

Annual Report & Annual Account



2018



I Annual Report 2018

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LIST OF ABBREVIATIONS

ARV	Anti-retroviral	MT	Management Team
BOT	Bachelor of Occupational Therapy	LEARN	Laos Equity and Policy Research Network
BT	Ben Tre province	MPUH	Medicine and Pharmacy University of Ho Chi Minh City
CB	Cao Bang province	MSM	Men who have sex with men
CBF	Central Bureau Fundraising	NIOPH	National Institute of Public Health
CBO(s)	Community Based Organization(s)	OT	Occupational Therapy
CBR	Community Based Rehabilitation	OPA(s)	Older People's Association(s)
CDF	Community Development Fund	PAM	Program Assessment Memorandum
CHC(s)	Commune Health Centre(s)	PFZW	Pensioenfonds Zorg en Welzijn
CHW(s)	Commune Health Worker(s)	PDR	People's Democratic Republic
CIPI	Community Income Protection Insurance	PBA	Personal Budget Advisor
CMH	Community Mental Health	PLWH	People Living with HIV
CMH(L)D	Community Managed Health (Livelihood) Development	PMTCT	Prevention of Mother to Child Transmission
CRC(s)	Community Rehabilitation Centre(s)	PWD	People with Disability
CSO(s)	Civil Society Organization(s)	PY	Phu Yen province
CU5	Children under 5 years	QT	Quang Tri province
CWD	Children with Disability	RH	Reproductive Health
DDF	Disabled People Development Fund	SB	Supervisory Board
DL	Dak Lak province	SDC	Swiss Development Cooperation
DOET	Department of Education and Training	SEA	South East Asia
DPO	Disabled People's Organization	SMS(s)	Secondary Medical School(s)
EC	European Commission	SRHR	Sexual and Reproductive Health and Rights
EO	Exact Online	SW	Sex Workers
Fte	Full time equivalent	TEA	Transition in the East Alliance
GIP	Global Initiative for Psychiatry	UHS	University of Health Sciences
HDMU	Hai Duong Medical University	UNFPA	United Nations Population Fund
IDU	Injection Drug Users	VDC	Village Development Committee
IG(A)	Income Generating (Activity)	(V)DF(s)	(Village) Development Fund(s)
Lao TPHI	Lao Tropical Public Health Institute	VHW(A)	Village Health Workers (Association)
MFS	Mede Financiering Stelsel	VUA	Vrije Universiteit Amsterdam
MoH	Ministry of Health	WE	Women Empowerment
MOT	Master of Occupational Therapy	WG	WorldGranny
MPH	Master of Public Health		

INTRODUCTION

In 2018 MCNV continued its pathway, based on the strategy 2017 -2021 plan. This means that we focus on 4 themes in this period, being Health, Social Inclusion, Entrepreneurship and Value Chains, and Livelihoods and Climate Change. Apart from this thematic focus, we explored preparatory steps towards becoming a network organization, in which country representative offices would have higher level of mandate to their programme and activities.

MCNV's on-going operation could not have been possible without the great support from our more than 4500 private donors, family and capital funds, business partners, and institutional donors, such as USAID and the European Commission. In 2018, we continue to implement programs 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 addition, we worked on extending our networks, and collaborations with corporate partners. This is part of our focus to diversify our funding base and build a financially viable and sustainable MCNV in this strategic period (2017 – 2021). In November 2018, we celebrated together with our donors and partners, in Hanoi, Vientiane and Amsterdam, 50 years of MCNV operation. In these events, we looked back at our history and share our future plans with our donors and partners.

Transparency and quality continue to be important values to MCNV. MCNV has received the charity seal from the Dutch Central Bureau of Fundraising (CBF). MCNV is now a so called "CBF Erkend doel". Which shows that MCNV actually contributes to a better world and spend its money thoughtfully. We have also submitted our data to www.geef.nl to show that MCNV is a transparent organization.

At the end of 2018, MCNV experienced some staff changes, including the Country Director and LEARN program manager in Laos who had to leave MCNV both for private reasons. Also, a settlement agreement was signed with the general director based in Amsterdam. In close cooperation between the supervisory board (SB) and management team (MT), we have however put in place necessary measures and prompt recruitment to ensure no disruption and thus continuation of our programmes in Laos and Vietnam as well the operation of the office in Amsterdam.

This report includes 6 chapters. Chapter 1 explains the policy and strategy of MCNV. Information on programs and the management in Vietnam and Laos can be found in chapter 2.. 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.

Marijke Postma-Rustenhoven – Chair Supervisory Board
Huyen Thi Hoang –Board of Director

1. POLICY AND STRATEGY

1.1 Legitimacy

MCNV's legitimacy is based on three aspects:

- Approximately 4500 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 European Commission and USAID 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 behind. 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 Thematic focus, Vision and Mission

2018's operation is part of MCNV's strategic plan 2017-2021 in which MCNV seeks to narrow gaps and disparities by supporting those groups of population who are lagged behind of the social and economic developments in South East Asia. Our thematic focus includes:

- Health: *Promotion of health, assisting in programs ranging from occupational therapy to sexual reproductive health.*
- Entrepreneurship & Value Chains: *Improving living conditions through establishment of development funds and training in entrepreneurship & financial literacy.*
- Livelihood & Climate Change: *Assisting in finding long-term solutions that help the poor and marginalised to sustain themselves in spite of climatological and ecological changes.*
- Social Integration: *Assisting the discriminated to recognize and reach their full potentials within their society.*

Our vision: "We envision a world in which the society supports all people in their development to their maximum well-being and full social position. 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"

Our mission: Our mission is to enhance the equitable and sustainable access of marginalised people to resources and services that improve their health and inclusion in developing countries in South East Asia.

2. PROGRAMS AND COUNTRY MANAGEMENT

In this chapter you will find the progress on program implementation organizational management on country level in 2018.

2.1 Programs and management in Vietnam

In 2018, MCNV Vietnam continued our on-going projects that started in 2017 and before. In total, we implemented thirteen (13) projects, of which ten (10) projects are part of 3 umbrella programs namely Disability, Women empowerment and SRHR, and three standalone projects. Funding for these projects are from USAID, Albert Waaijer Foundation and contribution from MCNV's private donors. Compared to 2017, MCNV had a large reduction in funding for standalone projects and some projects were allocated a small amount of funding, which negatively influenced our programme outcomes compared to previous years.

Among the projects implemented by MCNV in 2018, we had two pilot projects that focused on health care for youth, including *"Mental Health Care for high school students in Quang Tri province"* and *"Communication and Education on Sexual and Reproductive Health and Right for students of high school in Dien Bien province"*. These projects were planned to be increased or reduced in size depending on the success of the related fundraising activities.

2018 was the third year of implementation of MCNV strategy 2017-2021. It remains challenging for MCNV in Viet Nam to have a balanced programme portfolio in all 4 strategic themes. Climate change and entrepreneurship are up until now underrepresented in our programme portfolio.

Overview key figures as per December 31st, 2018

Number of programs	3 programs: Disability, Sexual and Reproductive Health and Right (SRHR), Women Empowerment (WE) The disability program composes of 6 projects including: OT education, ST education, CBR Dien Bien, Inclusive Education Cao Bang, Inclusive Education Phu Yen, Support Center in Dien Bien SRHR program composes of 1 project: Education on Sexual and Reproductive Health and Rights WE program composes of 3 projects: Microfinance in Ben Tre, Women Cooperatives Development in Ben Tre, Strengthening communication on Gender and Empowerment for women through media (filming project) 3 stand-alone projects: Nutrition Agriculture Sensitivity, Mental Health Care for high school students, Support Adolescent Girl from Ethnic Minorities.
Total FTE staff	12.69
Total number direct beneficiaries reached	About 15,000 people
Total number indirect beneficiaries reached	About 10,000 people

Country leadership: MCNV Vietnam showed strong leadership at country level. In 2018, we applied a constructive reflection on MCNV overall strategy, management of MCNV at top level and made recommendations to the organisation for specific improvements. MCNV Vietnam showed also a higher independency in its program management, quality control and organizational development. Programme/project reporting meet and sometimes exceed the minimum reporting requirements by the donors. In 2018 MCNV Vietnam has submitted the following reports; (i) the annual report of the OT education project and ST education project to the Albert Waaijer Foundation, as well as (ii) a report of

Women Cooperation – phase 1, (iii) a report on NSA project to WOTRO, and (iiii) a report of inclusive education in Cao Bang to PwC.

Program management including fund raising/acquisition: In 2018 we increased our efforts in the field of fundraising and acquisition. We approached this by (1) reaching out to international companies for potential CSR funding, and (2) responding to relevant calls for proposals/grants by institutional donors. By times, MCNV Vietnam raised funds independently, yet most of the fundraising activities were conducted in cooperation with Amsterdam office. In 2018, we were successful with a grant of USD 734,000 by USAID for a new project on development of needed human resources in the field of provincial rehabilitation of Thua Thien, Hue and Quang Nam provinces. The project will be implemented in 33 months, starting from January 2019. We also received a grant of USD 49,000 from UPS corporation for processing organic waste project in Ben Tre province. In addition, we submitted 2 project proposals to potential donors to ask apply for grants for a Supportive Centre for inclusive education in Dien Bien.

Financial management: Following a long discussion and review, MCNV Vietnam started to use Exact Online software in March 2018. We experienced both pro's and con's using Exact Online. There remains a challenge to use this software to its full potential. Based on the last months of using this Exact Online application, MCNV Vietnam office submitted a feedback report.

HR management: During 2018, due to financial constraints, MCNV had to make employment separation with two of the Vietnamese staff: one SRHR program officer in Hanoi office and a technical consultant for our mental health project, in CVN office. In September 2018, we accepted with sadness the resignation of MCNV Vietnam long served and dedicated finance manager. The resignation included both her ambition to pursue an other career path and also disagreement with the organisation's new approach and direction in finance management from Amsterdam office. We promoted the finance officer from CVN office, to be the new MCNV Vietnam finance manager, effective from 15 October 2018 with 6 month- probation.

Communication & Branding: 2018 was a successful year for MCNV Vietnam in Communication and Branding. We successfully organised MCNV's 50 years anniversary event in Hanoi. MCNV Vietnam received an honour friendship medal from the President of Vietnam. On this occasion, we produced 5 documentary films on MCNV's existing work as well as 50 years of solidarity and support of MCNV to Vietnamese people. These media products are useful for us as they serve both; communication and fundraising purposes.

2.2 Programs and management in Lao PDR

Lao PDR is on the direction of change, with the government getting closer and closer to graduation from a Least Developed Country (LDC). However, despite many good results, there are still significant concerns, especially around human rights, ethnic minorities, not to mention the serious needs in the areas of malnutrition and stunting among others. With this in mind, MCNV Lao believes that much work is still to be done to help the people of Lao PDR.

MCNV Lao PDR had a successful year in 2018 in terms of program management of the LEARN program and new program initiation of the CANTEEN program. Additionally, there were many changes to the MCNV office in terms of HR and operations. The following captures what has been achieved in terms of systems, operations and management during 2018:

- After multiple delays, CANTEEN received its MOU in July 2018 and was able to begin program work in earnest in August 2018;
- The LEARN project has had multiple delays, however it is beginning to get on track with desired outcomes as stated in the grant agreement;
- Two staff were hired for the positions of Communications and HR and Finance support;
- A new country director was hired in March 2018 but left the post in September 2018;
- Program Manager for LEARN left in the end of December 2018.

Overview key figures as per December 31st, 2018

Number of programs	2
Total number of fte staff	11
Total number of direct beneficiaries	LEARN: 5 PhD students, 4 post-doc candidates, 20 MPH students CANTEEN: 2 PhD students, 20 villages in Nong district
Total number of indirect beneficiaries	LEARN: Policy makers related to the research topics by PhD, post-doc, MPH candidates, staff from UHS and LAOTPHI (Lao Tropical and Public Health Institute) CANTEEN: 27,705 men, women and children in the 20 selected villages in Nong district, CoDA staff

MCNV Laos country team has handled a great amount of change in the past two years, but still are positive and excited about the progress and programs that MCNV is implementing. In 2018, there continued to be turn-over with staffing; first with the leaving of the Country Director in September and the Program Manager for LEARN leaving in December 2018. However, during the year of 2018 there were 11 fte staff which is a positive step towards a more fully staffed country office.

Country leadership: In 2018, MCNV in Laos struggled with changes in country leadership. A new Country Director began to work in March 2018 and unfortunately left the organisation due to familial obligations in September 2018. A replacement was concluded in November 2018 but the country director only started in January 2019. During this transition period, the admin and HR manager was acting CD. She played the role during this turbulent period, yet the office ended 2018 with a backlog of reports and decisions not realised.

Program management including fund raising/acquisition: The program management for LEARN programme experienced quite some catching up performance compared to the previous years thanks to the efforts by the team and the programme manager. There remained however some delays in the programme operation, these will be taken up in 2019. During his 7 months with MCNV, the country director focused a lot on acquisition of new programs but unfortunately no new funding sources or grants were approved in 2018.

Financial management: Financial management was assisted in 2018 by the acquisition of a new staff that split time between finance and office management. However, there continued to be delays between the communication of Amsterdam finance and Lao finance staff. Exact online remains a challenge for the finance staff, however there have been good strides in making it run smoother. The Country Director will assist the program managers in managing budgets where needed.

HR management: MCNV in Lao PDR had another busy year in HR in 2018. We hired two staff for our Vientiane office – a HR/Finance officer in April and a communications officer in July. As mentioned above, MCNV also saw staff turn-over with the leaving of the CD in September and LEARN programme manager in December. Several activities in capacity building were accomplished including three (3) staff attending various conferences in project management, policy influencing and leadership. More work is needed on the HR manual especially in terms of staff evaluation.

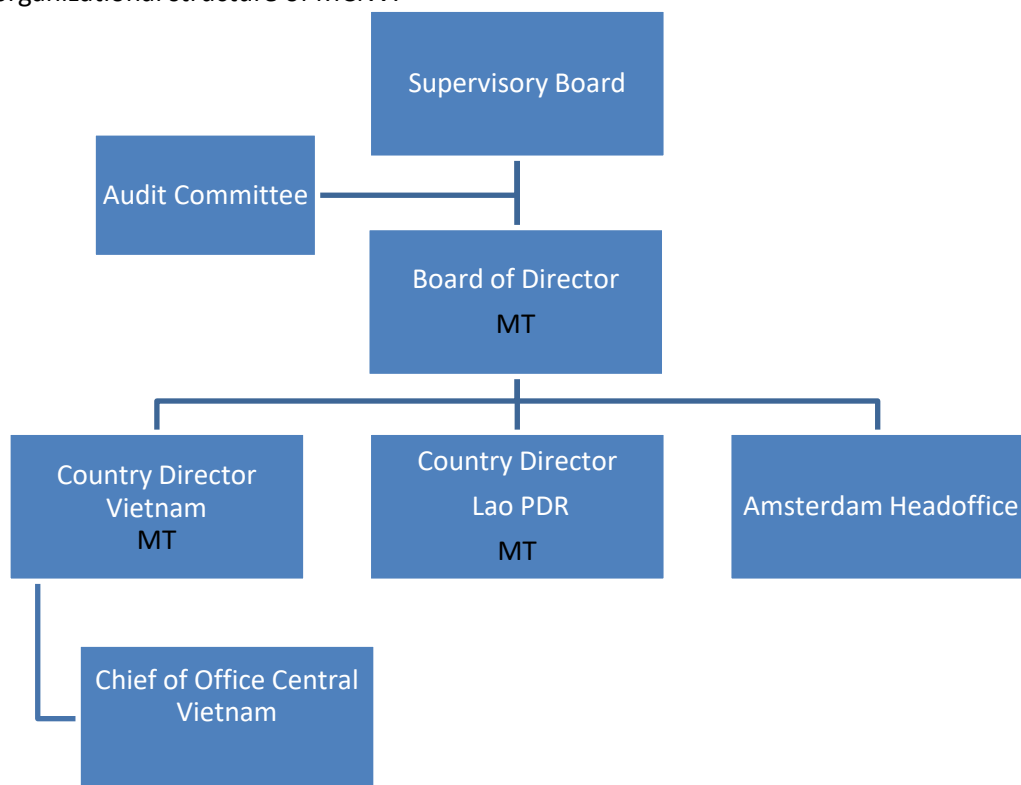
Communication & Branding: MCNV Laos hired a communication staff in July 2018 to support overall communication and branding standardization. This staff was able to put together much of the needed resources for the MCNV 50th celebration in Vientiane. The 50th anniversary celebration was well attended and a highlight of the year for staff.

3. MCNV – ORGANIZATION

3.1 Accountability

The governance structure of MCNV consisted of a Supervisory Board (SB), a Board of Director (director) and an executive organization. The functions of supervision and management are formally separated. The roles of the various sections within the organization are defined in the Code of Good Governance, which is based around the Wijffels Code and the Central Fundraising Bureau Quality Seal. SB and the Board of director ensure that (apparent) conflicts of interest are avoided.

The organizational structure of MCNV:



In 2018, MCNV had no major change in its organisational structure but a change in personnel concerning the function of Board of Director. Through a settlement agreement between the SB and general director, Guus Paardekooper stopped functioning in his role from October 2018, from November 2018 the supervisory board assigned a member as temporary authorized representative.

The structure of the office in Amsterdam:



Code of Conduct and CBF approved charity

As member of Partos, MCNV complies with Partos' code of conduct. The code of conduct is reflected in MCNV's Code of Good Governance. Additionally, MCNV developed its code of conduct, which is applicable to its programmes and work with its partners. MCNV remains as its charity seal approved by the Central Bureau of Fundraising in the Netherlands.

Board of Director

Until October 2018, MCNV's Board of Director had one member: Mr. G.J. Paardekooper who was appointed by MCNV's Supervisory Board (SB) in 2016. In October 2018, after discussing the fundamental differences between the SB and the director regarding organisational development of MCNV, the SB and the director agreed upon a settlement agreement. The chairperson of the SB was then appointed as temporary authorized representative, effective since November 2018. The representative was exclusively authorised. The SB functions as direct advisory board of the temporary authorized representative and has no conflict of interest with other positions in the organisation. Due to this temporary governance model, hereafter is referred to Board of Directors in plural.

The main responsibility of the Board of directors is for management of MCNV and for the implementation of its programmes and activities, ensuring compliance to the relevant law or the Articles of the Foundation. This includes the preparation, adoption and implementation of MCNV's operational policies in accordance with its mission. The Board of directors is also responsible for the programmatic and financial management of MCNV through periodical evaluation of financial, narrative and performance (team) reports. The consolidated annual account showed MCNV's expenditures and financial position. The Board of directors informs the SB in a written report on quarterly basis. All decisions made in 2018 by the Board of directors were registered in a decision list and shared with the SB.

Supervisory Board

MCNV's current SB consists of five (05) members with the newest member being Ms. Agnes Gebhard who joined the SB in June 2018. Their membership is solely on their own title. Members are appointed by co-optation with the consent of the Board of director. Apart from direct costs of travel, the members of the SB receive no remuneration. They cannot receive loans, advances and / or guarantees from the organisation nor they have any conflict of interest with the organisation. In 2018, MCNV's SB had seven (07) meetings, including one workshop where staff members were invited and we discussed about the approach forward for MCNV in this rapid changing environment. In June 2018, the SB approved the annual report and financial statement for 2017, as well as the management letter. Below is the list of the members of the MCNV's SB and their function and expertise:

Name	Function	Date of Appointment	Date of Reappointment	Date of Resignation
Henk van de Ruit	Financial expert	20-09-2012	22-12-2016	20-09-2020
Agnes Gebhard	Member	21-06-2018		21-06-2022
Mattijs Smits	Member	26-02-2015	26-02-2019	26-02-2023
Pieter van den Hombergh	Member (acting Chair)	16-06-2016		16-06-2020
Marijke Postma-Rustenhoven	Authorized Representative & Acting Chair	16-06-2016		16-06-2020

Audit committee

Two members of the SB, Henk van de Ruit and Marijke Postma-Rustenhoven act as members of the audit committee for MCNV. The audit committee held two meetings in 2018 to discuss the management letter, the financial overview quarter two and three, the revised budget 2018 and the budget 2019.

Evaluation

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

Supervisory Board

The SB evaluated itself over the year 2018 according to the Code of Good Governance NL. All but one member filled out the standard questionnaire for the evaluation.

General: All concluded that the SB had functioned satisfactorily in spite of the change of role of the SB after the Director left MCNV. The chairperson (Marijke Postma) of the SB took temporarily the responsibility as authorized representative of MCNV in October. The vice chairperson (Pieter van den Hombergh) of the SB, during this time, acted as interim chairperson of the SB. There was unanimous satisfaction with the way Marijke has handled the organisation as authorised representative and that she led the process of a very successful 50 year anniversary celebration for MCNV.

Information: In fact the SB was quite happy with the enormous improvement of the flow of information, partly due to the fact that Marijke now was well informed and all members of the SB were much more involved in the daily management. Henk van de Ruit had an extra task in dealing with the difficult financial situation. Agnes Gebhard was closely involved as sparring partner of the offices of Vietnam. The SB-members felt that it could threaten their role as supervisors, who prefer dealing with the organisation at a more distant level. This was certainly true for the financial supervision. The board had consensus over the timely departure of the director and the restoration of the previously good relations with the offices. Also, the 50-year anniversary with the visits of the Vietnam & Laos offices to the 50-year anniversary in Amsterdam and the reciprocal visits of Pieter and Marijke to Vietnam and Laos were quite successful. In the aftermath we had a very successful gathering with all stakeholders of the three countries.

Composition of the board: The composition of the board is OK. All fields are covered. The quorum was often a problem due to absence of Mattijs Smits and the difficult agendas of the members. A need was felt to have one more member knowledgeable in SE-Asia as well as governance to complete the board. Everybody hoped that the interim phase would end quickly in 2019. There was general satisfaction with the roles all had fulfilled in the interim phase.

Working methods: The support by the office and Daan van Gils was good. The SB could have been more proactive in its handling of the Board/ director. The change of direction came late and abrupt. More meetings per year could help to solve undue action. Also more expertise (an extra member) is welcome. The board is a great team, that accepts diversity. Weaknesses are that we are unsure about the long-term future for MCNV, about ways to involve younger people for the ideals of MCNV and about strategies to make financial ends meet.

In conclusion: The board decided to have an honest evaluation of its functioning in 2019 (September). The 50th year of MCNV was quite rocky, but the SB members unanimously approved of the steps taken. 2019 will prove if it was enough and if we came out leaner and meaner and ultimately stronger.

Director(s)

Not applicable for 2018 see last years report.

3.2 Executive organization

In 2018 MCNV remained its operation from its five offices: The head office in Amsterdam, a representative office in Hanoi, a project office in Dong Ha (Quang Tri province, Vietnam), a representative office in Vientiane and a project office in Nong (Savannakhet province, Lao PDR). Most of our staff in Lao PDR and Vietnam are national staff, with exception from Lao country director and LEARN programme manager who are expat.

MCNV continues to execute its operation and coordination through the Management team (MT), which consists of the Board of director, and 2 country directors from Vietnam and Lao PDR. The Country Directors monitored the consistency and quality of the activities in Vietnam and Lao PDR. In Amsterdam, the director monitored the overall organisational consistency and quality.

MCNV offers once in a while specific (re)training. Annex B-3 gives an overview of the training, webinars and seminars offered to MCNV staff in 2018.

Functions

In 2018, MCNV employed a total number of 28.1 equivalent full time employees (FTE), with 4.2 FTE in Amsterdam office, 12.69 FTE in Vietnam and 11.21 FTE in Laos. An overview of MCNV's 2018 staffing and their duty stations is shown below. In Amsterdam office, compared to previous year report, the number of staff looks higher. This is explained by our change in staffing for the function of fundraising & communication (Sr advisor left in May and was replaced later on by short-term staff) and for the function of office and quality manager (short-term replacement during sick leave). The actual costs in salary for Amsterdam office in 2018 reflected some extra costs as legal obligations when staff leaving as well. In the Netherlands, MCNV applies a salary scale related to the Dutch CAO Welfare, and the salary scales of MCNV in Laos and Vietnam are based on periodical local salary survey among the international NGOs working there.

Staff from the Netherlands and Expat staff	Number	FTE (average 2018)	Annual salary
Director MCNV	1	0.8	€ 79.709
Sr. Program Advisor	1	0.1	€ 8.091
Sr. Program Advisor	1	0.6	€ 39,478
Sr. Advisor Fundraising & Communication	1	0.26	€ 22.403
Advisor Fundraising & Communication	2	0.24	€ 16.144
Advisor Communication & Marketing	1	0.32	€ 17.895
Office & Quality Manager*	2	1.3	€ 60.083
Donor and Financial Employee	1	0.48	€ 24.768
Cleaner	1	0.1	€ 5.724
Subtotal	11	4.2	€ 274.295

Staff from Vietnam	Number	FTE (average 2018)	annual salary
Country Director Vietnam	1	1	€ 45.819
Chief of Office/ Program Manager	1	1	€ 29.405
Finance manager	1	1	€ 15.610
Accountant	2	2	€ 49.404
Assistant	2	1	€ 10.618
Program Coordinator	3	2,83	€ 41.181
Program Officer	1	0,58	€ 7.724
Senior Program Coordinator	2	2	€ 43.393
Consultant	1	0,5	€ 8.414
Subtotal	15	12,69	€ 251.621

Staff from Lao PDR	Number	FTE	annual salary
Country Director Lao PDR *	1	0,63	€ 37.500
LEARN program manager *	1	1	€ 45.996
Senior agriculture project officer	1	1	€ 14.520
Project officer	2	1.33	€ 17.584
Finance manager	1	1	€ 22.473
Project manager Lao PDR	1	1	€ 24.794
HR & admin manager	1	1	€ 17.755
Finance and administrative assistant Lao PDR	2	2	€ 20.244
Project Coordinator LICM	1	0,25	€ 2.668
Senior Project Coordinator LEARN	1	1	€ 22.821
Communication officer	2	1	€ 13.571
Expatriate (CD & PM LEARN partial locally paid)	2**	0	€ 32.422
Subtotal	14	11.21	€ 272.353

* : Are officially on the contract with Amsterdam office as expat working in Laos

** : Are local payments for LEARN PM & Country director

3.3 Volunteers

In 2018, in addition to the teams of paid employees as mentioned above, MCNV continued to receive support from our existing and new volunteers. These include the time and contribution from the members of the SB, the editorial staff of MCNV's newsletter and the tour leaders of the donor travels. Also, the data analyst that started volunteering in October 2017, continued his voluntarily activities for 8 hours a week until July 2018. Also a retired employee, supports the local teams in Lao PDR & Viet Nam to finalize adequate concept notes and project proposals to funders. Another retired employee that still works for MCNV voluntarily. He organized the donor trip and was part of the editorial staff of MCNV's newsletter. Except editorial staff, tour leaders and members of the SB, all other people who work with MCNV as volunteer, sign a volunteer contract. Volunteers can get a refund of travel expenses, but only with a receipt. Most of the volunteers in 2018 are related to the work in Amsterdam office, with one exception in Lao PDR where we had Naud Lenferink who assisted in drawing a nutrition roadmap and provided English language lessons to the local staff. The table below presents the total number of hours and persons who volunteered for MCNV in 2018.

Volunteers in 2018	Number of persons	Amount of time in days
Supervisory Board	5	30
Editorial staff	1	10
Tour Leader	1	25
English teacher	1	60
English/project proposal editor	1	20
Total	9	145

Students

In 2018, seven (07) MSc. students from the Athena Institute of the Free University Amsterdam involved in research work for MCNV in Lao PDR. Anna Zondag, Yannick Helms, Tara Clavel & Valerie van der Meij supported Lao PhD candidates with the baseline data analysis for CANTEEN project. They helped to categorise the analysis according to the following topics; Mapping predictors of household food security in poor mountainous areas, Making recommendations for the development of NSA in Nong district, Identifying challenges and solutions in relation to food and nutrition security of the households in remote areas, and Investigating factors influencing nutritional status of ethnic minority school children in poor upland areas of Lao PDR. The other three students, namely Lianne Stoltenberg, Tim de Greeuw and Jessica Fraser involved in conducting a research for our LEARN project, in which they explored perceived barriers on utilizing reproductive health services, as well as validation of a SHRH assessment tool among adolescents and arranging the urge for different research priorities on the national agenda in Lao PDR.

4. TRANSPARANCY AND ACCOUNTABILITY

4.1 Quality of the organization

In 2018 MCNV continued to be compliant with charity standards and therefore certified by the Dutch Central Bureau of Fundraising (CBF). This approval applies to our accountability and transparency policies and practices.

As a member of branch organization PARTOS, MCNV complies to PARTOS'S code of conduct and quality requirements, also known as 'Partos 9001' – sector specific norm for Quality Management", which was adjusted to ISO 9001:2015. We also applied the requirements of the Code of Good Governance from the committee Wijffels

In 2018 MCNV decided to not continue the ISO certification for MCNV as we are looking for another ISO certification (in coherence with the new Partos norm) with a more affordable cost for certification. Although not applying for the certification, MCNV remains the same practices which were in accordance with the ISO procedure.

In addition, MCNV ensures quality management by implementing recommendations from the management letter of our accounting firm BDO. BDO was responsible for the carrying out evaluation of the financial statements from MCNV in Lao PDR, Vietnam and The Netherlands.

4.2. Risk Management

The main risks for offices in Amsterdam and Vietnam were insufficient funding to keep the entire workforce employed. 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.

4.3. External complaints

We maintain our communication scheme with our donors, partners and beneficiaries where we learn from their perspectives on how our programme performance and operation are. In 2018 we received one complaint from a private donor. The complaint was regarding the calendar's design. There were no complaints from institutional donors. All reports were issued in time and in the right format. 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 South East Asia through supporting programs in livelihoods, health, nutrition, disability inclusion, education, policy changes and much more. These activities can only continue due to the funding that has been secured from a variety of sources that pay for the organization to continue this good work. After five decades, MCNV still has 4500 private donors in the Netherlands who donate regularly and generously, providing the core funding for the organisation.

The donor base of MCNV has been declining, partially due to the change in private donor priorities and an aging donor population. Therefore, MCNV continues their approach to find sources of income: private donors (read funds), corporate donors, and government funding.

Due to internal circumstances, MCNV could not establish new partnerships with foundations who will partially support MCNV programs. New opportunities for private funding in the Netherlands, Vietnam and Lao PDR will be prioritized in 2019.

In 2018 we focused on:

- 1) Upgrading and keeping MCNV donors with strong focus on periodical donations and legacies;
- 2) Accessing 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, Club of 50.
- 4) institutional donors i.e. European Union, USAID, Lux Dex, Gstar Foundation, etc.

Four Special Campaigns

In 2018 MCNV asked the private donors for support for four special campaigns:

“Old traditions, Derogate youth”

This campaign supports our activities in provision of birth control at a young age. This support is vital to hundreds of teenagers who will very unlikely finish their secondary school education without the right information. With the help of our donors who donated in total 23,900,- euro. MCNV was able to create a curriculum (toolkit) on the theme of sexual reproductive health and rights.

“Healthy nutrition for Kids under 5 in Phu Yen”

In remote villages in the province of Phu Yen, Viet Nam, thousands of children under 5 years old are underfed. With the help of our donors that donated for 28.000,- euro, MCNV was able to organize information meetings and workshops to teach participants how to grow and nourish healthy crops. Through this project, hundreds of children in the region now have a better healthy weight and a more varied diet.

“Increased autonomy for disabled children”

In Dien Bien, disformaties and disabilities are frequently seen through the province’s war history. In order to increase the autonomy of children with disabilities in the region, MCNV launched a project in which over 3000 Children with disabilities are provided with therapy, aimed at improving daily activities. Through help of our donors, that raised 27,400,- euro for this project, many of these children can enroll in school now.

“Toddlers in Quang Tri & Phu Mo supported”

In Quang Tri and Phu Mo, many toddlers are underfed due to food insecurity, also an increased number of toddlers is suffering from mental health problems. The latter group is due to recognition of the problem. Due to nutrition-technical advise of MCNV and professional help in cases of mental health, many toddlers are helped through this campaign, supported by our donors for an amount of 26,000,- euro.

Family Funds, Asset Funds and Foundations

Our focus on finding new sources of income became increasingly important the last years, 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.

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 organization does. In 2018 we acquired: € 311.774

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. In 2018 we received € 14.249

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. In addition, 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 2018, based on '50 years MCNV'. The calendar was ordered by and sent to 423 donors.

50 years of MCNV; celebrations in Amsterdam, Hanoi and Vientiane

On November 16th 2018, the celebrations started in Vietnam at the International Convention Center, Hanoi. Participating in the event were about 150 guests representing a wide range of Vietnamese institutions and partners. Among the guests were representatives of the Vietnam Union of Friendship Organisations (VUFO), agencies under the Ministry of Health and Ministry of Education and Training, UNDP, the Royal Embassy of the Netherlands in Vietnam, international and local non-governmental organisations, and partner organisations from different provinces and cities. Pieter van den Hombergh attended on behalf of the Supervisory Board and honorably received the fourth Order of Friendship from the President of Vietnam in recognition of MCNV's contributions to the development in Vietnam over the past years. Following the celebration, MCNV organised a seminar on 'sustainable development in the new context', which was highly appreciated by international and local experts in the field of sustainable development.

Also on the 16th of November a 50 year celebration of MCNV took place in Vientiane, Lao PDR. It was attended by Marijke Postma-Rustenhoven, chair of the Supervisory Board, partners from the European Union and supporters of MCNV, Lao staff and long-time supports of MCNV.. Through the use of Facebook-Live, the participants of the Lao event could attend the official ceremony in Hanoi.

A week later, some 175 guests attended the 50th anniversary of MCNV in Amsterdam. Donors from the very first days of MCNV, Mr. Pham Toan Thang and Mr. Nguyen Hai Tinh from the Embassy of Vietnam, staff from Vietnam, Lao PDR and Amsterdam, Supervisory Board members, ex-staff, ex-board members, Ms Mette Gonggrijp from the Dutch Ministry of Foreign Affairs, project partners and friends joined in the celebration in Pakhuis de Zwijger in Amsterdam.

After the premiere of his iPhone documentary on our CANTEEN project in Lao PDR, journalist Frans Glissenaar interviewed Roos van der Spek from the AFAS Foundation, our partner in this project. As in Hanoi, also in Amsterdam we discussed sustainable development in the new context. Ms Gronggrijp (Dutch Ministry of Foreign Affairs), Herman Mondeel (Witteveen+Bos), moderator Ivette Forster and Roy Budjhawan (ING) elaborated on this topic.

6. FINANCIAL POLICY & MANAGEMENT AND QUANTITATIVE DATA

6.1 Budget and realisation of plans 2018

In January, the Board presented the annual plan and budget for the coming year to the SB for approval. The annual plan was based on input from the annual program plans, composed by the program staff. The budget for 2018 with a negative result of € 330.259,- was made by the financial manager with input from director and staff. The annual plan and budget for 2018 was approved by the SB on 21 January 2018.

After the approval of the annual plan the program activities started and contracts with partners were signed. After completion of the activities, the actual costs were calculated. The actual results 2018, 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 organization 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 files 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 auditors audited the annual accounts for Vietnam, Laos and the Netherlands.
- The SB approved the annual report and annual account, the auditor issued an approved statement.
- Each year the auditing firms in Vietnam, Laos 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 organization 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 2018 value change € 65.370,-. Unrealised profit per 31-12-2018 € 622.153, -

6.6 Income 2018

Benefits from fundraising activities

In 2018 MCNV had four fundraising actions. The benefits were 1,5% less than budgeted.

Budget: € 120.000, -

Result: € 118.204, -

Specific contributions

MCNV received 9 specific contributions in 2018. The specific gifts were 36,4% less than budgeted.

Budget: € 181.386, -

Result: € 115.320, -

Inheritance and legacies

The benefits from inheritances and legacies are not known in advance. Benefits are only budgeted if we receive a specific report of a legacy to be settled in the following year. In 2018 MCNV received € 14.249, -. Payment of the budgetted amount of € 60.000 was delayed and postponed to 2019.

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 organization costs for management and advice. MCNV received in 2018 the followings grants for programs that were running by December 31, 2018 or finalised in 2018:

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.

CANTEEN

€ 1.310.980, -

In 2016 MCNV was rewarded with an EU grant for Lao PDR: the CANTEEN program for a period of 5 years. The Program started January 1st, 2017. MCNV's own contribution for implementing the program (20%) is € 262.196,- MCNV's own contribution is covered by co-financing of programs with WOTRO and AFAS.

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: Humanity and Inclusion.

Duration: 2015-2020

MCNV's own contribution is covered by co-financing from the Albert Waaijer Foundation.

VietHealth

In 2017 MCNV was rewarded with a second five-year program funded by US-AID. The program is focused on the development of Speech and Language Therapy (SALT).

Contract value US\$ 1,125,210

Own contribution 15% US\$ 280.809

Lead partner for program implementation: VietHealth

Duration: 2017-2022

MCNV's own contribution is covered by co-financing from the Albert Waaijer Foundation.

6.7 Expenses for Objectives

	Budget 2019 €	Realization 2018 €	Realization 2017 €
Income:			
Benefits from private individuals	590,000	544,639	555,376
Benefits from companies		-	-
Benefits from lottery organizations		-	-
Benefits from governmental grants	1,636,595	1,039,729	835,533
Benefits from related non-profit organizations		-	-
Benefits from other non-profit organizations	274,920	179,605	225,646
Benefits from products and consultancy	0	1,525	1,297
Result from Investments	25,000	81,224	111,681
Other income	0	3,936	(26,095)
Total Income	2,526,516	1,850,658	1,703,438
Expenditures:			
Objectives:			
Structural project support	2,621,125	1,718,907	1,799,318
Communication	82,638	72,970	106,879
	2,703,763	1,791,877	1,906,197
Fundraising:			
Private fundraising	59,762	107,494	73,540
Joint actions	-	-	-
Actions by third parties	-	-	-
Governmental & Institutional grants	-	-	-
Shares	-	-	-
	59,762	107,494	73,540
Management & Administration:			
Management & Administration	93,646	137,217	136,992

	Budget 2019 €	Realization 2018 €	Realization 2017 €
Total expenditures	2,857,171	2,036,588	2,116,729
Result	(330,655)	(185,930)	(413,291)
Change foundation equity	(330,655)	(185,930)	(413,291)

EXPENSES FOR OBJECTIVES

	Budget 2019 €	Realization 2018 €	Realization 2017 €
Sexual Health and Rights (SRHR v/h HIV/aids)	0	34,297	25,810
Adolescent girls	81,028	-	-
Disability (CBR)	60,482	65,525	51,778
US-AID OT	225,751	216,102	208,351
US-AID ST	291,657	124,690	55,136
US-AID IT	292,156		
Community Managed Health & Livelihood Development	96,575	118,395	45,233
Women Empowerment (v/h Focus on Women)	223,659	34,063	65,399
Support Training Institutes (STI)	-	-	3,500
LEARN	757,737	625,326	640,171
FSN - Wotro	26,201	18,619	-
FSN - Canteen	251,504	136,796	68,207
FSN - AFAS	68,480	32,580	12,883
Wotro	63,025	59,351	60,792
L.I.C.M.	-	32,892	85,581
NSA/ VN	18,938	-	-
M&E	10,000	-	-
New programs	0	2,154	-
	2,467,194	1,500,790	1,322,841
Settlement previous years	-	(17,990)	(11,190)
Indirect expenditures structural projects	153,931	236,107	487,667
	2,621,125	1,718,907	1,799,318

6.8 Analysis of Differences

INCOME

Benefits from fundraising activities	Budget 2018	2018	Difference
	€ 741,386	€ 546,164	(195,222)
Benefits from fundraising activities are divided as follows:			
	Budget	Realization	Difference
a) Actions	120,000	118,204	(1,796)
b) Donations, general gifts	290,000	296,866	6,866
c) Specific donations	181,386	115,320	(66,066)
d) Inheritance and legacies	60,000	14,249	(45,751)
e) Fundraising Vietnam	90,000	-	(90,000)
f) Result from sales of goods	-	1,525	1,525
Total	741,386	546,164	(195,222)

a) Actions	2018	2017	2016
Number of donations	2,976	2,981	4,020
Average donation	€ 37.68	€ 37.18	€ 35.72
b) Donations, general gifts	2018	2017	2016
number of gifts incasso/ bank transfer	8,604	8,980	8,946
Notarial deeds	€ 86,908	€ 66,173	€ 63,183
c) Specific donations	2018	2017	2016
	€ 115,320	€ 143,010	€ 183,139
Result from investment, currency, interest	Budget 2018	2018	Difference
	25,000	81,224	56,224

EXPENDITURES

Structural project support

	Budget 2018	Realization 2018	Difference
1) Sexual Health and Rights	36,360	34,297	(2,063)
2) Disability (CBR)	63,937	65,525	1,588
3) Community Managed Health & Livelihood	129,516	118,395	(11,121)
4) Women Empowerment	174,814	34,063	(140,751)
5) New programs	10,000	2,154	(7,846)
6) LEARN	1,113,172	625,326	(487,846)
7) US-AID OT	282,416	216,102	(66,314)
8) US-AID ST	202,839	124,690	(78,149)
9) L.I.C.M.	-	32,892	32,892
10) FSN - WOTRO	26,312	18,619	(7,693)
11) FSN - Canteen	221,888	136,796	(85,092)
12) FSN - AFAS	69,680	32,580	(37,100)
13) Wotro	48,700	59,351	10,651
Total	2,379,634	1,500,790	(878,844)

Explanation of the differences between budget and result 2018 if higher than 10% and equal to or higher than €50.000, -

Income

Ad c) Specific donations – The budget 2018 contained an acquisition target covering indirect program costs in 2018 for MCNV programs executed by the Central Vietnam Office. The anticipated donations have not been realized. MCNV did not succeed in finding sufficient donors for this part of the budget.

Ad d) Inheritages and legacies – The actual income of the budgetted amount of € 60.000 from an inheritance has been postponed till 2019 due to delay of the pending settlement.

Ad e) Fundraising Vietnam – Anticipating to a more independent MCNV organization in Vietnam, the budget 2018 contained a fundraising target in Vietnam. Although the funnel for this seemed sufficient at the beginning of the year, MCNV has not been succesfull in raising general funds in Vietnam in 2018. Due

to changes in fundraising personell in both Vietnam and the Netherlands this plan has not been succesfull so far.

Expenditures

Ad 4) Women Empowerment – The start of a part of the program has been postponed till 2019, this is due to further discussions with a specific donor and with the Ben Tre people Committee for this part of the program during 2018.

Ad 5) LEARN – the expenditures are behind budget, mainly due to the later awarding and start of sub-grant research fund grants (Max € 60.000,- each) and slower start of the Joint MPH program with UHS-HUPH (due to the poor language skills of most of the MPH students: they had to take extra language courses before they could start their studies).

Ad 6) L.I.C.M. –The program was extended till the end of March 2018 due to a later start. This extention of € 32.892 was not included in the budget 2018. The total program finished with an underspending of € 17.548 mainly due to cancellation of some exchange visit expenditures for local partners and travel cosst for coaching and monitoring.

Ad 7,8,9) Food Security and Nutrition (FSN) – The expenditures are € 130K behind budget in 2018 due to a delay in signing of the MoU. The later start of the roll out is caused by a very slow approval process of the MoU for this program, which is signed with the national government of Lao PDR. The MoU has been signed eventually in July 2018.

Ad 10) WOTRO - The additional spendings in 2018 have been caused by rescheduling of the program caused by delays in the FSN program.

6.9 Key figures

	2018	2017	2016	2015	2014
Balance sheet (x 1000 euro)	€	€	€	€	€
Project reserve	0	0	0	351	762
Appropriated funds	381	550	718	793	708
	381	550	718	1144	1470
Inventory	2	2	1	2	3
Renovation	0	0	0	0	0
Shares	622	557	457	409	330
Cash and cash equivalents	919	1319	1846	1927	2972
Contractual obligations	20	218	42	104	301
Profit & Loss statement (x 1000 euro)					
Actions	118	116	166	150	169
Donations	297	296	293	312	322
Donations, specific gifts	115	143	183	90	124
Fundraising expenditures	0	74	69	80	118
Grants	1219	1061	460	833	1117
Communication expenditures	73	106	114	85	100
Structural project support expenditures	1702	1799	1513	1612	1732
Result	-169	-413	-627	-325	612

Staff in FTE

Staff in Netherlands	4,0	4,0	4,8	5,0	5,1
Expat Staff in Vietnam / Lao PDR	1,6	1	1	2	1,8
Local Staff in Vietnam	12,7	15	15	18,6	18,4
Local Staff in Lao PDR	9,6	7	3	7	6,9
<i>Total staff in FTE</i>	27,9	27,0	23,8	32,6	32,2

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	Total Benefits of Fundraising activities	Percentage
2016	€ 69,445	€ 676,318	10.3 %
2017	€ 73,540	€ 606,451	12.1 %
2018	€ 107,494	€ 544,639	19.7 %
Average over three years:	€ 83,493	€ 609,136	13.7 %

Following the regulations of the CBF, MCNV should establish a standard for the maximum expenses of Management & Administration. The Supervisory Board of MCNV determined the maximum costs of Management & Administration during a year at 9% of the total expenditures.

	Expenses of Management & Administration	Total Expenditures	Percentage
2016	€ 125,316	€ 1,821,658	6.9 %
2017	€ 136,992	€ 2,116,729	6.5 %
2018	€ 137,217	€ 2,036,588	6.7 %

Below is an overview of the total expenditures on objectives compared to the total income

	Total expenses on Objectives	Total Income	Percentage
2016	€ 1,626,095	€ 1,194,670	136.1 %
2017	€ 1,906,197	€ 1,703,438	111.9 %
2018	€ 1,791,877	€ 1,850,658	96.8 %

Amsterdam, 13 June 2019

Huyen Thi Hoang
Board of Director

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



Annual Report

Annexes

B-1 Program annual reports

1.1 Programs in Vietnam

Key achievements

Project: Occupational Therapy Education

- 5 Rehab teachers of Hai Duong Medical Technology University (HMTU) and Ho Chi Minh University of Medicine and Pharmacy (UMP) have completed their 3rd year of Bachelor OT course in India. They will finish their study in September 2019.
- 36 students of BOT course of HMTU have completed their study at university and were ready for internships in time. They will have final exams for graduation in May 2019. In UMP 21 students of BOT also finished the 3rd year. They will complete their study by end 2019.
- Series of communication events were organized in Hanoi in 2018, including: a international OT conference, a talk-show on national television regarding OT, and a documentary film about OT profession, all these events have contributed to the process of awareness raising of stakeholders on profession OT.

Project: Speech Therapy Education

- The Proposal of Master of Rehabilitation Techniques with specialization in ST in UMP was finalized and submitted to MoET for approval;
- A curriculum of Master of Rehabilitation Techniques with specialization in ST was finalized and ready for application;
- A draft of curriculum for a Bachelor of Rehabilitation Techniques with specialization in ST in DN UMP has been developed;
- More than 300 pages of ST text books were translated in preparation of learning materials for students of both Master and Bachelor courses;
- A website of Vietnam ST is well remained as platform for ST practitioners to exchange experience and information.

Project: Development of Supportive Centre for Children with Disability in Dien Bien

- A 5 year-plan of development of the supportive centre was approved by the Department of Education of Dien Bien province;
- 50 teachers were trained on basic knowledge of Inclusive Education;
- Department of Education of Dien Bien province has a plan to recruit teachers for the Centre.

Project: Community Based Rehabilitation in Dien Bien

- More than 400 adults with disabilities in Cao Bang and Dien Bien received home based rehabilitation services;
- 95 health staffs of Dien Bien and Cao Bang provinces improved their technical capacity of rehabilitation through in-service training and coaching;

Project: Inclusive Education in Cao Bang

- 70 children with disabilities from 3 to 12 years old have received early intervention and pre-mainstream preparation in the rehabilitation Centre;
- 268 children with symptoms of disabilities were screened by the teachers from the SC. After screening, follow-up support by the SC reached 357 people including 6 managers of district BoET, 20 school managers, 155 teachers and 176 parents of the children what were screened. They were provided with a half-day presentation about disability and related issues and how to provide early intervention and support and make IEPs for children with disabilities;
- 121 schools in three project districts of Thach An, Hoa An and Nguyen Binh, including 50 kindergartens, 61 primary schools and 10 lower secondary schools received support from the project;

- A group of 11 teachers of the SC were trained psych motorically and started to learn to facilitate psych motorically group therapy for children with disabilities;
- Totally more than 2,000 CWD in Cao Bang receive inclusive education indirectly.

Project: Inclusive Education in Phu Yen

- This year is the last year of project. Therefore we conducted a final evaluation of the project. This report will be available in early 2019;
- 36 children with disabilities under the age of 6 in the SC received intervention on a daily base to be prepared for inclusive education in community;
- 123 children with disabilities in 15 kindergartens and 25 primary schools got support from SC teachers' visits;
- A group of 11 teenagers with hearing impairment/deafness in the SC joined a vocational training class (cake and baker);
- 145 children and their parents and teachers participated in outdoor activities which was partly financed by MCNV. This activity has been seen as one of the effective community awareness raising activities in the locality;
- A draft of the project final evaluation report was produced;
- Totally more than 2,000 CWD in Cao Bang receive inclusive education indirectly.

Lesson learned

- The obtained grant from USAID is important for Disability Program, however it was challenging to implement due to strict regulation and interference from the donors;
- Gradual decrease of direct support from MCNV is necessary for local counterparts to increase their autonomy and dedication;
- Adequate capacity building for local counterparts is essential for handing over the results of the project;
- Strong network and expertise of MCNV is key for successfully convincing USAID for a grant as well implementation of project on OT and SALT Education in partnership with Medical Universities and Ministries.

Programme 2: Sexual and Reproductive Health and Rights

Key Achievements

- The model of education on SRHR was scaled up successfully in two new high Schools to a total number of 4;
- More than 8,000 students of boarding high schools in Dien Bien province improved their knowledge and behaviour on sexual and reproductive health;
- More than 4,000 parents of students was provided with information and advice on how to behave with reproductive health of teenagers;
- 86 teachers of two boarding schools improved their knowledge and skills of teaching Reproductive Health;
- 9 Sunflower Groups (SHG of women living with HIV/AIDS) are remaining and functioning well to support 420 members in ARV treatment;
- 86 women living with HIV/AIDS have received direct financial support to develop their livelihood and invest in housing maintenance.

Lesson learned

- The model of education on SRHR and the tools applied in the pilot project in Dien Bien showed relevance and suitability that can be scaled up;
- Support women living with HIV/AIDS should be comprehensive, not limited to the field of health care but also focusing on livelihood support;

Programme 3: Women Empowerment (WE)

Key achievements:

- The project on strengthening communication on gender and empowerment for women through media (film project) was completed. Main outcomes are: (i) Establishment of a media development volunteer group of 12 persons who are capable of producing documentary films for development issues; (ii) Produced 10 media products about gender and community development in Vietnam. (iii) CWD will maintain and use the volunteer group for future media needs and developmental issue filming and broadcasting in Vietnam under Women's Union agenda;
- The microfinance in Binh Dai, Ben Tre has successfully expanded to Chau Hung commune, making totally 10 project communes with more than 1800 regular poor women with good access to inclusive and friendly microfinance services for their own household business development. This project was also registered under Decision 20 of Vietnamese Prime Minister and from now has legal status to run;
- The project of Women Cooperatives – phase 1 has completed in 2018. Five cooperatives of two main business of drying fish and mushroom have been developed with total of 105 members who are women with economic difficulty. 90% of cooperative members already improved their incomes resulting from cooperative business;
- The Women Cooperative project – phase 2 was approved by Ben Tre provincial People Committee and could start by early 2019.

Lesson learned

- Project approval on provincial level turned out to be time consuming. If MCNV communicates closely and in an assertive manner, this process could be speeded up.

Project: Nutrition Sensitivity Agriculture (implemented in Xuan Hoa District, Phu Yen Province)

Key Achievements

- Total 39 households of children under 5 years old were planting vegetables in their home gardens and raising chickens for eggs;
- 71 children aged 4-5 at three nursery schools were provided with breakfasts and lunches, in which parents has contributed 50% of school lunches;
- 51 children under five years with severe malnutrition were supported with food and micro-nutrients;
- After the mid-term review of NWO-WOTRO, NWO is considering to collaborate with MCNV and NSA Vietnamese partners in organizing a Global Challenge Program (GCP) seminar/Conference for NWO-WOTRO projects in SE Asia. Vietnam can be a hosting country for this event in 2019.
- 40 mothers improved the capacity to addressing malnutrition problems through training by VHW associations. Through operation of mother groups 107 mothers of Children Under 5 years old (CU5) participated in meeting to share and exchange the knowledge and experience in caring of CU.
- 350 children under five received malnutrition rehabilitation through supported vitamin, medication and supplementary food as soya milk, nutrition porridge;
- The nutrition status of children under 5 years old was improved in which malnutrition ratio reduced more than 2% in year 2018.

Lesson learned

- Nutrition requests interdisciplinary solution;
- Nutrition education methods for mother; social marketing approach, will be integrated into nutrition health programs of the provincial and districts;

- For Agricultural aspects, cash and non-cash crops that contribute to nutrition and food security will be promoted at household level. Models such as home gardens; food processing and storing; social marketing for promoting availability of nutrient products will be introduced for implementation;
- Conducted research in cooperation with VU university states that interventions that aim to address identified gaps such as lack of knowledge and skills on nutrition and care of teachers; lack of safety and nutrient food for school lunches;

Project: Mental Health Care for student of high school in Quang Tri

Key Achievements

- After 2 years of piloting, the project has been completed in December 2018. MCNV and partner of DoET Quang Tri and High School of Vinh Linh District organized a workshop for internal evaluation to close the project. The final report of the project will be available in March 2019;
- Total 55 out of 75 teachers of the schools were involved with the activities of the project; providing/participating in training, workshops and meetings to have an adequate skill to detect students with Mental health disorders. In addition teachers has improved their capacity to communicate with and listen to students so that they can improve the effectiveness of education in general;
- 302 students (27% total students of the school) with an increased risk or signs of mental health disorder have received psychological intervention by teachers. 78% of them recovers of mental health disorders;

Lesson learned

- It is feasible to provide mental health care services at schools by involving teachers in early detection methods and basic psychological interventions for students who have slight disorder of mental health (anxiety, stress, slight depression).

Project: Support Adolescence Girl with Ethnic Minority in Quang Tri

Key achievement

- Created jobs (production of bamboo straws) for 35 persons from 21 households in 3 villages, with a total income of 58 million dong, contributing to enabling their children to go to school;
- Supported 25 disadvantaged students (children of very poor families) to continue school by providing them with food (students are likely to drop out school if they are left hungry at school);
- About 40 adolescent girls participated in football activities, which helped them improve teamwork and communication skills;
- A volleyball playground was built, enabling about 30 boy and girl adolescents in a village to play and develop life skills through sports;
- About 150 adolescents regularly visited Mun Arai Facebook page to get information about SRH (counting the number of post engagements). A few left messages to the admin for counselling;
- More than 300 secondary students in Huong Viet were communicated about child marriage in combination with a football tournament;
- 10 playgrounds were built/installed in 5 villages, creating playing spaces for about 200 children.

Lesson learned

- Building mutual understanding and trusting relationships with local partners and authorities would ensure a smooth running of the project interventions in the beginning;
- Understanding local lifestyles and cultural values is key to appropriate project design/ planning and implementation.

1.2 Programs in Lao PDR

Program 1.2.1: Lao Equity through policy Analysis and Research Networks -LEARN: Due to delays in 2016 and 2017 the LEARN program is behind in meeting key indicators. Among the factors that caused the delay include changes in leadership, a delay in the MOU process, a slower than expected rate of students passing the English course and the dynamics of changes at LAOTPHI. Despite these challenges, the EU has expressed its belief that MCNV is getting things back on track and is hopeful that 2019 will be a year when most indicators are met.

Below are **key achievements** gained during the implementation of LEARN program in 2018:

- Twenty (20) MPH students are underway with MPH studies and will graduate May 2019
- Three (3) PhD students have submitted the second academic transcripts to peer-reviewed journals for mass distribution
- Supported LAOTPHI in the National Health Research Forum 2018 which included policy dialogue from Post-doc and PhD students from LEARN
- Sponsored and coordinated the 2018 Adolescent Research day with UNFPA
- Conducted Organizational Capacity Assessment with LAOTPHI
- LAOTPHI strategic plan was initiated and is in final draft form to be approved by partners

Key Lessons learned from LEARN program implementation in 2018 include:

- LEARN is still experiencing delays due to inadequate management and design of the original project, however after a strong effort in 2018, the project is getting back on track
- LEARN has a diverse number of partners which makes management and motivation of the different groups tricky for the PM
- The PM attempted to get more formal agreements with partners, but has still not succeeded to get this agreement signed by VU University
- Motivation continues to be a concern, especially with the MPH students. There is an attitude that timelines are not important, and do not need to be followed, which may be a cultural aspect that was not considered when the project was created

Program 1.2.2: Collaboration and Networking to Enhance Education and Nutrition – CANTEEN: After nearly a full year of working with local partners and government counterparts, the MOU for Canteen was signed in July 2018. From July 2018-December 2018, much work was done by the PM to begin working on indicators and project implementation.

Key achievements gained under CANTEEN in 2018 include:

- Completed MOU process
- Set up and supported district coordination meetings
- Initiated small grant project
- Created school gardens in six (6) local schools
- Four (4) water pumps added to schools
- Provided seeds and home garden plots for 60 households
- Multi-sector coordination mechanism in Nong is functioning strongly
- Women's groups are set up in twenty (20) villages

Key lesson learned from CANTEEN program in 2018 include:

- Though anticipated, the MOU process took longer than expected and absorbed much of the time and resources of the office

- Delays to the small grant scheme have resulted due to the education and literacy level of the local VDC's; this has been realized and the PM is making steps to give more support in this area
- It became clear that more oversight was needed for the PhD students involved in the CANTEEN project as they have not moved forward with research at the pace that was expected

B-2 Remuneration Director

The Supervisory Board 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 2017 and 2018. Members of the Supervisory Board do not receive remuneration.

MCNV	Director 2018	Director 2017
Type of contract	Indefinite	Definite (1 year)
Hours	30	37,5
Labour Percentage	80%	100%
Labour Period	12 months	12 months
Gross salary per year	53.852	66.066
Holiday allowance	4.892	5.285
Other taxable allowances	340	980
Variable income	-	-
Subtotal remuneration	59.084	72.331
Social Security costs (paid by employer)	9.971	9.639
Taxable disbursements	-	-
Pension contributions	11.576	14.038
Other (future) benefits	2.408	2.243
Severance pay	-	-
Subtotal other costs	23.955	25.920
Total Salary Costs	83.039	98.251

B-3 Training courses, seminars and webinars of MCNV staff 2018

MCNV	Training course/ seminar/ webinar	By
Amsterdam	All staff Exploring and determining long term directions and strategy for MCNV	TallKing Results
Amsterdam	All staff Long term strategy planning	TallKing Results
Amsterdam	Vivian Tsie Webinar transition from Etepestry to Xapti software use.	Xapti CRM
Laos (Vientiane)	Mrs Kannika Keohavong Leadership and people management	MDF Asia, Colombo
Laos (Vientiane)	Mrs Khanphoungeune Volat Advocacy & Policy Influencing	MDF Asia, Colombo
Laos (Vientiane)	Mrs Phetnapha Phousongphouang Project management	MDF Asia, Yangon
Vietnam (Hanoi Office)	Trần Quỳnh Trang 1. Physiotherapy for Enhancing Activity and Participation in Children with Cerebral Palsy 2. Ergonomics Intervention for OT Fatigue Risk Prevention	Hong Kong Polytechnic University
Vietnam (Hanoi Office)	Vũ Thị Hồng Nhung Master program on Climate change and sustainable development	Hanoi National University
Vietnam (Hanoi Office)	Nguyễn Thị Thu Loan & Tran le Hieu Filming the development in Vietnam	CWD - Vietnam

B-4 Risk Management

In 2018, MCNV identified the following risks and its mitigation strategies:

Insufficient funding

Risk: There remained a gap between the expected income and expected costs for 2018. The biggest gaps are related to staff costs in Amsterdam and in Vietnam, it is related to both staff and program costs.

Mitigation: In 2018, MCNV introduced the idea of planning based on secured funding which is new to many of MCNV staff. We looked at different ways to reduce our costs including reducing percentage of working hours among staff, or not recruiting new staff when there is resignation unless necessary. In addition, we improved our coordinated efforts in fundraising and acquisition, which aimed to diversify our funding sources and building up long-term funding partnerships as well.

Program management

Risk: program management risk in 2018 is related to maintaining eligibility and donor requirements both in terms of financial procedures, and technical eligibility. These influence MCNV's ability to qualify all expenditures made against the grant agreements and also possibility for future funding.

Mitigation: we employed stricter reporting schedule and system. The reporting focuses on progress, results achieved, variance compared to plan and reasons why. We also reviewed our existing policies and procedures to ensure they are up-to-date and allow compliance to all donors' requirements. In addition, we introduced new financial management software – EXACT ONLINE, which allows all offices within MCNV to see all the expenditures as they are entered into the system. This does not only allow us to have a more timely overview of the expenditure to date by different offices, different programmes but it also helps us to be able to cross-check and timely identify issues for verification.



II Annual Account 2018

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F-1 CLARIFICATION OPERATION COSTS FOR EACH LOCATION IN €	63.

1. BALANCE SHEET 31 December 2018

	31 December 2018		31 December 2017	
ASSETS	€	€	€	€
<i>Fixed assets</i>				
Tangible fixed assets		2.243		1.612
Financial fixed assets		622.153		556.783
		<u>624.396</u>		<u>558.395</u>
<i>Current assets</i>				
Receivables	7.274		76.704	
Cash and cash equivalents	<u>919.074</u>		<u>1.319.407</u>	
		926.348		1.396.111
		<u>1.550.744</u>		<u>1.954.506</u>
EQUITY AND LIABILITIES				
Foundation equity				
Continuity reserve	321.945		365.638	
Reserve for replacement of tangible fixed assets	2.243		1.612	
Revaluation reserve	0		0	
Project Reserve	<u>0</u>		<u>0</u>	
		324.188		367.250
Appropriated funds		<u>380.946</u>		<u>549.966</u>
		705.134		917.216
<i>Long-term liabilities</i>		0		0
<i>Short-term liabilities</i>		845.610		1.037.290
		<u>1.550.744</u>		<u>1.954.506</u>

2. INCOME STATEMENT 2018

	Result 2018	Budget 2018	Result 2017
	€	€	€
INCOME			
Benefits from private individuals	544.639	741.386	555.376
Benefits from companies			
Benefits from lottery organisations			
Benefits from governmental grants	1.039.729	1.561.029	835.533
Benefits from related non-profit organizations			
Benefits from other non-profit organizations	179.605	308.192	225.646
Benefits from products and consultancy	1.525	0	1.297
Result from Investments	81.224	25.000	111.681
Other income	3.936	0	-26.095
Total Income	1.850.658	2.635.607	1.703.438
EXPENDITURES			
Expenses for Objectives			
Structural project support	1.718.907	2.627.907	1.799.318
Communication	72.970	141.491	106.879
	1.791.877	2.769.398	1.906.197
Expenses for Fundraising			
Expenses private fundraising	107.494	95.891	73.540
Expenses for joint actions	0	0	0
Expenses for actions by third parties	0	0	0
Expenses for raising Governmental & Institutional grants	0	0	0
Expenses for shares	0	0	0
	107.494	95.891	73.540
Expenses for Management & Administration			
Expenses for Management & Administration	137.217	100.577	136.992
Total expenditure	2.036.588	2.965.866	2.116.729
Result	-185.930	-330.259	-413.291
Change			
FOUNDATION EQUITY	-185.930	-330.259	-413.291

	Result 2018	Budget 2018	Result 2017
The profit/loss has been charged to the foundation equity as follows:			
<i>Appropriated funds</i>			
Sexual & Reproductive Health and Rights	20.130		994
Infectious diseases (ID-Mal)	0		0
Disability	-36.512		4.617
Microcredit revolving fund	0		-32.000
Community Managed Health Development	-73.898		9.706
Community Manged Health & Livelihood	0		0
Women Empowerment (WE)	0		-11.502
Social Enterprise	0		0
LEARN (EU)	-134.530	-208.070	-45.060
US-AID occupational training	7.944		-133.580
US-AID speech therapy	47.846		38.973
Balance change appropriated funds	-169.020	-208.070	-167.852
Tangible fixed assets	631		398
Continuity Reserve	-17.541	-122.190	-245.837
<i>Project Reserve</i>	0		0
Change Foundation EQUITY	-185.930	-330.259	-413.291

3. GENERAL 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 organization.

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 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 2018

	<u>31-12-2018</u>
1. BALANCE SHEET 31 December 2018	€
Tangible fixed assets	2.243
Inventory	
Purchase value 1 January 2018	51.789
Purchases 2018	<u>1.244</u>
	53.033
Accumulated depreciation until 2018	50.177
Depreciation 2018	<u>613</u>
	<u>50.790</u>
Balance as at 31 December 2018	<u><u>2.243</u></u>

The depreciation period for inventory is 3 or 5 years

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
FINANCIAL FIXED ASSETS	622.153	556.783

Shares

Value of shares 1 January	556.783	457.176
Reinvestment dividend	0	0
Profit	<u>65.370</u>	<u>99.607</u>
Value of shares 31 December	<u><u>622.153</u></u>	<u><u>556.783</u></u>

The portfolio:

BNP Netherlands Fund	98.269	115.852
Wolters Kluwer	<u>523.884</u>	<u>440.931</u>
	<u><u>622.153</u></u>	<u><u>556.783</u></u>

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Receivables and accrued asset	7.274	76.704

Recapitulation

Dividend taxes	2.415	3.479
Debtors	0	0
US-AID / OT	0	66.058
Other receivables	1.350	2.815
Prepaid expenses	<u>3.509</u>	<u>4.352</u>
	<u><u>7.274</u></u>	<u><u>76.704</u></u>

Taxes and social premiums payable

Dividend taxes	<u><u>2.415</u></u>	<u><u>3.479</u></u>
----------------	---------------------	---------------------

	31-12-2018	31-12-2017
	€	€
US-Aid		
Balance 1 January	66.058	-48.508
Correction of financial statements Vietnam 2016	0	48.508
Received	-66.058	-134.990
Calculated subsidy	0	201.048
Exchange differences	0	0
	<u>0</u>	<u>66.058</u>
<i>Other receivables</i>		
Interest	0	29
Various	1.350	2.786
	<u>1.350</u>	<u>2.815</u>
<i>Prepaid Expenses</i>		
Insurance and other fixed costs	3.509	4.352
	<u>3.509</u>	<u>4.352</u>

CASH AND CASH EQUIVALENTS

The Netherlands:

Cash	149	39
Triodos Bank, account-courant 760	50.023	89.815
ABN-AMRO Bank N.V., account - courant 047	124.563	8.621
ABN-AMRO Bank N.V., interest account	26.393	56.369
ABN-AMRO Bank N.V., US \$ account	2.109	2.109
ABN-AMRO Bank N.V., account - courant 297	1.643	63.929
ABN-AMRO Bank N.V. Learn account-courant 209	349.302	247.630
ING bank 1090400	73.161	134.101
ING bank 1090400, interest account	3.230	3.227
ING bank 1706415	10.250	4.896
ING bank 1706415, interest account	16.417	23.641
Subtotal	<u>657.240</u>	<u>634.377</u>

Vietnam & Lao PDR:

Vietnam central bank	166.762	444.287
Lao PDR office	95.072	240.743
Subtotal	<u>261.834</u>	<u>685.030</u>

TOTAL

919.074	1.319.407
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Cash and cash equivalents are for free disposal

RESERVES AND FUNDS

	31-12-2018	31-12-2017
	€	€
Balance 1 January	365.638	611.475
Mutation	-17.541	-245.837
Correction 2016	-26.152	0
Continuity Fund	321.945	365.638
Appropriate Reserve	2.243	1.612
Balance 1 January	1.612	1.214
Supplement	1.244	849
Withdrawal	-613	-451
Balance 31 December	2.243	1.612
Project reserve		
Balance 1 January	0	0
Mutation appreciated funds	0	0
Mutation from statement of income and Expenditure	0	0
Balance 31 December	0	0
Appropriated Funds		
Disability (incl. Phu Yen Special School)	71.042	107.554
Community Managed Health Development (CMHD)	2.766	76.664
Women Empowerment (WE)	0	0
Sexual & Reproductive Health and Right (SRHR)	68.241	48.111
LEARN (EU)	104.958	239.488
US-AID occupational training	7.944	0
US-AID speech therapy	86.819	38.973
Social Enterprise (KBU)	28.776	28.776
ASR MVO	10.400	10.400
	380.946	549.966
Explanation progress Appropriated Funds		
Disability (inc Phu Yen Special School)		
Balance 1 January	107.554	102.937
Received donations	28.607	54.453
Contribution in overhead	-3.290	-6.262
Spent on objective	-61.829	-43.574
Saldo per 31 December	71.042	107.554
Community Managed & Health Development (CMHD)		
Balance 1 January	76.664	66.958
Balance CMHLD	0	0
Received donations	50.279	31.931
Contribution to overhead	-5.782	-3.672
Spent on objective	-118.395	-18.553
Balance 31 December	2.766	76.664

	31-12-2018	31-12-2017
	€	€
Women Empowerment (WE)		
Balance 1 January	0	11.502
Received donations	3.139	43.944
Contribution to overhead	-361	-4.219
Spent on objective	-34.063	-51.227
At the expense of the project reserve	31.285	0
Balance 31 December	<u>0</u>	<u>0</u>
Sexual & Reproductive Health and Rights		
Balance 1 January	48.111	47.117
Donations Infectious Diseases	0	0
Received donations	61.498	37.153
Contribution to overhead	-7.072	-4.272
Spent on objective	-34.296	-31.887
At the expense of the project reserve	0	0
Balance 31 December	<u>68.241</u>	<u>48.111</u>
LEARN (EU)		
Saldo per 1 January	239.488	284.548
Supplement	10.622	83.720
Reduction subsidy year 1 & 2.	-16.759	0
Spent on objective	-128.393	-128.780
Balance 31 December	<u>104.958</u>	<u>239.488</u>
US-AID / OT		
Balance 1 January	0	133.580
Supplement	40.000	40.000
Contribution to overhead	0	0
To LEARN	0	-73.097
To continuity fund	0	-58.813
Spent on objective at the expense of MCNV	-32.056	-41.670
Balance 31 December	<u>7.944</u>	<u>0</u>
US-AID / ST		
Balance 1 January	38.973	0
Supplement	50.000	50.000
Contribution to overhead	0	0
Spent on objective at the expense of MCNV	-2.154	-11.027
Balance 31 December	<u>86.819</u>	<u>38.973</u>

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Social Enterprise (KBU)		
Balance 1 January	28.776	28.776
Positive result social enterprise	0	0
Spent on objective	<u>0</u>	<u>0</u>
Balance 31 December	<u>28.776</u>	<u>28.776</u>
 ASR MVO		
Balance 1 January	10.400	10.400
Received	0	0
Spent on objective	<u>0</u>	<u>0</u>
Balance 31 December	<u>10.400</u>	<u>10.400</u>

MCNV organised several fundraising activities in 2018 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 (11,5% over the years 2015 till 2017).

	31-12-2018	31-12-2017
	€	€
Long-term liabilities		
Contract obligations long-term	<u>0</u>	<u>0</u>
Short-term liabilities		
Recapitulation		
Contract obligations	17.132	217.659
Creditors	21.518	9.202
European Commission	352.939	500.946
Food Security and Nutrition (FSN)	144.834	122.835
Voice	0	53.429
Wotro	23.690	20.399
AFAS	111.447	39.421
WE program donor	118.000	0
Other short-term liabilities and prepayments	<u>56.050</u>	<u>73.399</u>
	<u>845.610</u>	<u>1.037.290</u>
Contract obligations		
Balance contracts with creditors 1 January	61.339	112.315
Contract obligations	89.306	191.720
Actual incurred costs in fiscal year, excluding cash	-125.281	-199.506
Loans converted into gifts	0	-32.000
Settlement contracts	<u>-17.991</u>	<u>-11.190</u>
	7.373	61.339
Advances to partners	-5.459	-37.485
Other receivables/liabilities offices Vietnam/Lao PDR	15.218	193.805
Contract obligations 1> year	<u>0</u>	<u>0</u>
	<u>17.132</u>	<u>217.659</u>
Creditors	<u>21.518</u>	<u>9.202</u>
European Commission		
Balance 1 January	500.946	578.454
Received advances	348.804	434.629
Received interest	0	0
Exchange rate differences	0	0
Calculated grant 1/1 until 30/4	-130.743	-142.079
Calculated grant 1/5 until 31/12	-382.827	-370.058
Reduction subsidy year 1 & 2.	<u>16.759</u>	<u>0</u>
	<u>352.939</u>	<u>500.946</u>

	31-12-2018	31-12-2017
	€	€
Canteen		
Balance 1 January	122.835	191.043
Received advances	190.624	0
to be received	0	0
Exchange rate differences	0	0
Calculated subsidy	-168.625	-68.208
	<u>144.834</u>	<u>122.835</u>
Voice		
Balance 1 January	53.429	0
Received advances	-2.548	145.000
Received interest	0	0
Exchange rate differences	0	0
Calculated subsidy	-50.881	-91.571
	<u>0</u>	<u>53.429</u>
Wotro		
Balance 1 January	20.399	0
Received advances	81.261	81.191
Received interest	0	0
Exchange rate differences	0	0
Calculated subsidy	-77.970	-60.792
	<u>23.690</u>	<u>20.399</u>
AFAS		
Balance 1 January	39.421	0
Received advances	78.454	52.304
Received advance 2016	26.152	0
Received interest	0	0
Exchange rate differences	0	0
Calculated subsidy	-32.580	-12.883
	<u>111.447</u>	<u>39.421</u>
WE program donor		
Balance 1 January	0	0
Received advances	118.000	0
Received interest	0	0
Exchange rate differences	0	0
Calculated subsidy	0	0
	<u>118.000</u>	<u>0</u>

	31-12-2018	31-12-2017
Other short-term liabilities		
Holiday allowance/Holiday leave	17.242	17.053
Income tax	5.529	8.918
Pension fund	1.558	390
Auditors fee	19.000	14.250
Administration office	6.000	7.000
Bank expenses	0	1.206
VU	0	12.145
Others	6.721	12.437
	<u>56.050</u>	<u>73.399</u>

Off-balance sheet Rights and Obligations

Rights

Donations with an agreement periodic gift

Donations to an ANBI organization, 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 2017, 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.

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 in 2015 for an amount of US\$ 968.413.

US-AID – VietHealth

This five-year program aims at establishing a solid foundation for development of an official education system of SALT profession in Vietnam. Funded by US-AID, VietHealth is the lead partner, MCNV a subcontractor. The program started on October 1st, 2017 and will end 30 September 2022. The sub-contract was signed in 2017 for an amount of US\$ 1,125,210.

US-AID I-THRIVE

This 3,5 year program aims at improving the interdisciplinary rehabilitation system for children with intellectual and developmental disabilities. The project was signed for an amount of 734.000 USD

Obligations

Rental contract

In 1974 MCNV started renting the office building at the Weteringschans 32, Amsterdam. The rent is yearly indexed. From 1 juli 2017 the rent is € 1.500, - 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 30 December 2018

	Result 2018	Budget 2018	Result 2017
	€	€	€
Benefits from private individuals	544.639	741.386	555.376
Actions donations	118.204	120.000	116.672
Non-specific donations	296.866	290.000	295.694
Specific donations	115.320	181.386	143.010
Inheritance and legacies	14.249	60.000	0
Fundraising Vietnam	0	90.000	0
Total	<u>544.639</u>	<u>741.386</u>	<u>555.376</u>
Actions donations			
Community Managed Health & Livelihood Development	46.439	48.000	29.681
Comm. Based Rehabilitation & IE	28.607	30.000	26.894
WE Women Empowerment	1.659	18.814	42.944
SRHR	41.499	23.186	17.153
Infectious diseases	0	0	0
Total	<u>118.204</u>	<u>120.000</u>	<u>116.672</u>
Benefits from products and services			
<i>Results from sales of goods</i>			
Netto turnover	7.115	0	8.027
less: cost price	-5.590	0	-6.730
Gross result	<u>1.525</u>	<u>0</u>	<u>1.297</u>
Benefits from governmental grants			
<i>Registered on transaction base</i>	0	0	0
<i>Registered on cash basis</i>			
EU / LEARN	496.811	905.102	512.137
EU / Canteen / Food Security and Nutrition (FSN)	168.625	221.888	68.208
US-AID / OT, received	185.935	241.200	128.993
US-AID / OT, correction 2016	46.335	0	0
US-AID / OT, accrued income	17.333	0	72.055
US-AID / ST, received	124.690	192.839	54.140
	<u>1.039.729</u>	<u>1.561.029</u>	<u>835.533</u>

Benefits from other non-profit organizations*Registered on transaction base*

	Result 2018	Budget 2018	Result 2017
Local partners	18.174	7.500	10.622
Fundraising Vietnam	0	0	49.778
Target inst. Funds to be raised	0	0	0

Registered on cash basis

Oxfam / Voice	50.881	0	91.571
Wotro / Food Security and Nutrition (FSN)	18.619	26.312	23.649
Wotro / NSA	30.436	0	14.347
Wotro / General	28.915	48.700	22.796
AFAS / Food Security and Nutrition (FSN)	32.580	69.680	12.883
WE Ben Tre	0	156.000	0
	<u>179.605</u>	<u>308.192</u>	<u>225.646</u>

Result investments*Shares*

Result on change in value	65.370		99.607
Dividend shares	15.854		12.074
	<u>81.224</u>	<u>25.000</u>	<u>111.681</u>

Others

Interest bank accounts	390		1.471
Currency result	3.546		-27.566
	<u>3.936</u>	<u>0</u>	<u>-26.095</u>

EXPENSES FOR OBJECTIVES**Structural project support**

Programs registered on transaction base	252.280	414.627	191.720
Settlements projects previous years	-17.991	0	-11.190
Programs registered on cash base	1.248.510	1.965.007	1.131.121
Other project expenses	0	0	0
<i>Grants and contributions</i>	<u>1.482.799</u>	<u>2.379.634</u>	<u>1.311.651</u>

Programs registered on transaction base

	Result 2018	Budget 2018	Result 2017
SRHR (vh HIV / AIDS)	34.297	36.360	25.810
Malaria	0	0	0
Community Based Rehabilitation Inclusive Educ.	65.525	63.937	51.778
Community Managed Health & Livelihood Development	118.395	129.516	45.233
Women Empowerment (WE)	34.063	174.814	65.399
Support Training Institutes (STI)	0	0	3.500
HRH Progr Human Resource for health	0	0	0
New programs	0	10.000	0
Subtotal	<u>252.280</u>	<u>414.627</u>	<u>191.720</u>

	Result 2018	Budget 2018	Result 2017
<i>Programs registered according to actual project-costs per report-date (cash-base)</i>			
Learn	625.326	1.113.172	640.171
US-AID / OT	216.102	282.416	208.351
US-AID / ST	124.690	202.839	55.136
NSA / VN	0	0	0
Wotro / NSA	0	0	0
M&E	0	0	0
Food Security and Nutrition(FSN)	0	0	0
L.I.C.M.	32.892	0	85.581
FSN - Wotro	18.619	26.312	
Wotro	59.351	48.700	60.792
Canteen	136.796	221.888	68.207
AFAS	32.580	69.680	12.883
Vietnam SOF	0		
Vietnam dir general office costs	2.154	0	0
Vietnam projects difference	0	0	0
Subtotal	<u>1.248.510</u>	<u>1.965.007</u>	<u>1.131.121</u>
 Total	 1.500.790	 2.379.634	 1.322.841
Other project expenses	0	0	0
Settlement projects previous years	-17.990	0	-11.190
Subsidies and contribution	<u>1.482.800</u>	<u>2.379.634</u>	<u>1.311.651</u>
 Publicity and Communication	 7.220	 0	 8.589
Staff expenses	149.913	212.050	401.157
Housing expenses	11.305	10.530	27.278
Office and general expenses	67.330	25.693	50.403
Depreciation and interest	339	0	240
 Total structural project support	 <u>1.718.907</u>	 <u>2.627.907</u>	 <u>1.799.318</u>

1. Remuneration Board of Director CBF requires a specification of the remuneration of the director, see annex B-2. which is in line with the standards for remuneration Act (WNT). Please note that MCNV is not subject to WNT legislation and related external audit requirements but follows the WNT schedule voluntarily and as a result an external audit of the WNT schedule is not required.

Amount x € 1	G.J.Paardekooper
Position	Board of Director
Duration of the employment in 2018	1/1 - 31/12
FTE in the year 2018	0,8
Former senior official?	no
(Fictive) employment?	no
Individual WNT-maximum	139.200
Remuneration	83.039
Taxable fixed and variable expense allowances	0
Provisions for post-employment benefits	0
<i>Subtotal</i>	83.039
-/- Undue payment	0
Total remuneration	83.039
Obligated motivation in case of exceeding the individual WNT-maximum	-
2017 data	
Duration of the employment in 2017	1/1 – 31/12
FTE in the year 2017	1,0
Remuneration	98.251
Taxable fixed and variable expense allowances	-
Provisions for post-employment benefits	-
Total remuneration 2017	98.251

2. Remuneration Members of the Supervisory Board

Amount x € 1	M.I.A. Postma-Rustenhoven	H. van de Ruit	A.C. Gebhard	M. Smits	P. van den Hombergh
Position	Acting Chair	Member	Member	Member	Member
Duration of the employment in 2018	1/1 - 31/12	1/1 - 31/12	21/6 - 31/12	1/1 - 31/12	1/1 - 31/12
Individual WNT-maximum	26.100	17.400	9.135	17.400	17.400
Remuneration	0	0	0	0	0
Taxable fixed and variable expense allowances	0	0	0	0	0
Provisions for post-employment benefits	0	0	0	0	0
<i>Subtotal</i>	0	0	0	0	0
-/- Undue payment	0	0	0	0	0
Total remuneration	0	0	0	0	0
2017 data					
Duration of the employment in in 2017	1/1 - 31/12	1/1 - 31/12	n/a	1/1 - 31/12	1/1 – 31/12
Remuneration	0	0	0	0	0
Taxable fixed and variable expense allowances	0	0	0	0	0
Provisions for for post-employment benefits	0	0	0	0	0
Total remuneration 2017	0	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 2018	Expenditure towards objective		Expenditure towards fundraising					Management & Admin	Total
	Structural project support	Communication	Own fundraising	Joint actions	Third parties	Grants	Investments		
Budget 2018 €									
Grants	2.379.634	0						0	2.379.634
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	101.150	43.350	0	0	0	0	0	144.500
Staff expenses	212.050	30.293	40.390	0	0	0		53.854	336.587
Housing Expenses	10.530	2.340	2.730	0	0	0	0	3.900	19.500
Office & General expenses	25.693	7.708	9.421	0	0	0	0	42.823	85.645
Depreciation and interest	0	0	0	0	0	0	0	0	0
Total	2.627.907	141.491	95.891	0	0	0	0	100.577	2.965.866

Destination category of expenditure 2018	Expenditure towards objective		Expenditure towards fundraising					Management & Admin	Total 2018	Budget 2018	Total 2017
	Structural project support	Communication	Own fundraising	Joint actions	Third parties	Grants	Investments				
Actual result 2018 €											
Grants	1.482.800	0	0	0	0	0	0	0	1.482.800	2.379.634	1.311.651
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	7.220	31.728	50.936	0	0	0	0	0	89.884	144.500	81.654
Staff expenses	149.913	31.535	39.628	0	0	0	0	49.998	271.074	336.587	537.194
Housing Expenses	11.305	2.378	2.988	0	0	0	0	3.770	20.441	19.500	36.609
Office & General Expenses	67.330	7.258	13.852	0	0	0	0	83.336	171.776	85.645	149.170
Depreciation and interest	339	71	90	0	0	0	0	113	613	0	451
Total	1.718.907	72.970	107.494	0	0	0	0	137.217	2.036.588	2.965.866	2.116.729

Destination category of expenditure 2018	Expenditure towards objective		Expenditure towards fundraising					Management & Admin	Total
	Structural project support	Communication	Own fundraising	Joint actions	Third parties	Grants	Investments		
Budget 2018 €									
Grants	2.379.634	0						0	2.379.634
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	101.150	43.350	0	0	0	0	0	144.500
Staff expenses	212.050	30.293	40.390	0	0	0		53.854	336.587
Housing Expenses	10.530	2.340	2.730	0	0	0	0	3.900	19.500
Office & General expenses	25.693	7.708	9.421	0	0	0	0	42.823	85.645
Depreciation and interest	0	0	0	0	0	0	0	0	0
Total	2.627.907	141.491	95.891	0	0	0	0	100.577	2.965.866

Destination category of expenditure 2018	Expenditure towards objective		Expenditure towards fundraising					Management & Admin	Total 2018	Budget 2018	Total 2017
	Structural project support	Communication	Own fundraising	Joint actions	Third parties	Grants	Investments				
Actual result 2018 €											
Grants	1.482.800	0	0	0	0	0	0	0	1.482.800	2.379.634	1.311.651
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	7.220	31.728	50.936	0	0	0	0	0	89.884	144.500	81.654
Staff expenses	149.913	31.535	39.628	0	0	0	0	49.998	271.074	336.587	537.194
Housing Expenses	11.305	2.378	2.988	0	0	0	0	3.770	20.441	19.500	36.609
Office & General Expenses	50.584	7.258	13.852	0	0	0	0	100.082	171.776	85.645	149.170
Depreciation and interest	339	71	90	0	0	0	0	113	613	0	451
Total	1.702.161	72.970	107.494	0	0	0	0	153.963	2.036.588	2.965.866	2.116.729

Destination category of expenditure 2017 Actual results 2017 €	Expenditure towards objective		Expenditure towards fundraising					Management & admin	Total
	Structural project support	Communication	Own fundraising	Joint actions	Third parties	Grants	Investments		
Grants	1.311.651	0	0	0	0	0	0	0	1.311.651
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	8.589	58.377	14.688	0	0	0	0	0	81.654
Staff expenses	401.157	37.858	43.936	0	0	0	0	54.243	537.194
Housing expenses	27.278	2.597	3.014	0	0	0	0	3.720	36.609
Office & general expenses	50.403	7.988	11.834	0	0	0	0	78.945	149.170
Depreciation and interest	240	59	68	0	0	0	0	84	451
Total	1.799.318	106.879	73.540	0	0	0	0	136.992	2.116.729

Independent auditor's report

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

A. Report on the audit of the financial statements 2018

Our opinion

We have audited the financial statements 2018 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 2018 and of its result for 2018 in accordance with Guideline for annual reporting 650 Fundraising institutions (RJ 650) of the Dutch Accounting Standards Board.

The financial statements comprise:

- the balance sheet as at 31 December 2018;
- the profit and loss account for 2018; and
- 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. 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 Wet toezicht accountantsorganisaties (Wta), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO) and other relevant independence regulations 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.

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 entity's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the entity 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 entity's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the entity'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 skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to 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 **entity'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 **entity's** ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the **entity** 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.

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

Amstelveen, 30 June 2019

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

w.g. H.C.J. Bot RA

Annual Account

Annexes

F-I CLARIFICATION OPERATION COSTS FOR EACH LOCATION IN €

	Amsterdam	Vietnam	Laos	Total
Other expenses 2018				
Communication	61.016	-	-	61.016
Staff expenses	271.074	-	-	271.074
Housing expenses	20.441	-	-	20.441
Office and general expenses	112.828	58.309	29.507	200.644
Other expenses	-	-	-	-
Depreciation and interest	613	-	-	613
	<u>465.972</u>	<u>58.309</u>	<u>29.507</u>	<u>553.788</u>

	Amsterdam	Vietnam	Laos	Total
Other expenses 2017				
Communication	72.459	-	-	72.459
Staff expenses	290.921	280.081	53.960	624.962
Housing expenses	19.954	12.666	11.856	44.476
Office and general expenses	108.173	45.112	12.720	166.005
Depreciation and interest	451	-	-	451
	<u>491.958</u>	<u>337.859</u>	<u>78.536</u>	<u>908.353</u>

	2018	2017
Other expenses Amsterdam	€	€
<u>Communication</u>		
Exhibition	-	-
Printed matter	-	-
Newsletter	28.982	36.721
Design	3.332	10.828
Writing and editing work	5.232	8.913
Ads	2.118	1.573
Meeting with private donors	2.911	3.224
Notary fees	-	-
Consultancy Fees	-	-
Travel expenses	7.220	8.589
Fundraising	10.476	-
Other	745	2.611
	<u>61.016</u>	<u>72.459</u>

	<u>2018</u>	<u>2017</u>
	€	€
<u>Staff Expenses</u>		
Salaries	224.746	225.214
Social security and pension	81.115	89.379
Received sick payment	(26.320)	-
Other staff expenses	10.031	10.920
Charged staff salary	<u>(18.498)</u>	<u>(34.592)</u>
	271.074	290.921
 <u>Housing expenses</u>		
Rent	18.102	17.955
Other housing expenses	<u>2.339</u>	<u>1.999</u>
	20.441	19.954
 <u>Office and General expenses</u>		
IT	764	909
Office Supplies	2.432	1.729
Telephone	755	939
Postage	650	1.404
Maintenance inventory	-	10
Maintenance database	15.881	11.177
Insurances	1.784	2.193
Contributions/Professional literature	5.943	5.863
Travel & Accommodation costs	241	3.551
Transport expenses	-	-
Representation	2.247	450
Expenses of the supervisory board	1.936	687
Administration Office	14.594	14.003
Auditors fee	25.683	13.695
Other consultancy	43.171	45.130
Notary Fees	-	-
Bank charges	4.771	5.074
Charged office expenses	(16.746)	(4.922)
Other general expenses	<u>8.722</u>	<u>6.281</u>
	112.828	108.173
 <u>Depreciation and interest</u>		
Depreciation inventory	613	451
Interest	<u>-</u>	<u>-</u>
	613	451

	2018	2018	2018	2017	2017	2017
Other expenses Vietnam and Lao PDR 2018 €	Vietnam	Laos	Total	Vietnam	Laos	Total
Salaries	248.452	214.330	462.782	290.868	83.884	374.752
Meeting expenses	8.615	62.409	71.024	9.481	4.864	14.345
Other staff expenses	3.701	5.763	9.464	4.186	-	4.186
Rent	-	-	-	14.393	8.850	23.243
Housing expenses	17.615	8.074	25.689	4.375	-	4.375
IT	2.460	7.471	9.931	4.445	-	4.445
E-learning room	-	6.432	6.432	-	-	-
Photocopying	-	6.505	6.505	240	-	240
Office supplies	1.446	678	2.124	1.910	6.550	8.460
Telephony	797	5.560	6.357	1.341	1.535	2.876
Postage	497	-	497	562	-	562
Small purchases	-	1.527	1.527	1.663	6.874	8.537
Maintenance Inventory	302	1.615	1.917	159	-	159
Insurance inventory	159	-	159	277	-	277
Contributions/Professional Literature	981	-	981	1.094	-	1.094
Translation	-	1.370	1.370	-	983	983
Travel & Accommodation cost	6.994	8.392	15.386	5.957	5.003	10.960

	<u>2018</u>	<u>2018</u>	<u>2018</u>	<u>2017</u>	<u>2017</u>	<u>2017</u>
	Vietnam	Laos	Total	Vietnam	Laos	Total
Car	-	5.213	5.213	-	1.423	1.423
Representation	12.197	-	12.197	3.868	4.658	8.526
Public relations	-	-	-	128	-	128
Auditors fees	9.924	-	9.924	12.788	11.742	24.530
Monitoring & evaluation	-	13.397	13.397	-	-	-
Communication & Fundraising	28.868	-	28.868	9.195	23.521	32.716
Sub-grant research fund	-	117.347	117.347	-	-	-
Higher training for Laotian researchers	-	172.373	172.373	-	-	-
Bank charges	1.211	880	2.091	1.027	595	1.622
Other expenses	-	-	-	-	-	-
Other general expenses	<u>145</u>	<u>61.846</u>	<u>61.991</u>	<u>(665)</u>	<u>8.909</u>	<u>8.244</u>
	344.364	701.182	1.045.546	367.292	169.391	536.683

	2018	2018	2018	2017	2017	2017
	Vietnam	Laos	Total	Vietnam	Laos	Total
Other, indirect	29.441	13.788	43.229	-	-	-
ICT	-	-	-	-	343	343
AON staff expenses	-	-	-	-	31.949	31.949
Less: charged staff expenses	(252.153)	(220.093)	(472.246)	(89.194)	(75.421)	(164.615)
Less: charged office expenses	(45.728)	(457.296)	(503.024)	(1.072)	(79.208)	(80.280)
Less: charged housing expenses	(17.615)	(8.074)	(25.689)	(5.280)	(5.682)	(10.962)
Less: charged other expenses	-	-	-	-	-	-
	<u>58.309</u>	<u>29.507</u>	<u>87.816</u>	<u>271.746</u>	<u>41.372</u>	<u>313.118</u>
<i><u>Summary expenses</u></i>						
Office and general expenses	58.309	29.507	87.816	52.398	(2.208)	50.190
Staff expenses	-	-	-	205.860	40.412	246.272
Other expenses	-	-	-	-	-	-
Communication	-	-	-	-	-	-
Housing expenses	-	-	-	13.488	3.168	16.656
	<u>58.309</u>	<u>29.507</u>	<u>87.816</u>	<u>271.746</u>	<u>41.372</u>	<u>313.118</u>

End of the annual report