 Augustus 2015 for an amount of US\$ 968.413.

Obligations

Rental contract

In 1974 MCNV started renting the office building at the Weteringschans 32, Amsterdam. The rent is yearly indexed. From 1 juli 2016 the rent is € 1.495, - per month.

Pension provision

MCNV is member of the PFZW pension fund, risks (obligations) for MCNV in participating in PFZW are not shown as provision in the balance.

5. CLARIFICATIONS OF STATEMENT OF INCOME AND EXPENDITURE 31 DECEMBER 2016

	Result 2016 €	Budget 2016 €	Result 2015 €
Benefits from fundraising activities	684.558	614.515	653.788
Contributions for special purpose	166.138	160.000	149.893
Non-specific contributions	293.432	280.000	312.477
Specific contributions	191.379	145.000	90.022
Inheritance and legacies	12.487	17.000	100.357
Fundraising Vietnam	20.713	12.515	0
Consultancy	0	0	0
Result from sales of goods	409	0	1.039
Total	684.558	614.515	653.788
Contributions for special purpose			
Community Managed Health & Livelihood Development	7.892		73.451
Comm. Based Rehabilitation & IE	66.903		17.893
Community Managed Health Development	0		40.673
CBR / Psychiatry	36.918		0
SRHR	27.679		0
Infectious diseases	26.746		17.876
	166.138	160.000	149.893
Result from sales of goods			
Net turnover	6.832	0	7.138
Less: cost price	-/- 6.423	0	-/- 6.099
Gross result	409	0	1.039
Benefits from joint actions			
Wilde Ganzen	0	38.000	0
Benefits from actions from third parties	0	0	0
Governmental & Institutional grants			
<i>Registered on transaction basis</i>			
Local partners	16.610	10.623	-81.374
MFS II MCNV for TEA program	69.428	56.995	781.333
Oxfam	0	0	18.274
Target inst. Funds to be raised	0	0	0
<i>Registered on cash basis</i>			
LEARN (EU)	233.598	505.040	106.073
US-Aid, received	139.966	197.862	8.354
	459.602	770.520	832.660

5. CLARIFICATIONS OF STATEMENT OF INCOME AND EXPENDITURE 31 DECEMBER 2016

	Result 2016 €	Budget 2016 €	Result 2015 €
Result investments			
<i>Shares</i>			
Result on change in value	40.312		68.739
Dividend shares	7.772		11.756
	<u>48.084</u>	<u>50.000</u>	<u>80.495</u>
Others			
Interest bankaccounts	3.324		9.814
Currency result	-/- 898		3.464
	<u>2.426</u>	<u>0</u>	<u>13.278</u>
EXPENSES FOR OBJECTIVES			
Structural project support			
Programs registered on transaction basis	428.725	720.442	1.038.083
Settlements projects previous years	-/- 14.527	0	-/- 119.922
Programs registered on cash basis	494.371	787.862	134.210
Other project expenses	0	0	0
<i>Grants and Contributions</i>	<u>908.569</u>	<u>1.508.304</u>	<u>1.052.371</u>
<i>Programs registered on transaction basis</i>			
SRHR	35.313	35.925	37.769
Malaria	13.263	0	26.210
Community Based Rehabilitation Inclusive Education	56.669	0	122.062
Community Managed Health & Livelihood Development	139.302	132.445	72.549
Oxfam CMHD Program	0	0	18.274
Women Empowerment	85.893	108.858	25.565
Support Training Institutes	7.312	0	0
Personal Budget Advisors	0	0	5.044
Human Resources for Health	0	192.560	0
TEA / MFSII for Vietnam	92.522	0	393.986
TEA / MFSII for Lao PDR	0	0	112.960
TEA / MFSII for other countries	-/- 1.549	0	208.934
TA MCNV programs funded by private donors	0	250.654	0
New programs	0	0	14.730
Subtotal	<u>428.725</u>	<u>720.442</u>	<u>1.038.083</u>
<i>Project expenses per reporting date</i>			
Learn	297.129	590.000	126.616
US-AID	189.002	197.862	7.594
Greenway School	8.240	0	0
Subtotal	<u>494.371</u>	<u>787.862</u>	<u>134.210</u>
Total	923.096	1.508.304	1.172.293
Other project expenses	0	0	0
Settlements projects previous years	-14.527	0	-/- 119.922
Grants and Contributions	<u>908.569</u>	<u>1.508.304</u>	<u>1.052.371</u>

5. CLARIFICATIONS OF STATEMENT OF INCOME AND EXPENDITURE 31 DECEMBER 2016

	Result 2016	Budget 2016	Result 2015
	€	€	€
Communication	9.133	0	15.085
Staff expenses	482.187	241.458	420.523
Housing expenses	11.176	24.523	42.430
Office and General expenses	101.096	159.861	81.355
Depreciation and interest	434	0	441
Total structural project support	1.512.595	1.934.146	1.612.205

CBF requires a specification of the remuneration of the director, see annex B-2.

Besides the following specification is required for the Standards for Remuneration Act (WNT):

1. Remuneration Board of Director

Amount x € 1	E.P. Wright	G.J.Paardekooper
Position	Board of Director	Board of Director
Duration of the employment in 2016	1/1 - 31/3	1/1 - 31/12
FTE in the year 2016	0,6	1,0
Former senior official?	no	no
(Fictive) employment?	no	no
Individual WNT-maximum	29.400	168.000
Remuneration	13.738	90.235
Taxable fixed and variable expense allowances	0	0
Provisions for post-employment benefits	0	0
<i>Subtotal</i>	13.738	90.235
-/- Undue payment	0	0
Total remuneration	13.738	90.235
Obligated motivation in case of exceeding the individual WNT-maximum	-	-
2015 data		
Duration of the employment in 2015	1/1 - 31/12	-
FTE in the year 2015	0,7	-
Remuneration	50.648	-
Taxable fixed and variable expense allowances	0	-
Provisions for post-employment benefits	0	-
Total remuneration 2015	50.648	-

2. Remuneration Members of the Supervisory Board

Amount x € 1	M. Josemans	H. van de Ruit	L.N. Hoat	M. Smits	P. van den Hombergh	M.I.A. Postma-Rustenhoven	W.N.J. Welbers
Position	Chair	Member	Member	Member	Member	Member	Member
Duration of the employment in 2016	1/1 - 31/12	1/1 - 31/12	1/1 - 31/12	1/1 - 31/12	13/6 - 31/12	13/6 - 31/12	22/9 - 31/12
Individual WNT-maximum	25.200	16.800	16.800	16.800	9.251	9.251	4.602
Remuneration	0	0	0	0	0	0	0
Taxable fixed and variable expense allowances	0	0	0	0	0	0	0
Provisions for post-employment benefits	0	0	0	0	0	0	0
<i>Subtotal</i>	0	0	0	0	0	0	0
-/- Undue payment	0	0	0	0	0	0	0
Total remuneration	0	0	0	0	0	0	0
2015 data							
Duration of the employment in in 2015	1/1 - 31/12	1/1 - 31/12	1/1 - 31/12	1/1 - 31/12	-	-	-
Remuneration	0	0	0	0	-	-	-
Taxable fixed and variable expense allowances	0	0	0	0	-	-	-
Provisions for for post-employment benefits	0	0	0	0	-	-	-
Total remuneration 2015	0	0	0	0	-	-	-

Cost Allocation:

Grants and Contributions

Grants and Contributions were entirely allocated to direct project expenses.

Communication

Costs refer to 3 activities: structural project support, communication and fundraising. At the moment of spending the costs were allocated to one of these activities. The only exception is MCNV's quarterly newsletter, these costs were allocated as follows:

- 60% of the total costs are communication costs
- 40% of the total costs are fundraising costs

Staff expenses

For each staff member was determined annually how much of his/ her time (percentage) was for direct (project) costs and how much was indirect. Each staff member filled in a time registration sheet. A calculation was made of direct versus indirect time, to calculate the hourly rate.

Housing expenses

In Amsterdam, the housing expenses are spread over all activities. Starting point is to allocate staff costs from the Amsterdam office to activities. Housing expenses in Vietnam and Lao PDR are allocated entirely to structural project support.

Office and General expenses

These expenses can be divided in:

- Expenses that are entirely allocated to Management & Administration
- Expenses with staff costs of the Amsterdam office as starting point
- Expenses with a fixed allocation for each general ledger account
- Expenses for which the allocated activity will be determined for each booking

Office and General expenses in Vietnam and Lao PDR are allocated entirely to structural project support.

Depreciation and interest

In Amsterdam, the depreciation and interest are spread over all activities. Starting point is to allocate staff costs from the Amsterdam office to activities.

DESTINATION CATEGORY OF EXPENDITURE (as RJ650 prescribes for income statement)

Destination category of expenditure 2016	Expenditure towards Objective		Expenditure Towards Fundraising					Management & Admin	Total budget 2016
	Structural project support	Communication	Own fundraising	Joint actions	Third parties	Grants	Investments		
Budget 2016 in €									
Grants	1.508.304	0						0	1.508.304
Contributions	0	0	0	0	0	0	0	0	0
Procurements	0	0	0	0	0	0	0	0	0
Outsourcing	0	0	0	0	0	0	0	0	0
Communication	0	26.550	69.200	0	0	0	0	0	95.750
Staff expenses	241.458	34.190	40.156	0	0	897	0	59.004	375.705
Housing expenses	24.523	2.298	2.699	0	0	60	0	3.966	33.546
Office & general expenses	159.861	12.675	15.588	0	0	23	0	58.180	246.327
Depreciation and interest	0	0	0	0	0	0	0	0	0
Total	1.934.146	75.713	0	0	0	980	0	121.150	2.259.632

Destination category of expenditure	Expenditure towards Objective		Expenditure towards Fundraising					Management & Admin	Total 2016	Budget 2016	Total 2015
	Structural project support	Communication	Fundraising	Actions	Parties	Grants	Investments				
Result 2016 in €											
Grants	908.569	0	0	0	0	0	0	0	908.569	1.508.304	1.052.371
Contributions	0	0	0	0	0	0	0	0	0	0	0
Procurements	0	0	0	0	0	0	0	0	0	0	0
Outsourcing	0	0	0	0	0	0	0	0	0	0	0
Communication	9.133	66.279	14.099	0	0	0	0	0	89.511	95.750	68.915
Staff expenses	482.187	35.617	42.415	0	0	730	0	60.032	620.981	375.705	574.862
Housing expenses	11.176	2.559	3.048	0	0	52	0	4.314	21.149	33.546	56.317
Office & general expenses	101.096	8.946	9.765	0	0	18	0	60.803	180.628	246.327	157.901
Depreciation and interest	434	99	118	0	0	2	0	167	820	0	1.298
Total	1.512.595	113.500	69.445	0	0	802	0	125.316	1.821.658	2.259.632	1.911.664

Destination category of expenditure	Expenditure towards Objective		Expenditure towards Fundraising					Management & Admin	Total 2015
	Structural project support	Communication	Own Fundraising	Joint Actions	Third Parties	Grants	Investments		
Result 2015 in €									
Grant	1.052.371	0	0	0	0	0	0	0	1.052.371
Contributions	0	0	0	0	0	0	0	0	0
Procurements	0	0	0	0	0	0	0	0	0
Outsourcing	0	0	0	0	0	0	0	0	0
Communication	15.085	32.941	20.889	0	0	0	0	0	68.915
Staff expenses	420.523	37.885	43.077	0	0	4.302	0	69.075	574.862
Housing expenses	42.430	3.409	3.876	0	0	387	0	6.215	56.317
Office & general expenses	81.355	10.530	11.983	0	0	107	0	53.926	157.901
Depreciation and interest	441	143	239	0	0	24	0	384	1.298
Total	1.612.205	84.975	80.064	0	0	4.820	0	129.600	1.911.664

6. CLARIFICATION OF STATEMENT OF INCOME AND EXPENDITURE TEA MFS II 2016

MCNV was the lead partner for the Transition in the East Alliance and received a grant for running the TEA program for a period of five years from the Dutch Ministry of Foreign affairs. This program was extended until 30 June 2016. As lead partner MCNV reports on behalf of all members of the alliance: MCNV, Global Initiative on Psychiatry and WorldGranny. The Ministry of Foreign Affairs wrote a financial regulation. The TEA alliance followed the requirements of this regulation regarding reporting. The numbers on this page are in line with the extensive TEA reports that MCNV send to the Ministry of Foreign Affairs.

	Result 2016	Result 2011- 2016
Grant	69.429	8.095.771
Total grant MFS II	69.429	8.095.771
Plus: interest/ exchange difference		
MCNV	0	47.564
GIP	0	4
WG	0	9.414
	69.429	8.152.753
Less: Income from grant GIP	0	-/- 2.626.150
Less: Income from grant WG	0	-/- 1.696.938
	0	-/-4.323.088
Income from grant lead partner (MCNV)	<u>69.429</u>	<u>3.829.665</u>
Concerning 2016	92.341	
Overspending charged to MCNV	<u>-/- 22.912</u>	
<i>Grant lead partner</i>	<u>69.429</u>	<u>3.829.665</u>
Total expenses on objectives	-/- 9.634	7.340.578
Less: expenses on objectives by GIP	0	-/- 2.363.536
Less: expenses on objectives by WG	0	-/- 1.528.184
Expenses on objectives by lead partner	-9.634	3.448.858
Total Management & Administration	101.975	
Less: Management & Administration GIP	0	835.087
Less: Management & Administration WG	0	-/- 262.614
Less: overspending charged to MCNV	<u>-/- 22.912</u>	<u>-/- 168.754</u>
Management & admin lead partner	79.063	403.719
Total expenditure lead partner	<u>69.429</u>	<u>3.852.577</u>
Overspending charged to lead partner MCNV		<u>22.912</u>

7. CONTROL STATEMENT INDEPENDENT AUDITOR



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Independent auditor's report

To: the Management and the Supervisory Board of Stichting Medisch Comité Nederland-Vietnam

A. Report on the audit of the financial statements 2016

Our opinion

We have audited the financial statements 2016 of Stichting Medisch Comité Nederland-Vietnam, based in Amsterdam.

In our opinion, the enclosed financial statements give a true and fair view of the financial position of Stichting Medisch Comité Nederland-Vietnam as at 31 December 2016 and of its result for 2016 in accordance with Guideline for annual reporting 650 Fundraising institutions (RJ 650) of the Dutch Accounting Standards Board and the provisions by or pursuant to the Public and Semi-public Sector Senior Officials (Standard Remuneration) Act (WNT).

The financial statements comprise:

1. the balance sheet as at 31 December 2016;
2. the profit and loss account for 2016; and
3. the notes comprising a summary of the applicable 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 and the Controleprotocol WNT. 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 Stichting Medisch Comité Nederland-Vietnam in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA).

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

B. Report on other information included in the annual report

Next to the financial statements and our opinion thereon, the annual report consists of other information, including:

- the management board report;
- the other information on page nr 73-76.

Based on the procedures as mentioned below, we are of the opinion that the other information is consistent with the financial statements and contains no material deficiencies.

We have read the other information and based on our knowledge and understanding obtained from the audit of the financial statements or otherwise, we have considered if the other information contains material deficiencies.

With these procedures, we have complied with the requirements of the Dutch Auditing Standard 720. These procedures do not have the same scope as our audit procedures on the financial statements.

Management is responsible for the preparation of the other information.

C. Description of responsibilities for the financial statements

Responsibilities of management and the Supervisory Board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with RJ 650. 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 errors or fraud.

As part of the preparation of the financial statements, management is responsible for assessing the foundation 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 foundation ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the foundation's financial reporting process.

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 have detected all material errors and fraud.

Misstatements can arise from errors or fraud 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 judgment and have maintained professional scepticism 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 errors or fraud, 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 errors, 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 foundation 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 the foundation ceasing 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.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with the Supervisory Board 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.

Amstelveen, 30 June 2017

For and on behalf of BDO Audit & Assurance B.V.,

sgd. H.C.J. Bot RA

Annual Account

Annexes

F-I CLARIFICATION OPERATION COSTS FOR EACH LOCATION IN €

	Amsterdam	Vietnam	Lao PDR	Total
Other Expenses 2016				
Communication	84.521	0	0	84.521
Staff expenses	294.327	280.081	53.960	628.368
Housing expenses	21.149	12.666	11.856	45.671
Office and General expenses	95.877	45.112	12.720	153.709
Depreciation and interest	821	0	0	821
	<u>496.695</u>	<u>337.859</u>	<u>78.536</u>	<u>913.090</u>

	Amsterdam	Vietnam	Lao PDR	Total
Other Expenses 2015				
Communication	68.711	0	0	68.711
Staff expenses	233.796	285.546	55.521	574.863
Housing expenses	21.035	19.763	15.518	56.316
Office and General expenses	85.800	40.297	31.803	157.900
Depreciation and interest	1.299	0	0	1.299
	<u>410.641</u>	<u>345.606</u>	<u>102.842</u>	<u>859.089</u>

Other expenses Amsterdam
Communication

	2016	2015
Exhibition	2.528	2.221
Printed Matter	2.782	2.309
Newsletter	34.353	34.096
Design	10.280	1.996
Writing and editing work	9696	4.870
Ads	4.504	7.599
Meeting with private donors	2.197	2.517
Notary fees	0	42
Consultancy fees	6.789	0
Travel expenses	9.133	15.085
Fundraising	0	0
Other	2.257	1.589
	<u>84.521</u>	<u>68.711</u>

Staff expenses

Salaries	278.123	273.289
Social security and pension	106.667	88.995
Received sick payment	-/-24.650	-/-22.103
Other staff expenses	12.725	8.550
Charged staff salary	-/-78.538	-/-14.935
	<u>294.327</u>	<u>233.796</u>

In €	2016	2015
<u>Housing expenses</u>		
Rent	17.928	17.840
Other Housing expenses	3.221	3.195
	21.149	21.035
<u>Office and General expenses</u>		
IT	1.479	850
Office Supplies	3.524	2.642
Telephone	988	769
Postage	937	1.539
Maintenance inventory	140	0
Maintenance database	6.647	9.104
Insurances	2.980	3.693
Contributions/professional literature	5.978	8.390
Travel & accommodation cost	12.554	7.929
Transport expenses	0	0
Representation	869	1.412
Expenses of the (Supervisory) Board	2.246	2.812
Administration office	17.134	15.749
Auditor's fee	14.250	20.489
Other Consultancy	24.465	12.329
Notary Fees	0	0
Bank charges	4.884	5.538
Charged office expenses	-/-10.176	-/- 7.769
Other general expenses	6.978	324
	95.877	85.800
<u>Depreciation and Interest</u>		
Depreciation inventory	821	1.299
Interest	0	0
	821	1.299

Other expenses Vietnam and Lao PDR 2016
in €

	Vietnam	Lao PDR	Total
Salaries	298.240	45.249	343.489
Meeting expenses	7.387	5.274	12.661
Other staff expenses	13.487	1.684	15.171
Rent	13.362	10.561	23.923
Housing expenses	3.744	1.295	5.039
IT	6.928	146	7.074
Photocopying	97	0	97
Office Supplies	1.575	364	1.939
Telephony	1.786	1.581	3.367
Postage	815	17	832
Small purchases	362	0	362
Maintenance inventory	340	0	340
Insurance inventory	304	0	304
Contributions/professional literature	894	330	1.224
Translation	0	441	441
Travel & accommodation cost	6.730	3.828	10.558
Representation	4.135	115	4.250
Public Relations	449	0	449
Auditors fees	14.440	2.765	17.205
Monitoring & evaluation	0	0	0
Communication & fundraising	5.003	0	5.003
Bank charges	1.126	259	1.385
Other general expenses	867	225	1.092
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	382.071	74.134	456.205
Other	51	0	51
AON staff expenses	0	3.438	0
Less: charged staff expenses	19.234	10.037	29.271
Less: charged office expenses	-/- 58.267	-/- 3.010	-/- 61.277
Less: charged housing expenses	-/- 790	-/- 6.063	-/- 6.853
Less: charged TA indirect costs	-/- 4.440	0	-/- 4.440
	0	0	0
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	337.859	78.536	412.957
Expenses office & general	45.112	13.509	58.621
Staff expenses	280.081	59.234	339.315
Housing expenses	12.666	5.793	18.459
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	337.859	78.536	416.395