



Annual Report & Annual Account 2020

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LIST OF ABBREVIATIONS

BOT	Bachelor of Occupational Therapy	MPUH	Medicine and Pharmacy University of Ho Chi Minh City
BT	Ben Tre province	NIOPH	National Institute of Public Health
CANTEEN	Collaboration And Networking To Enhance Education and Nutrition	NSA	Nutrition Sensitive Agriculture
CB	Cao Bang province	OT	Occupational Therapy
CBF	Central Bureau Fundraising	PAM	Program Assessment Memorandum
CBO(s)	Community Based Organization(s)	PDR	People's Democratic Republic
CBR	Community Based Rehabilitation	PFES	Payment for Forest Environmental Services
CD	Country Director	PFZW	Pensioenfonds Zorg en Welzijn
CDF	Community Development Fund	PPC	Provincial People's Committee
CHC(s)	Commune Health Centre(s)	PT	Physiotherapy/physiotherapist
CHW(s)	Commune Health Worker(s)	PWD	People with Disability
CMH	Community Mental Health	PY	Phu Yen province
CMH(L)D	Community Managed Health (Livelihood) Development	QT	Quang Tri province
CRC(s)	Community Rehabilitation Centre(s)	QTFSCGA	Quang Tri Smallholder Forest Certification Groups Association
CSO(s)	Civil Society Organization(s)	REDD+	Reducing Emissions from Deforestation and Forest Degradation
CU5	Children under 5 years	RVO	Rijksdienst voor Ondernemend Nederland
CWD	Children with Disability	SFM	Sustainable Forest Management
DL	Dak Lak province	SALT	Speech and Language Therapy/Therapist
DOET	Department of Education and Training	SB	Supervisory Board
DPO	Disabled People's Organization	SEA	South East Asia
EC	European Commission	SRHR	Sexual and Reproductive Health and Rights
ED	Early Detection	UHS	University of Health Sciences
EMCD	Ethnic Minority Community Development	UNFPA	United Nations Population Fund
EO	Exact Online	VDC	Village Development Committee
Fte	Full time equivalent	(V)DF(s)	(Village) Development Fund(s)
FSC	Forest Stewardship Council	VPA/FLEGT	Voluntary Partnership Agreement on Forest Law Enforcement, Governance and Trade
HDMU	Hai Duong Medical University	VHW(A)	Village Health Workers (Association)
IE	Inclusive Education	VUA	Vrije Universiteit Amsterdam
IG(A)	Income Generating (Activity)	WE	Women Empowerment
Lao TPHI	Lao Tropical Public Health Institute		
LEARN	Lao Equity through Policy Analysis and Research Networks		
MoH	Ministry of Health		
MOT	Master of Occupational Therapy		
MPH	Master of Public Health		
MT	Management Team		

INTRODUCTION

In 2020, MCNV continued to implement the projects and programmes that are categorised under the four themes as stated in our 2017-2021 strategic plan, which includes: (1) Health, (2) Social Inclusion, (3) Entrepreneurship and Value Chains, and (4) Livelihoods and Climate Change. Given the changes in the context and in the organisation leadership, in 2020 we decided to start developing a new strategic plan for the coming period 2021 – 2025. The COVID situation in 2020 however has impacted our progress in this so that final drafting of the strategic plan has been delayed until 2021. The discussions and preparations for this strategic plan were however made during the second half of 2020.

In terms of funding, our funding base for 2020 remained almost the same as in 2019. In 2020, MCNV implemented a total of 15 projects (12 in Vietnam and 3 in Laos) of difference scales. These projects were made possible by funding contributions from our private donors, foundations (such as Hulza, GSRD foundation, UPS, and others) and institutional donors (such as European Union, USAID, and the Dutch Government).

In terms of charity seal, MCNV is audited and certified by the Dutch Central Bureau of Fundraising (CBF).

After the re-organisation taking place in the latter half of 2019, for MCNV 2020 was a year with more stabilities, both in staffing and in programme and financial management. However, for all organisations, including MCNV, it was a difficult year because of COVID and its related restrictions which affected not only project implementation but also fundraising. Overall, MCNV could still manage stability to some extent, with project implementation achieving most of its objectives and targets and a positive balance book at the end of the year. This is a considerable achievement given the situation.

This report includes 6 chapters. Chapter 1 explains the policy and strategy of MCNV. Detailed reporting on programme implementation 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 issues concerning transparency and accountability of MCNV. Here, information can be accessed regarding external complaints, risk- and quality management. Chapter 5 offers information on what MCNV accomplished in terms of communication, public relations and fundraising in 2020. Finally, chapter 6 shows the financial policy and annual accounts of MCNV.

Marijke Postma-Rustenhoven (Chair of the Supervisory Board)
Huyen Hoang (Board of Director)

1. POLICY AND STRATEGY

This part is the same as in 2019 report as it is the same in the strategic plan 2017-2021 adopted by the organisation.

1.1 Legitimacy

MCNV's legitimacy is based on three aspects:

If there are needs for support from the disadvantaged groups of population from South East Asia. These needs are identified and assessed by evidence that these groups do not get equal access to and be able to benefit from the social and economic development that are happening in their countries and that the local authorities and the marginalised communities lack examples of good practice to cope with the growing disparities between social groups.

If MCNV is capable to provide technical assistance to addressing these needs. This is assessed by the evidence that the Vietnamese and Laotian partners request for MCNV for assistance or new partners ask MCNV to work with them, existing partners solicit for new programs and ask MCNV to join.

If MCNV can mobilise the financial resources to support addressing these needs. Now, we still have about 4,000 individual and family donors in the Netherlands who make regular donations to support our work, trusting MCNV to translate their donations into effective assistance for the beneficiaries. We also received financial support from foundations such as AFAS Foundation, GSRD foundations and undisclosed family funds. In addition, 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.

1.2 Thematic focus, Vision and Mission

in 2020, we continued to implement the projects and programmes that fit with the four thematic focus that are stated in MCNV's strategic plan 2017-2021 These 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 despite climatological and ecological changes.*
- **Social Inclusion:** *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 the 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. COUNTRY PROGRAMS AND MANAGEMENT

MCNV supports projects and programmes in Vietnam and Lao PDR. The projects and programmes are coordinated by our country office set up in these two countries. In this chapter you will find the progress on MCNV's country program implementation and management issues in Vietnam and Lao PDR in 2020.

2.1 Programs and management in Vietnam

In 2020 MCNV Vietnam implemented 12 projects. Of these 12, one project *Promoting sustainable partnership between CSOs and enterprises for sustainable forestry management in the context of climate change*, funded by EU (75%) and cost shared with MCNV, is newly started in 2020. Three (03) projects have been completed during the year, including: i) OT education development, finished the first phase; ii) Women Cooperatives in Ben Tre funded by GSRD Foundation; and iii) Early Detection and Inclusive Education in Cao Bang. The OT education project received extension funding till September 2022. We are considering applying for a new project with GSRD foundation. In 2020 MCNV received a new grant from RVO – Dutch Enterprise Agency- for starting a project *Improvement of quality of tropical fruit in Vietnam* from September 2020.

The most significant contextual factor that influenced our program performance in 2020 was related to COVID-19. Although Vietnam has been very successful in controlling the pandemic, it created many difficulties for our programme implementation in the field. All project implementation at community level such as NSA, EMCD, PROSPER, WE, experienced delay, or cancelation of certain activities due to social distancing requirements. This led to slower project progress and underspending of budgets. For our projects on rehabilitation training/education including OT, ST and I-THRIVE, the COVID-19 pandemic made it impossible for international trainers from India and Australia to come to Vietnam for physical lecture, so we had to change it into online training. This helped us to keep the project progress in the right track, however we cannot ensure the quality of training/education will fully meet our expectations.

In addition, a big flooding and land slide occurred in the central part of Vietnam (including Quang Tri – our project area) in September and October 2020, which created some disruptions to our work there as well. We called for an emergency support to the people living in effected areas among our private donors and received EUR 13,000 donation with which the team in Quang Tri implemented extra relief work alongside with the on-going project work during Quarter 4 of 2020.

List of projects as per December 31st, 2020

<p>Programs and projects: 2 Programs with total 12 projects.</p>	<p>2 programs, including: Support People with Disability and Women Empowerment (WE).</p> <p>Disability Program includes 4 projects:</p> <ul style="list-style-type: none"> • OT education funded by USAID and AWF, • ST education funded by USAID and AWF, • I-THRIVE funded by USAID, Support Centre in Dien Bien funded by PwC and MCNV private fund. <p>WE program consists of 4 projects:</p> <ul style="list-style-type: none"> • Microfinance in Binh Dai District, Ben Tre province, • Women Cooperatives in Ben Tre funded by undisclosed fund, • Women Cooperatives in Ben Tre funded by G-star Foundation, • Waste Management funded by UPS <p>5 projects standing alone are:</p> <ul style="list-style-type: none"> • Nutrition Agriculture Sensitivity in Phu Yen funded by MCNV and WOTRO • Ethnic Minorities Community Development in Quang Tri funded by Hulza • Accountability Fund funded by Netherlands Embassy • Forest Sustainable Management (PROSPER) funded by EU and MCNV • Improvement of quality of tropical fruit in Vietnam sponsored by RVO.
<p>Total fte staff</p>	<p>13 (9 FTE at Hanoi office, 4 FTE at CVN office).</p> <p>By the end of December 2020, one staff has left, so remaining 12 staffs.</p>
<p>Estimated direct beneficiaries</p>	<p>About 8,000 people</p>
<p>Estimated indirect beneficiaries</p>	<p>About 10,000 people</p>

Country leadership

MCNV Vietnam leadership remains stable, strong, and independent in program management, quality control, organizational development, and governance. In this area, MCNV team in Vietnam requires no support from head office.

Program management including fund raising/acquisition

In 2020, together with other MCNV offices, MCNV Vietnam participated actively in the process of a new strategic plan development that will shape our programme focus on the coming period 2021-2025. In term of fundraising, 2020 was still a difficult time for MCNV in general and Vietnam in

particular. In year 2020 MCNV Vietnam continued to work closely with Senior Fundraising Advisor and MCNV team in Amsterdam to prepare proposals for new project. We also keep close monitoring on all funding opportunities including that related to the new USAID grant for Inclusion of PWD in Vietnam. The budget from MCNV private funding played a very important role to continue projects that were committed to partners as well as share costs with main donors of EU and USAID. By the end of 2020, there are 2 remaining programmes/operational work that we were not able to implement yet as per plan. These are (1) update of the personnel policies and (2) development of M&E database management. These will be made priorities for 2021.

Financial management

2020 is the second year we applied Exact Online software in finance management, and we really appreciate its convenience and benefit, especially as it helps saving time in preparing reports and sharing data of expenditure among MCNV offices. To maximize the added value of this software we still need to develop a customized format of report for quarterly and annual report that serves the need of internal program management. In 2020, MCNV in Vietnam also developed and applied a new procurement manual, which is part of our efforts to improve overall management, including financial management.

HR management

in 2020, a new employee is added to our team in Quang Tri, as Project Assistant for PROSPER project. In Hanoi, the Project Coordinator of OT education development completed her contract per the ending phase of the project in September.

Communication & Branding:

Apart from maintaining our regular communication work through Facebook and website, exchange information with donors, visitors, partners, in 2020 we focused to do more communication on specific programs/projects, such as for WE program, NSA project and PROSPER project. A lot of media products and documentation on these projects were produced and disseminated in the year that contributed to raise MCNV's profile and facilitate further networking in the related fields.

2.2 Programs and management in Lao PDR

In 2020, MCNV in Lao PDR continued to implement our existing programmes and projects, namely LEARN, CANTEEN and NSA-WOTRO. LEARN was successfully completed at the end of October 2020 after 5 years and some months of extension allowed by the donor – the EU. CANTEEN and NSA-WOTRO had a good year, especially with a lot of activities under CANTEEN accelerating compared to the year 2019.

In terms of human resource, the team in Laos was stable except those who completed their contract in line with the completion of the LEARN project.

Overview key figures as per December 31st, 2020

Number of projects	3
Total number of fte staff	11
Total number of direct beneficiaries	<p>LEARN: 5 PhD students, 4 post-doc candidates, 20 MPH students</p> <p>NSA- WOTRO: 2 PhD students</p> <p>CANTEEN: 20 villages in Nong district, 7 interns from Lao universities</p>
Total number of indirect beneficiaries	<p>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)</p> <p>CANTEEN: 27,705 men, women, and children in the 20 selected villages in Nong district, CoDA staff</p>

Country leadership

We had the same country leadership in 2020 as in 2019 and it was helpful to keep the team and project implementation stabilised. As the country director had more experience with the team and the programme compared to 2019, she was able to spend more time working on new project ideas and searching for funding opportunities as well as in leading the discussions in the country to develop the new strategic directions for MCNV in Laos in the coming five years, 2021-2025. Unfortunately, as the cost of the position was largely linked to LEARN and due to lack of funding in the pipeline after the completion of LEARN, MCNV did not have any other option than discontinuing the expat position of country direction in Laos at the end of 2020.

Programme management

Programme management went well with both LEARN and CANTEEN (NSA-WOTRO is a project contributing to part of this). LEARN was successfully completed at the end of October (after 6 months extension approved by the EU). All key targets of the project were achieved and presented in the final report to the EU. CANTEEN is really accelerating its activities at the village and district levels. This helped to ensure that the project is going to achieve its intended objectives and targets as per original design.

Fund raising/acquisition

Although the team has tried, the difficulties related to COVID-19 made 2020 not a successful year in terms of fund raising in Lao PDR. There were no new annual calls for proposals as expected from our traditional institutional donor, for instance the EU delegation in Laos. With support from the fundraising team in Amsterdam, we submitted two new project proposals to potential donors in the Netherlands, but both were not successful. The decision on a new application with the AFAS Foundation for the new project 'Together in action for mother and child in Nong and Sepone, Laos', was expected before the end of 2020, but came in positively in the spring 2021.

Financial management

In 2020 the finance manager from Laos participated actively in the process of harmonisation of MCNV financial practices and administration. This went well, with much work initiated and worked out by the country team itself which created extra work at some point but at the same time increased ownership and confidence in using the practice. The communication on financial management between Laos office and Amsterdam office has been very effective and smooth in 2020.

HR management

2020 was a more quiet and stable year for MCNV in Laos in term of staffing. Almost all staff working in Laos in 2020 have been with the organisation for some time which helped the coordination of the work more effective. In 2020, the team also focused on updating and revising the HR, Staff and Office manuals to make them accurate and up to date. Staff annual evaluation was also used more consistently among all staff in Laos.

Communication & Branding

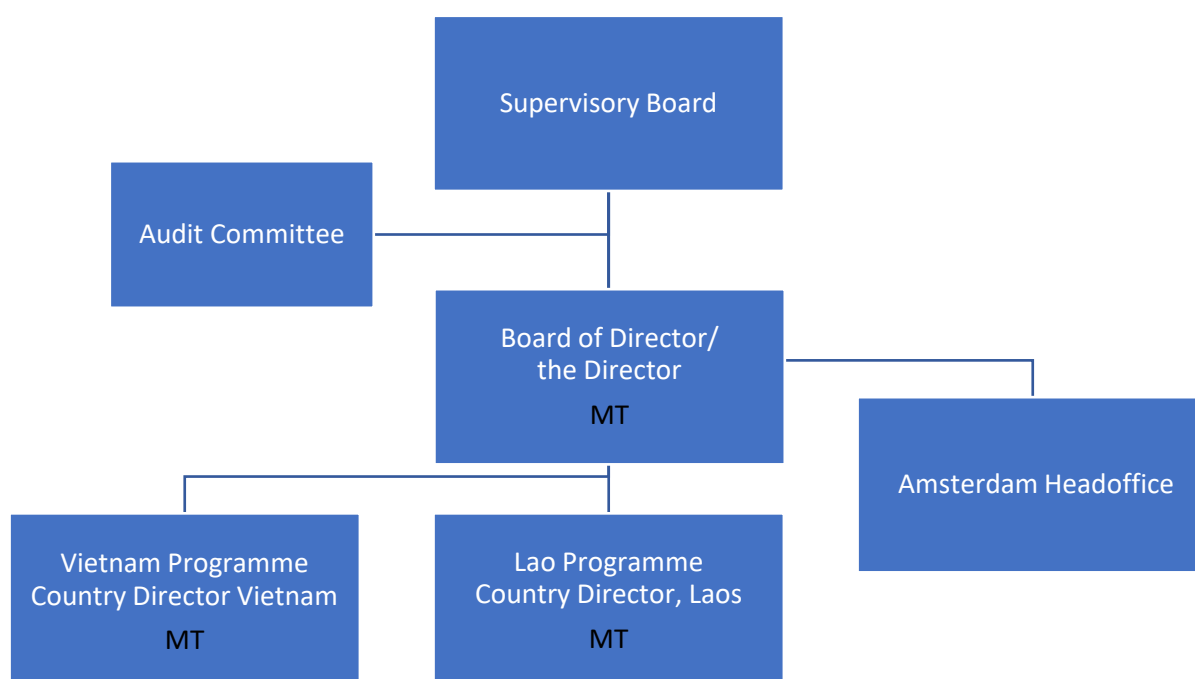
There is no separate function within the Lao team for communications and branding. The programme managers have integrated this within the visibility and communication components of their relevant projects such as LEARN or CANTEEN, through sharing their documentation video clips, case studies or presentations at events such as National Health forum.

3. MCNV – ORGANIZATION

3.1 Governance structure

In 2020, MCNV operated on the same structure as before, illustrated below.

The functions of supervision and management are formally separated and stated in the statute. 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.



Board of Director

In 2020, the position of Board of Director (also referred to as General Director) of MCNV is assigned to Ms. Huyen Thi Hoang. MCNV remains having a one-person Board of Director with the main responsibility, for management of MCNV and for the implementation of its programmes and activities in compliance to the relevant law or the Articles of the Foundation. The Board of Director is also responsible for the programmatic and financial management of MCNV through periodical evaluation of financial, narrative/programmatic and performance (team) reports. The consolidated annual account shows MCNV's expenditures and financial position. The Board of Director informs the SB in written reports on quarterly basis. In each of the scheduled meetings of the SB, the Board of Director presents her announcements and decisions in writing consisting of all key changes and decisions made during the period between the previous meeting and the current meeting. All announcements and decisions made in 2020 by the Board of Director are registered in the SB meeting document folder.

Supervisory Board

As stated in our Articles of Association, MCNV has a supervisory board (SB) whose functions and duties are separated from the Board of Director. The main responsibility of the SB is to review and approve the key resolutions proposed by the Board of Director, which include multi-year strategic plan, annual plan and budget, annual reports and any decisions that are outside the day-to-day management authority of the Board of Director. Membership of the SB is voluntary. Apart from direct costs of travel, members of the SB receive no remuneration.

In 2020, MCNV had the same members of its SB as compared to 2019, with one exception that Mr. Henk van de Ruit would have finished his two terms as SB member by 20th September 2020 but we discussed with him and he agreed to stay until the end of the year so that we had enough time to find and agree upon a replacement.

Both Chair Ms Marijke Postma and member Mr Pieter van den Hombergh accepted the appointment for a second term. The table below provides 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	16-06-2016	16-06-2020	16-06-2024
Marijke Postma-Rustenhoven	Chair	16-06-2016	16-06-2020	16-06-2024

Audit committee

MCNV's audit committee consists of two SB members and in 2020 they were Mr. Henk van de Ruit and Ms. Marijke Postma-Rustenhoven. In 2020, the audit committee held two meetings, one in May 2020 to discuss the management letter from the annual audit, and the other one in July 2020 to discuss possible desired or required changes in the handling of stocks and shares stemming from a long existing donation.

Evaluation

The SB and the Board of Director evaluate themselves annually. The results of this self-evaluation were shared in a SB meeting. Below are overviews of the evaluation by the SB and the Board of Director for 2020.

The Supervisory Board (SB) is satisfied with the information given by the Board for the meetings of Board and SB and the formats of this reporting. In 2020 we had four formal meetings, three at the

office, one by Skype. SB participated in the process of a new Strategy Plan and is in a good way informed in between meetings. The process of the Strategy Plan is delayed, mostly because of Covid-related issues as travel restrictions and extra workload for staff.

At the end of the year, we welcomed a qualified candidate for the financial portfolio in the SB. A smooth hand-over will facilitate her official start in 2021.

SB members are independent, sufficiently critical as well as respectful towards each other. The composition of the SB and the profile of the individual SB members are for now in line with the needs of the organization.

2020 was the first full year of the Board of Director being in position. It was a challenging year with the Amsterdam office becoming smaller while the amount of work remained the same. Overall, the Board of Director is happy with how the organisation has made it through the year 2020. The overall programme and financial performance presented with positive progresses, despite the impact of the COVID-19. Coordination and collaboration among teams in different countries have been effective and supports are given in time from different parts of the organisation, including the SB, Amsterdam office and staff from Vietnam and Laos. In addition, we also had good internal discussions on the new strategic directions for the organisation in the coming years. The discussions were open and included difficult issues as well but at the same time gave clearer aspiration and fresher motivation for everyone in the organisation for the way ahead.

3.2 Executive organization

2020 presented with no change in MCNV's executive organisational structure, remaining with head office in Amsterdam, and offices in Vietnam and Laos. In Vietnam, all our staff are Vietnamese. In Laos, we had 2 expat positions, one as LEARN senior technical advisor/country director and one as LEARN program manager.

MCNV has a Management team (MT), which consists of the Board of director, and the 2 country directors from Vietnam and Lao PDR. The MT meets regularly to coordinate activities, propose key decisions, and communicate directives and plans approved by the SB to all staff. Country directors are responsible for the consistency and quality of the activities in Vietnam and Lao PDR. In Amsterdam, the Board of director is responsible for the overall organisational consistency and quality.

Approach to monitoring and evaluation

The performance of the projects, programmes and other operational activities is monitored through MCNV's quarterly and annual planning and reporting system. The activity plan includes the objectives and expected results and outputs each of the projects are planning to achieve as well as the accompanying resources. The annual plan and budget are prepared by the country teams, consolidated by the Amsterdam office, and then approved by the Supervisory Board. The quarterly reports include key performance indicators (technical and financial, in line with objectives/expected results/outputs and resources set out in the annual plan) under each of the area of work, and each project, programme. This provides information on how progresses are made towards achievement of these key indicators, justification for variance if any and actions to be taken in the next quarter. This

report is prepared and reviewed by concerned staff including the project coordinator, programme manager, fund raising advisors, country directors, Board of director and the SB members.

Program/project monitoring and evaluation was done according to the requirements of the donor and the size of the program. Institutional donors and foundations received reports in writing as per agreed frequency and format. In case of a labelled private donation the donor received a written report at the end of the activity. In addition, MCNV reported to our private donors and other stakeholders in its newsletter and in the annual report.

Human resource

In 2020, MCNV employed a total number of 29 staff, equivalent to 23.7 full time employee (FTE). We had 2.29 FTE in Amsterdam office, 12.6 FTE in Vietnam and 8.81 FTE in Laos. Except two expatriate positions in Laos, all MCNV staff positions are national as per definition in association with staff's duty station. An overview of MCNV's 2020 staffing, their duty station and staffing cost is shown below. MCNV's staffing cost structure consists of salary and other legal contributions as per local labour law. In the Netherlands, MCNV applies a salary scale with reference to the average salary index for non-profit in the Netherland, while the salary scales of MCNV in Laos and Vietnam are based on periodical local salary surveys among similar international NGOs working there.

Staff from Amsterdam office	Number	FTE (average 2020)	Total staff cost in 2020 (Euro)
Director MCNV	1	0.6	47,470
Sr. Advisor Fundraising & Communication	1	0.6	55,823
Business Manager	1	0.6	42,710
Donor and Financial Employee	1	0.49	26,552
Subtotal	4	2.29	172,555

Staff from Vietnam	Number	FTE (average 2020)	Total staff cost in 2020 (Euro)
Country Director Vietnam	1	1	48,829
Chief of Office/ Program Manager	1	1	31,100
Finance manager	1	1	23,714
Accountant A	2	2	36,530
Assistant A	2	1.9167	20,053
Program Coordinator	4	4	87,771
Program Officer	1	0.75	12,266
Communication coordinator	2	0.966	13,041
Subtotal	14	12.6	273,304

Staff from Lao PDR	Number	FTE (2020)	Total staff cost in 2020
Country Director Lao PDR *	1	1	66,281
Expat program manager *	1	0.83	39,829
Senior agriculture project officer	1	1	15,017
Project officer	3	1.73	19,263
Finance manager	1	1	22,256
(National) Programme manager	1	1	24,412
HR & admin manager	1	1	17,884
Finance and administrative assistant	1	1	12,090
Senior Project Coordinator	1	0.25	5,861
Subtotal	11	8.81	222,893

* *expat positions*

Volunteers

In 2020, MCNV continued to receive support from our long-term volunteers, including members of the SB, and the editorial staff of MCNV's newsletter. As stated in MCNV's HR policy, volunteers do not get paid, but they get a refund of the related travel expenses, upon submission of travel receipt.

All volunteers in 2020 are related to the work in Amsterdam office. The table below presents the total number of hours and persons who volunteered for MCNV in 2020.

Volunteers in 2020	Number of persons	Amount of time in days
Supervisory Board	5	40
Editorial staff	4	32
Total	9	72

Students

In 2020, due to COVID restrictions, we did not have any student from the Netherlands working with our programmes or projects in Laos or Vietnam. In 2019, we had 5 Laotian students working as interns in our CANTEEN project in Nong. They have finished their internships by the end of 2019 but in 2020 they volunteered to stay in Nong to provide their voluntary support to the different activities there. Three female students who finished their study on food technology provided support to the implementation of the BCC (behaviour change communication) on nutrition for mothers and carers of children under 5 years old in our 20 project villages. One male student who finished his study on animal husbandry and veterinary care stayed on to provide voluntary support to the implementation of home gardening, household animal husbandry and school gardening. Another male student who finished his study on architecture and construction volunteered to support implementation of the small projects (water system repair or construction) by the VDCs in the project villages.

4. TRANSPARANCY AND ACCOUNTABILITY

4.1 Quality of the organization

In 2020 MCNV continues to operate within the following standards and certifications:

- Seal for charity standards certified by the Dutch Central Bureau of Fundraising (CBF). This approval applies to our accountability and transparency policies and practices.
- As member of PARTOS, we use PARTOS'S guidance regarding code of conduct and quality of non-profit organisation. We also applied the requirements of the Code of Good Governance from the committee Wijffels.

In addition, MCNV ensures quality management by implementing recommendations from the management letter of our accounting firms. In 2020, MCNV's financial statements in Vietnam are audited by Deloitte, in Laos they are audited by Price Waterhouse Coopers. In the Netherlands, BDO was commissioned for the group annual audit of all MCNV's financial statements, including in Lao PDR, Vietnam, and the Netherlands.

4.2. Risk Management

The risk and mitigation plan for 2020 is presented in the annex B-3. Most of the risks are related to specific project implementation and we managed them well according to the detailed plan in the Annex B-3. Organisational risk in 2020 was associated to the question of what and how to secure continuation of MCNV's programme in Laos after 2020 when our biggest funding (LEARN programme) would be ended. We tried our best and joint efforts from different offices including Amsterdam, Laos, and Vietnam to write and submit new project proposals to source new funding for Laos. In the meanwhile, we worked on a back-up plan in case there is less or no confirmation of new funding for Laos in 2020. At the end of 2020, we did have to lean ourselves on the back-up plan as there was no new funding for Laos secured during 2020.

4.3. Integrity

We maintain our communication schemes with our donors, partners, and beneficiaries where we learn from their perspectives on how our programme performance and operation are. These are reflected in the regular communications and formal documents that we share with our stakeholders, such as partnership agreements, reports, website updates and bulletins, through which we exchange with our donors, partners, and beneficiaries not only on achievements but also on things to be improved. With our private donors in the Netherlands, we occasionally organise meetings to communicate about what we do and learn from our donors on ideas for new programmes as well as ideas for how to improve the organisation's performance. Details on meetings and communications with donors in 2020 is reported under fundraising and communication section.

In our partnership agreement with partners on each of the projects we implement, we have identified focal points and contact person where concerned donor, partner, and beneficiaries can get

in touch for any issues concerning the projects. There are also terms set out in the agreement on procedures to follow in case of further concern or conflict.

Internally, MCNV has included integrity in our personnel manual and procedure and guidance on how staff can raise concern and the steps the organisation needs to take to respond to concerns made by staff against the organisation. The personnel manual also includes other related policies and procedures including code of conduct, anti-corruption, child protection, and conflict of interest, that are applicable to all employees.

4.4. External complaints

MCNV has a procedure for external complaint that is applicable to our stakeholders¹ and through which our stakeholders can file a complaint or concern related to MCNV's work and service. This is monitored and complaints from our stakeholders are registered and responded to as per procedure. In 2020, we did not receive any complaint from any of our stakeholders. Through the function for comment and complaint on our website, MCNV was contacted twice in 2020. One entry was an application for the position of volunteer in the OT project, the other one a supportive comment on our magazine.

5. COMMUNICATION, PUBLIC RELATIONS & FUNDRAISING

MCNV's fundraising and communication work aims to build relationships with our donors to seek financial support for our programs in livelihoods, health, nutrition, disability inclusion, education, policy changes, which are needed to improve the lives of disadvantaged people in South East Asia.

5.1. Fundraising

Our main goals for fund raising and acquisition for 2020 are: (1) strengthening relationships with donors and (2) finding new funding sources to meet our programme needs in Laos and Vietnam. Apart from securing the income from MCNV private donor and seeking grants from institutional donors like the EU, USAID, or the Dutch Ministries, we will strengthen our efforts in finding financial support from (new) capital- and family funds and business/companies that are interested in or active in the countries where we work.

At the beginning of the year, we planned our fund-raising goals and objectives and below is the overview of how we have done with the fund-raising objectives and activities for 2020.

Objective 1: Strengthening relationships with donors.

With this objective, we meant to maintain commitment from our private donors in the Netherlands with whom we worked out funding relationship through regular donations, quarterly campaigns for

¹ MCNV identified the following groups as our clients and stakeholders: (1) project beneficiaries and partners in Vietnam, Lao PDR; (2) Private donors in the Netherlands; (3) Private funds (family and asset funds); (4) Institutional donors; (5) Corporate donors.

specific project donations and legacies. In 2020, results from this private donor fund-raising are as follows:

- The four quarterly campaigns in 2020 include: (1) **Food projects Vietnam/Laos**, which raised **€ 32,953**; (2) **Sustainable Forestry and farming** which raised **€ 33,249**; (3) **Food project Laos** which raised **€ 28,140**; and (4) **Project support Vietnam/Laos**, which raised **€ 15,199**, total campaigns **2020 € 109.541**.
- Our regular donations from private donors in the Netherlands in 2020 raised **€ 277,849** in total.
- In 2020 we received a total amount of **€ 298,891** from wills and testaments.

Objective 2: finding new funding sources to meet our programme needs in Laos and Vietnam.

In 2020, for this objective, we aimed to establish partnerships with three new foundations in the Netherlands for engaging in new funding relationships for our projects in Vietnam and/or Laos but this target was not met, mostly due to COVID situation that diverted donors' priorities and due to the fact it requires times to establish such a relationship.

In terms of funding relationship with institutional donors, in 2020 we could secure a new funding relationship with the Dutch Government, through RVO (Dutch agency for enterprises), for improving quality of fruits in Vietnam. The total funding contribution from RVO is 450,000 euro for three years. Also, in Vietnam, USAID agreed to have a new extension of the OT (occupational therapy) education project for another 2 years (from October 2020 – September 2022), with a total funding of 413,077 USD in which MCNV is contributing 69,255 USD as cost-share.

5.2. Communication and Public Relations

For communications in 2020, MCNV set out two main objectives and the following presents an overview on how we have achieved the communications objectives for 2020.

Objective 1: Building closer relationships with MCNV donors and partners through improved virtual communications.

We continued to issue four printed magazines with informative stories and pictures to share with our regular private donors in the Netherlands. In these magazines, we communicate about the progresses in the projects we do in Vietnam and Laos. We also included information about the specific campaigns that we raise funds for during the year as mentioned under fundraising. This went well despite restrictions in relation to COVID-19. In addition, we also worked on to improve the outlook as well as the accessibility of our website. The website looks fresher and with a more simple, clearer design, which makes it easier for visitors to find the information they are looking for.

Objective 2: Building closer relationships with MCNV donors and partners through face-to-face interactions.

In 2020, we planned to organise a next donor tour with the intention to include project visits to Laos as well as Vietnam. We received subscription from quite a good number of interested donors but unfortunately with COVID-19 situation, at the end we had to cancel the trip. Also, the COVID regulations did not allow us to organise any face-to-face meetings in the Netherlands in which we

would have planned to engage our private donors in the process of shaping up MCNV's programme directions in the coming 5 years. Our staff tried to maintain some level of contact with our donors through individual contacts and phone calls, but no group meetings took place.

6. FINANCIAL POLICY & MANAGEMENT AND QUANTITATIVE DATA

6.1 Budget and realisation of plan 2020

MCNV's 2020 budget was approved by SB from the first presentation in December 2019, although the budget was presented with a minus of 150K at the outset, but the teams presented with a clear plan how to manage the gap during implementation.

Following on with positive experience in budgeting and strict monitoring of the activities and expenditure, in 2020 MCNV ended up with a positive balance, despite the impact of COVID- 19. The detailed results for 2020, as well as differences in program budget versus realisation can be found in paragraph 6.8.

6.2 Contract processing

In 2020, MCNV applied the contracting process as informed in the last report that contracts are made for all projects per annual plan and the report is made on actuals. In 2020 therefore all MCNV's contracts with our local offices are made based on the approved annual budget and results are reported as per actual expenditures.

6.3 Financial administration

MCNV uses Exact Online as the accounting software for our financial recording in all our offices in the Netherlands, Vietnam, and Laos. Our financial administration is based on the cycle of annual plan with budget, with requirements on quarterly reporting (financial and narrative) and annual reporting (narrative and annual account). In MCNV's financial administration and financial management there is 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 finance administrator based in Amsterdam.
- The draft annual account was approved by the Board of director, subject to the adjustments discussed. This draft was discussed with the audit committee.
- The Board of 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 a group audit in the Netherlands.
- The SB approved the annual report and annual account, the auditor issued an approved statement.

Each year the auditing firms in Vietnam and Laos do separate audits in the country and coordinate management letters with the group auditor in the Netherlands. The group auditor consolidates the management letters into one audit report. This report was discussed with the audit committee, Board of director and concerned staff.

6.4 Development of capital and appropriated funds

MCNVs 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 Board of director consults with the concerned staff to determine the desired continuity fund. In principle, this is the amount needed to keep the organization running for just under 1.5 year.

With the approval of the new strategic plan for the period 2021-2025, reserves for the development of the formulated strategic goals in both Vietnam and Lao have been installed.

In addition, MCNV spends 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, are kept in an appropriated fund. Contracts signed with partners determine the amount charged to a specific appropriated fund. The remaining amount will stay available for the same kind of activities for which the funds were received unless the Board of director has informed the concerning donors about the change of use of the concerned remaining fund.

6.5 Investment policy

The majority of MCNV's funds is put in saving accounts.

In 1997 MCNV received stocks and shares including that of Dutch publishing house Wolters Kluwer with a value of € 890,000 as a gift from a family. Those shares and stocks have been put in one of our bank accounts as per the date the gift was made. MCNV does not do any active trading with these. Annually in a SB meeting the minimal sale value of the shares is set. The Board of director has the overall responsibility for monitoring the values of the shares and include it in the quarterly and annual accounts to present to the SB. The Board of director can sell shares when the following conditions set by the SB are met:

- The Board of director cannot make this decision by himself/herself but must make it in agreement with either the financial manager or the financial expert of the SB.
- The reason for the sale of an X number of shares should be clearly justified.

- The Board of director can only sell shares when the sale value is equal or higher than the minimum value set out in the SB meeting.
- Only in consultation and after approval of the SB exceptions of these conditions can be made.

In 2020 the value change on this was **€ 54,232**. Unrealised profit per 31-12-2020 was **€ 848,383**.

6.6. 2020 Income and explanations

This section presents key information and explanation on MCNV 2020 incomes. Further details are provided in the financial statements/annual accounts in the annex. MCNV's incomes are categorised into three (03) groups, including: (1) from private donations; (2) from non-profit organisations; and (3) from governmental and institutional grants.

6.6.1 Income from private donations

MCNV made budget on these as objectives for our fundraising activities, and estimations are based on the result from previous years and what is known to us regarding to be expected legacies. On these incomes, we present the budget and the result as per our accounts but no further explanation.

INCOME	2020 Budget	2020 Realization	Difference
a) Campaigns	85,000	121,982	36,982
b) Donations, general gifts	250,000	278,128	28,128
c) Specific donations	50,000	15,325	(34,675)
d) Inheritance and legacies	50,000	298,891	248,891
e) Fundraising Vietnam			
f) Result from sales of goods		225	225
Total	435,000	714,551	279,551
a) Campaigns	2020	2019	2018
Number of donations	2,808	2,731	2,976
Average donation	€ 43,42	€ 38,86	€ 37,68
b) Donations, general gifts	2020	2019	2018
number of gifts debt collections/ bank transfer	7,841	8,296	8,604
Agreement Periodic Donations	€ 90,974	€ 87,569	€ 86,908
	2020	2019	2018
c) Specific donations	€ 15,325	€ 6,880	€ 115,320
Result from investment, currency, interest	2020 Budget	2020 Realization	Difference
	25,000	70,725	45,725

- **Annual campaigns/actions with private donors:** In 2020 MCNV had four fundraising campaigns among our private donors in the Netherlands. The benefit was 43.5 % more than budgeted, which based on slightly decreasing results in previous years was set too conservative.
Budget: € 85,000 – Result: € 121,982

- **Non-specific donations from private donors:** The benefit was 18.7 % more than budgeted, mainly because of a few extra donations. Budget: € 250,000 – Result: € 278,128
- **Specific donation:** the benefit was 69.4 % less than budgeted.
Budget: € 50,000 – Result: € 15,325
- **Inheritance and legacies:** The benefit was 497.8 % more than budgeted. The actual timing of receipt of legacies and inheritances cannot be planned in a budget
Budget: € 50,000 – Result: € 298,891

6.6.2 *Income from non-governmental/non-profit organisations*

The income from non profit organisations was **lower (16 % less)** in 2020 than budgeted. This income is linked to the actual expenses in the project and this is well monitored.
Budget was **€ 395,548**; result: **€ 331,738**.

6.6.3 *Income from Governmental & Institutional Grants*

MCNV formulated a policy on generating income from institutional grants from governments and other institutes. The annual income on this is estimated based on the balance and stage of the existing contracts that we have with the government and institutional donors. The budget for each of the grants is linked directly to the plans and reports that MCNV has with the donors. Variances between budget and results are explained in the specific grant reports.

In 2020, the total benefits from government and institutional grants were 16 % less than budgeted. Budget was: **€ 1,451,717**; result was: **€ 1,226,057**. The main explanation for the variance between budget and result for this income is that some of our projects experienced delays in their implementation plan. As these projects are on-going, the delays were reviewed by the concerned staff and informed in our reporting and next plan submitted to the concerned donors as per agreed procedure.

Among these institutional grants, MCNV focuses on those that provide a contribution for MCNV's own organisation costs for management and advice. In 2020, the followings grants were running and contained MCNV's own contribution:

LEARN **Euro 2,710,336**

This is an EU funded project and implemented by MCNV in Lao PDR, between May 2015 – April 2020 and in 2020 the EU granted a no-cost extension for 6 months, till the end of October 2020. 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 **Euro 1,310,980**

This is an EU funded project and implemented by MCNV in Lao PDR between Jan 2017 – June 2021. MCNV's own contribution for implementing the program (20%) is € 262,196 covered by co-financing of programs with WOTRO and AFAS.

VALOR – Occupational therapy**US\$ 1,153,618**

Vietnam Advancing Leadership on Rehabilitation (VALOR) a five-year program funded by USAID, Oct 2015 – Sept 2020. The program is focused on the development of a University Course Occupational Therapy.

MCNV's committed cost share in this is 15%, or US\$ 173.043. MCNV's cost share is covered by contribution from an undisclosed Dutch family fund.

VietHealth - Speech therapy**US\$ 1,125,210**

This is five-year (Oct 2017 – Sept 2022) program funded by USAID on the development of Speech and Language Therapy (SALT). MCNV's cost share in this is 15%, or US\$ 280,809. MCNV's cost share is covered by contribution from an undisclosed Dutch family fund.

PROSPER – Sustainable forest management**Euro 800,000**

This is a three-year (Feb 2020 – Jan 2022) EU funded project to strengthen forest sustainable management that contributes to achieving target of REDD+ provincial and national program in Quang Tri province, Vietnam. MCNV's co-financing requirement in this is 25 %, or Euro 200,000. This contribution is covered by MCNV's private donations and other sources as appropriate and allowable.

6.7. 2020 Expenses for Objectives and explanations

Type of expenses	2020 result	2020 budget	Percentage Result vs. budget
Structural projects			
Projects on transaction base	254.594	253.367	100,5 %
Projects on cash based	1.511.393	1.707.701	89 %
Other project expenses	27.389	-	
Subtotal structural projects	1.793.376	1.961.068	91,5 %
Other expenses			
Staff expenses	65.554	170.012	39 %
Housing	19.917	2.227	894 %
Office and general cost	32.019	55.603	58 %
Depreciation and interest	261	180	145 %
Subtotal other expenses	117.751	228.022	51,6 %
Total expenses on objectives	1.911.127	2.189.090	87,3%

The table above shows the comparison between the result 2020 and the budget of MCNV's expenses for objectives.

The actual expense on projects on cash base is 11% lower than budget (result 89%). The main differences are linked to EU PROSPER project in Vietnam and to those funded by USAID in Vietnam (OT, ST and I-thrive). Due to COVID-regulations, travel was restricted. Trainers from Australia who were supposed to come to Vietnam to organise training could not come and the training therefore was organised online which reduced much costs. The EU PROSPER project experienced lower expense due big flooding in the region in September - November 2020.

Differences in other expenses stem from mistakes in the budget: salary costs of Laos expat staff was included in the Amsterdam budget, as the payment is made from there, but the actual costs are charged to the projects (LEARN and CANTEEN). Therefore the actual expenses on staff under the category other expense is much lower. There was a mixing up of the budget lines Housing and Office and general cost in which office rental in Amsterdam was added under Office and general cost in the budget (total 55,603) but the actual is righteously put under Housing.

6.8. Explanation of other key figures

Fundraising cost vs. income

As per requirement of the Central Bureau on Fundraising (CBF), MCNV reports on the expenses for fundraising over a period of three consecutive years. The requirement from CBF states that the organisation's fundraising expenses 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 is shown below.

	Expenses of fundraising	Total Benefits of fundraising activities	Percentage
2018	€ 107,494	€ 544,639	19.7%
2019	€ 68,365	€ 507,116	13.6%
2020	€ 91,907	€ 714,326	12.9%
Average over three years:	€ 89.255	€ 588,694	15.4%

Percentage of management and administration cost

Also, as per the CBF's regulation, MCNV established a standard for the maximum expenses of Management & Administration. MCNV's SB set out the maximum cost of Management & Administration during a year at 9 % of the total expenditures. The table below is our actual percentage of costs of management and administration over three executive years.

	Expenses of Management & Administration	Total Expenditures	Percentage
2018	€ 137,217	€ 2,036,588	6.7 %
2019	€ 111,052	€ 1,987,200	5.6 %
2020	€ 92,853	€ 2,183,534	4.3 %

Expenditures on objectives vs. income

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

	Total expenses on Objectives	Total Income	Percentage
2018	€ 1,791,877	€ 1,867,417	96.0 %
2019	€ 1,807,783	€ 2,155,243	83.9 %
2020	€ 1,998,774	€ 2,379,365	84.0 %

6.9. Remuneration of the director and supervisory board members

MCNV follows the Remuneration Regulation for Directors of Charity Organizations (see www.goededoelennederland.nl). MCNV has only one executive function, i.e. the Board of director, falling into this category. The supervisory board members do not receive remuneration.

The regulation sets a maximum standard for the annual income based on BSD score of [430] points with a maximum annual income of EUR 119,322 (1 FTE/ 12 months). The total income of MCNV Board of Director, Ms. Huyen Thi Hoang in 2020 was 34,355 EUR (0.6 FTE/ 12 months). This income remained within the applicable limits.

The annual income, the taxed allowances/ additions, the employer's contribution to the pension, the pension compensation, and the other long-term benefits (for Ms. Huyen Thi Hoang, with an amount of 13,116 EUR) remained within the maximum amount per year included in the scheme and these costs were within reasonable proportion to the annual income.

The amount and composition of the remuneration are explained in the table below. In 2020, we did not provide any other special payment in relation to any of our executive positions.

MCNV	Director 2020
Type of contract	Indefinite
Hours	22.5
Labour Percentage	60 %
Labour Period (in months)	12
Gross salary per year	31,810
Holiday allowance	2,545
Other taxable allowances	
Variable income	-
Subtotal remuneration	34,355
Social Security costs (paid by employer)	6,184
Taxable disbursements	-
Pension contributions	6,212
Other (future) benefits	720
Severance pay	-
Subtotal other costs	13,116
Total Salary Costs	47,470

Amsterdam, 15 juni 2021

Huyen Thi Hoang

Board of director, MCNV

M.I.A. Postma-Rustenhoven

Chair MCNV Supervisory Board

Annex A-1 Programme/project annual reports

1.1 Programs in Vietnam

Key achievements under programme 1 – support people with disability

Project 1: Occupational Therapy Education (OT)

- 5 Rehabilitation teachers at Hai Duong Medical Technology University and Ho Chi Minh University of Medical and Pharmacy completed their Bachelor course in India in March 2020 and continued their study on Master of Occupational Therapy at the same school – Manipal Academy of Higher Education (MAHE) in September 2020.
- 57 students of BOT course graduated from HTMU and UMP-HCM and found job after graduation.
- BOT curriculum was developed and piloted successfully as the first ever OT education at Bachelor level in Vietnam
- A network of OT professionals is established through a national workshop to sharing OT experience practices and orientation for development of a National Association of Occupational Therapist.

Project 2: Speech Therapy Education (ST)

- The proposal on Master training on Rehabilitation Techniques with specialization in ST in UMP was approved by MoET for implementation.
- 14 Master course students completed their first-year study and continued the final year of study.
- 20 Bachelor students completed the second year and continued their 3rd year study.
- 4,600 pages of ST textbooks were translated and used as learning materials for students of both Master and Bachelor courses
- A website of Vietnam ST is well maintained as platform for ST practitioners to exchange experience and information.

Project 3: Interdisciplinary Rehabilitation for Children with Intellectual and Developmental Disability (I-THRIVE)

- 24 health staff from Quang Nam and Thua Thien Hue completed 12-month OT course at Hue University of Medicine and Pharmacy (UMP).
- 11 health staff of Quang Nam and Thua Thien Hue completed 12-month PT course at Danang University of Medical Technology and Pharmacy (UMTP)
- 21 health staff completed 12-month SALT course at Danang UMTP
- An Activity of Daily Living (ADL) Lab was built and operated at Hue UMP

- Basic rehabilitation equipment is available at 9 District Health Centres of Thua Thien Hue province.

Project 4: Development of Supportive Centre for Children with Disability in Dien Bien

- 40 children with disability (hearing and intellectual disability) enrolled in the centre.
- Parents of the 40 children trained about care and education for their children
- 200 staff from education sector and other relevant sectors participated in awareness raising activities on early detection, early intervention, and education for children with disabilities.
- 04 classrooms and intervention rooms in the Support Centre are equipped with enough basic tables, chairs, learning materials
- 04 children's accommodation rooms in the dormitory are equipped with enough basic appliances.
- 20 staff of the Support Centre and Dien Bien DoET joined capacity building activities on education for children with disabilities to be capable of running the Centre effectively.
- 35 education managers and teachers from district DoETs and mainstream schools participated in disability capacity building to implement education for children with disabilities.
- Information about early detection, early intervention, and education for children with disabilities is transferred to all 10 districts/cities in Dien Bien.
- 300 children with developmental delay symptoms screened and parents are consulted.

Lesson learnt from implementation of programme 1- Disability

- Grant from USAID is important for our Disability Program; however, the implementation is quite challenging because of strict regulations of and intensive involvement from the donor.
- Support from an undisclosed Dutch family fund was great and important for this program.
- Adequate capacity building for partners is essential for handing over the results of the project
- MCNV's strong expertise and network is key for USAID's decision on granting us the projects OT and SALT Education in partnership with Medical Universities and Health Ministry.

Key achievement under Program 2: Women Empowerment (WE) in Ben Tre province

Project 1: Cooperatives for poor women in Mo Cay Nam and Mo Cay Bac district, Ben Tre province – Funded by GSRD Foundation

- 8 cooperative groups established and well-functioning
- 235 women are trained (through 8 courses) with suitable skills for their selected businesses
- 148 jobs created for 148 poor women in the field

- Cooperative members increased income by 30%. The duck raising group earned high profit (10 mil VND x 4 cycles per year); cow, goat raising groups have good profit potential (most of the animals are kept for raising). Garment processing group and coconut string group members earn 2 – 4 million VND/month
- 2 media products produced documenting the project experience; (i) General introduction of GSRD project in Ben Tre and (ii) Focuses on cooperative group outstanding character and features.

Project 2: Comprehensive Livelihood Adaptation for The Poor Women Suffering from Drought and Salinity Condition in Mekong River Delta 2017 – 2020 – funding by undisclosed fund – Phase 2

- 6 new cooperatives established in 2020, totalling 14 cooperatives being established with the support from the project (out of 19 cooperatives originally planned).

Project 3: A community-based eco-green solution to solid waste treatment. UPS funding.

- 1100 households in Chau Thanh and Ben Tre city practise waste separation
- 250 households trained in home gardening
- Waste separation and compost treatment is introduced and applied in school and market
- A TV talk show introduced this project in Ben Tre TV.

Project 4: Microfinance for poor women in Binh Dai district, Ben Tre province. MCNV funding.

- Provided micro-credit loans to 37 households in Binh Dai district from MfM source in the first round (Q1) and extend to 80 households from the revolving money in 2020.
- Maintained smooth operation of the project with 1,800 regular clients (148 micro credit groups) who are active participants of the micro-finance services in 11 communes of Binh Dai district.

Lesson learnt from WE program implementation in Ben Tre province

- Doing business is a very dynamic way to help the poor women to escape their poverty and gain self-confidence and esteem for further development. However, there should be a risk management plan to make sure the development support does not do “more harm” to vulnerable people. In our draft regulation for project management, an amount of maximum 10% of the total revolving investment capital from the cooperative groups are spared as risk covering fund. The regulation also makes sure how to use this risk covering fund in a transparent and equal way to members.
- The poverty reduction effort should be put in a more harmonic framework which also includes other factors such as climate change and social development in the region.
- Economic interventions from this project also contributed to gender equality improvement among members’ families. The economic potentials from cooperative work encouraged more sharing between husband and wife in a family.

Other Project 1: Nutrition Sensitivity Agriculture (implemented in Xuan Hoa District, Phu Yen Province)

Key Achievements

- 100% (434) pre-school students had meals at school
- 30% (300/1035) of households improved daily food intake thanks to agricultural – nutrition models
- 45% (500 /1068) children under 5 had access to nutrient food services provided by local micro-enterprises
- 80% of households changed food intake for CU5 and pregnant women
- Two theses of VU master students completed in the period of the Covid-19. Two articles have been submitted to the Food Security Journal and BMC Public Health Journal.
- The District Training and Education Depart has scaled up school meal program in all upland nursery schools benefiting a total of 425 kids at 15 nursery schools.
- The data measured in Phu Mo on 1 June 2020 reported that stunting rate is reduced by 3,2% and underweight is reduced by 7,3% compared with average reduction 1-1.5% of non-intervention.

Challenges

- Implementation of chicken raising model was slow due to disease outbreak in some villages in Phu Mo commune. This effected the daily intake of CU5 and household.
- Two activities involving international participation were cancelled because of Covid-19 regulations.
- The project required extension into 2021, especially to do the end-line survey in March 2021 to make the results comparable to the baseline as conducted in March 2018.

Other Project 2: Ethnic Minority Community Development in Quang Tri

Key achievement

- Number of bamboo production group members increased to 34.
- All new members were provided with vocational training on basic and advanced skills
- New strategy of developing bamboo material areas applied, i.e. materials exchanged among the production groups.
- Drying systems diversified to shorten the process of bamboo treatment and adapt to the changeable weather, including traditional drying method (sun drying), drying house (in case of rain), and drying machine (taking 10 hours instead of 10 – 15 days when applying sun drying).
- An exposure visit to a company producing bamboo products in Phu Yen province in early October 2020, resulting in more learning and business linkage created.

- Income for group members in 2020 increased by 14% (30% as set in the project target).
- The activity of constructing a new playground was carried out as planned and helped improving the living conditions of the ethnic communities, especially children.

Challenges

- High turn-over of group membership affected the production activities. Indigenous culture, customs, and the requirements of such skilled jobs are among the identified reasons.
- COVID- 19 pandemic, coupled with the heavy flooding and storm in 2020, seriously halted the production. Dozens of contracts were cancelled, and the production was paused since late July 2020.
- Durability of bamboo products still needs further research to cope with high humidity and attack by insect pests and diseases.
- Lack of involvement of enterprises and/or local businesses that could help connect the production groups with other buyers.
- Lack of access to other related services in the province such as laser carving; presently there is only one service provider in the province, causing much dependence and high costs.

Other Project 3: Promoting access to residential and agricultural land use rights for households of ethnic minority people with disability

Key achievement

- 100 poor households of ethnic minority PWD are provided with partial financial support for levelling their residential and agricultural land.
- Quang Tri DPO developed a database about its members' residential and agricultural production land use so that the organisation can help the members improve their access to the State's supporting policies.
- 100% of PWD can access information about the State's supporting policies on residential and agricultural land use.

Challenges

- The Covid-19 lockdown in August, and the flooding/storm in October and November caused serious impacts on the socio-economic life of the households in the mountainous areas of Dakrong and Huong Hoa districts, thus negatively affected the project implementation, especially the granting of land use right certificates and communication events

Other Project 4: Promoting sustainable partnership between CSOs and enterprises for sustainable forestry management in the context of climate change (PROSPER) funded by EU and MCNV

- 20 CSOs can implement and monitoring SFM, forest certification, REDD+ and PFES

- Forest certification service is maintained by Quang Tri SFCG Association. The FSC audit was carried out by the end of Sep 2020. The results of the audit have allowed the SFCG Association to maintain the service in 2021 and be prepared for the evaluation of the next cycle.
- 600 farmers participated in 2 certified supply chains (of acacia and Tung oil)
- Completed criteria and principles guideline on the participation of CSOs in monitoring and implementing REDD+ and PFES.

Challenges

- The Covid-19 pandemic caused delays to many activities of the project.
- The covid-19 pandemic has also affected the markets of acacia furniture, tung oil and non-timber forest products.
- The SFCG Association faced obstacles in terms of human resources when most of the key persons of the management were part-time staff and could not contribute enough time and human resources for the project implementation. This problem has been partly solved when the SFCG Association recruited a full-time staff.
- The heavy rainfalls and severe floods in October and November caused too many damages, making it difficult to speed up the progress of project implementation.

1.2 Programs in Lao PDR

Programme 1: Lao Equity through policy Analysis and Research Networks -LEARN:

After the 6-month extension was approved by the EU, the project was extended from May to October 2020,.

Below are **key achievements** from the implementation of LEARN programme in 2020:

- 19 out of 20 Master of Public Health students finalised their coursework, conducted their research to finalise their thesis, defended and fulfilled their final MPH requirements to graduate in 2020.
- Bi-annual review of National Health Research Forum conducted in June 2020 based on experience from stakeholders and implementers, led to additional subtopics.
- Three PhD candidates submitted and published nine manuscripts in internationally peer-reviewed public health journals; three are submitted for review.
- Finalized clustered policy briefs through consultation process with MoH, MoES, MoAF, Nutrition Centre and aligned implementers in June 2020
- 14 publications of LEARN supported researchers published in the special issue with Global Health Action Journal in July 2020.

- Conducted the final LEARN KT and closing event, July 2020. Four PhD candidates and seven MPH students presented their research findings and policy suggestions with policymakers, implementers, and development partners.
- November 2020, one PhD could defend her final thesis through an online live stream session with the VU as the Corona travel restrictions prevented the PhD to travel to the Netherlands.

Key **Lessons learnt** from LEARN programme implementation in 2020:

- NCE is a long process and should be started as soon as MCNV knows this is the desired way forward
- COVID complications prevented the IT website development from being completed. Additionally, Lao TPHI made last minute changes that prevented the project from being completed.
- Some alternatives could be introduced instead of group meetings but this required also longer time and more work for staff as they had to organise individual meetings instead, to ensure distance.

Programme 2: Collaboration And Networking To Enhance Education and Nutrition – CANTEEN:

The acceleration of the project activities in 2020 have resulted in great achievements. There were some challenges to the project implementation such as changes in government staffing structure and the effect of COVID-19 but overall, the project had a good year in 2020.

Below are **Key achievements** gained under CANTEEN in 2020:

- Capacity building activities such as training of trainers or rollout training courses continued, with evolving and reflective actions. In 2020, we reached in total 119 people by TOT training and 1301 people by the roll-out training courses at village level.
- From the 12 water construction systems that were completed under Act 1.1.7 this year, it was reported that a total of 6,103 people from these 12 villages are benefiting from it.
- Multi-sectoral activities reached (1) children from the 5 schools benefiting from fresh vegetables and frog meat every week harvested from the school gardens and frog pond and a regular educational agenda on nutrition and hygiene; (2) 520 households continued to benefit from their home gardening, 75 new households starting frog rearing and 210 additional households do chicken raising.
- BCC (behaviour change communication) sessions in the targeted villages on childcare, feeding, and WASH attracted in 2020 participation of 14,633 villagers of which 9,232 are women.
- In 2020, CU5 growth monitoring in the whole district involved 4,344 children and the stunting rate was resulted at 18.8%. In the 20 targeted villages, the Action team did similar CU5 growth monitoring, involving 902 children and the rate of stunting was 32.4%. This is higher than the district average but compared to baseline, this presents 17.6% reduction in stunting rate, which is a considerable result.

Key **lesson learnt** from CANTEEN programme in 2020 include:

- There were some changes in the leadership and staffing among the LAs in Nong district in 2020 that affected the memberships of the district level nutrition committee and secretariat. This caused extra time for the project to work with the provincial and district partners to review the structure and for training for new members. The changes in the staffing by district partners were out of control of the project, so the project needed to invest more time in involving the new members and encourage the exchange between old members and new members.
- Many activities were impacted by COVID-19 situation, which caused delay in implementation especially for the VDCs small grant proposal on water improvement and exchange visits with other organization. We have taken some learning, for example to organize the exchange visit within the district for example for the VDCs to learn from those VDCs that have done better job.

Annex A-2 Training courses, seminars, and webinars of MCVN staff 2020

MCNV	Training course/ seminar/ webinar	By
Amsterdam	Sietske de Haan Partos Innovation Festival / Digital Journey	Partos/ The Spindle
Vietnam	Vu Thi Hong Nhung Master program on Climate change and sustainable development	Hanoi National University
	Nguyen Hai Yen & Tran Phuong Mai Updated on Vietnam labour code and tax	Vietnam Association of Accountants and Auditors
	Pham Dung 1. Webinar: International Conference on Global Health System Research 2. Webinar: Global Rehabilitation Need	WHO
		WHO
	Nguyen Thi Thanh Thuy 1. Training workshop: Policy Advocacy in Child's Rights 2. Gender based violence	MSD Vietnam
	Tu Phi Yen 1. Training workshop: Policy Advocacy in Child's Rights 2. Vietnam Gender in Humanitarian Action Training	MSD Vietnam
		UN Women
Nguyen Dinh Dai PhD candidate on Food and Nutrition Security	Vrije University, Amsterdam, Netherlands	

A-3 Risk Management

In 2020, MCNV identified the following risks, its potential impacts and mitigation strategies:

Risks	Potential Impact	Strategy for mitigation
Trainees and students from Rehabilitation courses can drop out	We cannot meet the targets/milestones already committed to USAID. This especially for I-THRIVE project as it is FAA, this means we will not receive reimbursement of the costs made.	<ul style="list-style-type: none"> - Screen and select trainees carefully. - Sign commitment form for trainees and their managers
Overload for WE staff and partner	Continued delays of work and thus project targets cannot be achieved	<ul style="list-style-type: none"> - Employ a local technical consultant to supervise and support the projects
FSC Association of Quang Tri cannot participate in PROSPER project as expected	This can impact negatively to progress of project performance as well targets	<ul style="list-style-type: none"> - Develop specific plan together with all parties involved in project and specific support to FSC Association
LEARN-not completing required indicators	Due to significant partner involvement, some delays are not within MCNV control that may impact the completion of the LEARN project.	<ul style="list-style-type: none"> - CD and LEARN PM will be following all partners closely to ensure that timelines are met, and indicators reached.
Lack of donor funding and acquisition-	No funding available for continuing work in Laos.	<ul style="list-style-type: none"> - CD will work more on acquisition and will also solicit support from HQ and the Vietnam office in terms of creating proposals.

Given the nature of MCNV's business operations, the organisation runs very limited risks regarding interest rate, currency and liquidity. In principle, therefore, the organisation does not use financial instruments to hedge them. In so far as there are exchange rate risks in international transactions, it will be assessed whether it is desirable to hedge them.

ANNEX B – 2020 ANNUAL ACCOUNTS

B-1 Balance Sheet 31 December 2020

	31 December 2020		31 December 2019	
	€	€	€	€
ASSETS				
<i>Fixed assets</i>				
Tangible fixed assets		2.063		2.831
Financial fixed assets		848.383		794.151
		<u>850.446</u>		<u>796.982</u>
<i>Current assets</i>				
Receivables	207.340		141.924	
Cash and cash equivalents	669.106		834.646	
		876.446		976.570
		<u>1.726.892</u>		<u>1.773.552</u>
EQUITY AND LIABILITIES				
Foundation equity				
Continuity reserve	565.437		540.667	
Reserve for replacement of tangible fixed assets	2.063		2.831	
Reserve for development strategic goals 2021-2025 VN	50.000		0	
Reserve for development strategic goals 2021-2025 Lao	110.000		0	
Revaluation reserve	0		0	
		727.500		543.498
Appropriated funds		341.507		329.678
		<u>1.069.007</u>		<u>873.176</u>
<i>Provisions for liabilities and charges</i>		61.390		53.465
<i>Short-term liabilities</i>		596.495		846.911
		<u>1.726.892</u>		<u>1.773.552</u>

B-2 Income Statement 2020

	Result	Budget	Result
	2020	2020	2019
	€	€	€
INCOME			
Benefits from private individuals	714.326	435.000	507.166
Benefits from companies	34.351	11.765	28.302
Benefits from lottery organisations	0	0	0
Benefits from governmental grants	1.226.057	1.451.717	1.012.414
Benefits from related non-profit organizations	0	0	0
Benefits from other non-profit organizations	331.738	395.548	417.764
Benefits from products and consultancy	225	0	610
Result from Investments	70.725	25.000	183.251
Other income	1.943	0	5.736
Total Income	2.379.365	2.319.029	2.155.243
EXPENDITURES			
Expenses for Objectives			
Structural project support	1.911.127	2.189.090	1.727.748
Communication	87.647	89.534	80.035
	1.998.774	2.278.624	1.807.783
Expenses for Fundraising			
Expenses private fundraising	91.907	93.070	68.365
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
	91.907	93.070	68.365
Expenses for Management & Administration			
Expenses for Management & Administration	92.853	99.140	111.052
Total expenditure	2.183.534	2.470.834	1.987.200
Result	195.831	-151.805	168.043
Change			
FOUNDATION EQUITY	195.831	-151.805	168.043

	Result	Budget	Result
	2020	2020	2019
The profit/loss has been charged to the foundation equity as follows:			
<i>Appropriated funds</i>			
Sexual & Reproductive Health and Rights	-2.496	0	-37.741
Disability	-13.342	-3.522	1.892
Community Manged Health & Livelihood	0	0	-2.766
Women Empowerment (WE)	0	11.000	0
LEARN (EU)	-49.703	-58.917	-55.255
US-AID occupational training	35.955	-28.494	12.034
US-AID speech therapy	27.237	-36.155	40.969
AFAS-FSN	0	-34.480	
ASR MVO	0	0	-10.400
Project support Viet Nam / Lao	14.178	0	0
Balance change appropriated funds	11.829	-150.568	-51.267
Tangible fixed assets	-768		588
Continuity Reserve	24.770	-1.237	218.722
Project Reserve			
- Development strategic goals 2021-2025 VN	50.000	0	0
- Development strategic goals 2021-2025 Lao	110.000	0	0
Change Foundation EQUITY	195.831	-151.805	168.043

B-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.

Continuity

The general accounting principles used in these annual accounts are based on the continuity of MCNV. The organisation has sufficient liquidity and its solvency is sufficient to cover losses related to the COVID-19 measures in the short and medium term. For this reason the continuity for the time is not being endangered.

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. Unrealized and realized differences in value are reported in the statement of income and expenses.

Receivables: receivables are recognized 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, reserved for the development of the strategic goals for both Vietnam and Laos as formulated in the strategic plan 2021-2025, 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.

Lao Employment termination fund

Termination fund are accrued at 15% of employee's basic salary on a monthly basis. Upon termination of service, employees will receive a termination payment in accordance with the following rates:

<i>Reason for termination</i>	<i>Length of service with MCNV</i>	<i>Termination payment</i>
Dismissal		None
Redundancy or Medical Disability	Between 1 and 11 complete months	15% of monthly compensation package for each month of service
	Between 12 and 35 complete months	15% of annual compensation package
	More than 35 months	15% of annual compensation package in form of pension as described below
Other than Redundancy or Medical disability or Dismissal	Less than 12 complete months	None
	Between 12 and 23 complete months	5% of annual compensation packages as pension
	Between 24 and 35 complete months	10% of annual compensation packages as pension
	More than 35 months	15% of annual compensation package as pension

Monthly compensation package is calculated based on the employee's latest monthly basic salary. The annual compensation package is 12 times of monthly compensation package.

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 realized and unrealized 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 subsidized 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 it is a requirement of the institutional donor.

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

B-4 Clarification of Balance Sheet 2020

			31-12-2020
1. BALANCE SHEET 31 December 2020			€
Tangible fixed assets			2.063
Inventory			
Purchase value 1 January 2020			54.389
Purchases 2020			0
			54.389
Accumulated depreciation until 2020		51.558	
Depreciation 2020		768	
			52.326
Balance as at 31 December 2020			2.063
The depreciation period for inventory is 3 or 5 years			
		31-12-2020	31-12-2019
		€	€
FINANCIAL FIXED ASSETS		848.383	794.151
Shares			
Value of shares 1 January		794.151	622.153
Profit		54.232	171.998
Value of shares 31 December		848.383	794.151
The portfolio:			
BNP Netherlands Fund		148.046	134.784
Wolters Kluwer		700.337	659.367
		848.383	794.151
Receivables and accrued asset		207.340	141.924
Recapitulation			
Dividend taxes		2.474	1.688
Learn		67.583	0
WE programGSRD		2.514	0
Receivables/liabilities offices Viet Nam / Lao PDR		63.951	131.949
USAID / OT, Viet Nam		11.466	0
USAID / ITH, Viet Nam		58.597	0
Other receivables		755	7.793
Prepaid expenses		0	494
		207.340	141.924
<i>Taxes and social premiums payable</i>			
Dividend taxes		2.474	1.688

	31-12-2020	31-12-2019
	€	€
Learn		
Balance 1 january	-256.053	
Correction	5.424	
Received advances	0	
Calculated grant 1/1 until 31/10	318.212	
	<u>67.583</u>	<u>0</u>
WE program GSRD		
Balance 1 january	-523	
Received advances	-55.000	
Calculated subsidy	58.037	
	<u>2.514</u>	<u>0</u>
Receivables offices Viet Nam/Lao PDR		
Viet Nam	26.021	0
Lao PDR	37.930	0
Advances to contractpartners	0	84.501
Other receivables/liabilities offices Vietnam/Lao PDR	0	47.448
	<u>63.951</u>	<u>131.949</u>
<i>Other receivables</i>		
Various	755	7.793
	<u>755</u>	<u>7.793</u>
<i>Prepaid Expenses</i>		
Insurance and other fixed costs	0	494
	<u>0</u>	<u>494</u>

CASH AND CASH EQUIVALENTS			
<i>The Netherlands:</i>			
Cash		73	38
Receivables NL			
Triodos Bank, account-courant 760		70.144	112.869
ABN-AMRO Bank N.V., account - courant 047		197.066	224.227
ABN-AMRO Bank N.V., US \$ account		2.143	2.109
ABN-AMRO Bank N.V., account - courant 297		131.499	31.565
ABN-AMRO Bank N.V. Learn account-courant 209		91	89.652
ING bank 1090400		56.753	28.421
ING bank 1706415		6.636	8.892
Subtotal		464.405	497.773
<i>Vietnam & Lao PDR:</i>			
Vietnam central bank		148.724	149.631
Lao PDR office		55.977	187.242
Subtotal		204.701	336.873
TOTAL		669.106	834.646
Cash and cash equivalents are for free disposal			

RESERVES AND FUNDS		€	€
Balance 1 January		540.667	321.945
Mutation		24.770	218.722
Continuity Fund		565.437	540.667
Appropriated Reserves			
Tangible fixed assets		2.063	2.831
Development strategic goals 2021-2025 VN		50.000	0
Development strategic goals 2021-2025 Lao		110.000	0
		162.063	2.831
Tangible fixed assets			
Balance 1 January		2.831	2.243
Supplement		0	1.356
Withdrawal		-768	-768
Balance 31 December		2.063	2.831
Development strategic goals 2021-2025 VN			
Balance 1 January		0	0
Supplement		50.000	0
Spent on objective		0	0
Balance 31 December		50.000	0
Development strategic goals 2021-2025 Lao			
Balance 1 January		0	0
Supplement		110.000	0
Spent on objective		0	0
Balance 31 December		110.000	0

Appropriated funds			
Disability (inc Phu Yen Special School)		59.591	72.933
Community Managed Health Development (CMHD)		0	0
Women Empowerment (WE)		0	0
CMD (srhr-sag)		28.004	30.501
LEARN (EU)		0	49.703
US-AID occupational training		55.932	19.977
US-AID speech therapy		155.026	127.788
Social Entrprise (KBU)		28.776	28.776
Prosper MCNV contribution		0	0
Project support Vietnam / Laos		14.178	0
Balance 31 December		341.507	329.678
Explanation progress Appropriated Funds			
Disability (inc Phu Yen Special School)			
Balance 1 January		72.933	71.042
Received donations		11.877	22.130
Contribution in overhead		-1.793	-3.032
Spent on objective		-23.426	-17.207
Balance 31 December		59.591	72.933
		31-12-2020	31-12-2019
		€	€
Community Managed & Health Development (CMHD)			
Balance 1 January		0	2.766
NSA		7.501	0
Received donations		16.476	33.703
Contribution to overhead		-2.488	-4.617
Spent on objective		-21.489	-31.852
Balance 31 December		0	0

Women Empowerment (WE)			
Balance 1 January		0	0
Received donations		0	25.227
ASR Fonds		0	10.400
Contribution to overhead		0	-3.456
Spent on objective		0	-32.171
Balance 31 December		0	0
		31-12-2020	31-12-2019
CMD (srhr-sag)	€		€
Balance 1 January		30.501	68.241
Correction 31th December 2019		8.631	0
Received donations		10.543	31.498
Contribution to overhead		-1.592	-4.315
Spent on objective		-20.079	-64.923
Balance 31 December		28.004	30.501
LEARN (EU)			
Saldo per 1 january		49.703	104.958
Supplement		24.646	10.622
Reduction subsidy year 1 & 2		0	16.759
Spent on objective		-74.349	-82.636
Balance 31 December		0	49.703
US-AID / OT			
Balance 1 january		19.977	7.944
Correction 31th December 2019		14.434	0
Supplement		40.000	40.000
Contribution to overhead		0	0
Spent on objective		-18.479	-27.967
Balance 31 December		55.932	19.977
US-AID / ST			
Balance 1 january		127.788	86.819
Correction 31th December 2019		10.031	0
Supplement		50.000	50.000
Spent on objective at the expense of MCNV		-32.793	-9.031
Balance 31 December		155.026	127.788

Social Entrpise (KBU)			
Balance 1 january		28.776	28.776
Spent on objective		0	0
Balance 31 December		28.776	28.776
Prosper MCNV contribution			
Balance 1 January		0	0
Received donations		33.249	0
Contribution to overhead		-5.021	0
Spent on objective		-36.764	0
Over-spent		8.536	0
Balance 31 December		0	0
Project support Vietnam / Laos			
Balance 1 January		0	0
Received donations		16.700	0
Contribution to overhead		-2.522	0
Spent on objective		0	0
Balance 31 December		14.178	0
MCNV organised several fundraising activities in 2020 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 (15,1% over the years 2017 till 2019).			
		31-12-2020	31-12-2019
		€	€
Provisions for liabilities and charges			
Employee termination fund Lao PDR			
Balance 1 January		0	0
Changes in value until 2019		53.465	39.894
Provision made during the year		13.342	15.659
Paid during the year		-5.417	-2.088
		61.390	53.465

Short-term liabilities			
Recapitulation			
Creditors		4.136	31.561
European Commission		0	256.053
Food Security and Nutrition (FSN)		72.755	132.956
Wotro		5.542	26.821
AFAS		0	0
We program donor		159.317	133.342
We program GSRD		0	523
Microfinance for Mothers		0	10.000
European Commission Prosper		84.114	194.408
CA St. Bisschop Bekkers		10.456	0
RVO Tropical Fruit		157.946	0
Other short-term liabilities and prepayments		69.681	61.247
Other-short-term liabilities Viet Nam / Lao PDR		32.548	0
		596.495	846.911
Creditors		4.136	31.561
European Commission			
Balance 1 january		256.053	352.939
Received advances		0	250.420
Calculated grant 1/1 untill 30/4		0	-17.413
Calculated grant 1/5 until 31/12		0	-313.134
Calculated grant 1/1 until 31/10		-318.212	0
Correction		-5.424	0
Reduction subsidy year 1 & 2			-16.759
Current receivable		67.583	0
		0	256.053
Canteen			
Balance 1 january		132.956	144.834
Received advances		196.860	113.880
Calculated subsidy		-257.061	-125.758
		72.755	132.956

		31-12-2020	31-12-2019
		€	€
Wotro			
Balance 1 january		26.821	23.690
Received advances		99.774	82.475
Calculated subsidy		-121.053	-79.344
		5.542	26.821
AFAS			
Balance 1 january		0	111.447
Received advances		0	0
Calculated subsidy		0	-111.447
		0	0
WE program donor			
Balance 1 january		133.342	118.000
Received advances		58.000	76.000
Calculated subsidy		-32.025	-60.658
		159.317	133.342
WE program GSRD			
Balance 1 january		523	0
Received advances		55.000	30.000
Calculated subsidy		-58.037	-29.477
Receivable		2.514	0
		0	523
Microfinance for Mothers			
Balance 1 january		10.000	0
Received advances		0	10.000
Calculated subsidy		-10.000	0
		0	10.000
European Commission Prosper			
Balance 1 january		194.408	0
Received advances		0	194.408
Calculated subsidy		-110.294	0
		84.114	194.408

CA St. Bisscop Bekkers			
Balance 1 january		0	0
Received advances		10.456	0
Calculated subsidy		0	0
		<u>10.456</u>	<u>0</u>
RVO Tropical fruit			
Balance 1 january		0	0
Received advances		160.000	0
Calculated subsidy		-2.054	0
		<u>157.946</u>	<u>0</u>
		31-12-2020	31-12-2019
		€	€
Other short-term liabilities			
Holiday allowance/Holiday leave		19.575	16.511
Incom taks		3.420	3.260
Pension fund		0	610
Auditors fee		38.720	17.848
Administration office		7.000	5.000
VU		0	16.228
Others		966	1.790
		<u>69.681</u>	<u>61.247</u>
Other short-term liabilities Viet Nam / Lao PDR			
Viet Nam		32.548	0
Lao PDR		0	0
		<u>32.548</u>	<u>0</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 2020, the total of donations registered with such an agreement was € 87,569

These donations are specified in the statement of Income and Expenditure

CANTEEN

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 and ending in June 2021. The contract value is € 983.235.

PROSPER

Sustainable forest management is a three-year (Feb 2020 – Jan 2022) EU funded project to strengthen sustainable forest management that contributes to achieving target of REDD+ provincial and national program in Quang Tri province, Vietnam. MCNV's co-financing requirement in this is 25 %, or Euro 200,000. This contribution is covered by MCNV's private donations and other sources as appropriate and allowable. The contract was signed for an amount of Euro 800,000

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 Phase 1 has ended according to plan on 30 September 2020. The contract as signed in 2015 was for an amount of US\$ 1,153,618. MCNV's committed cost share in this is 15% (US\$ 173.043) covered by contribution from an undisclosed Dutch family fund.

For Phase II MCNV signed a next subcontract for the period 30 September 2020 – 29 September 2022. for the amount of US\$ 343,823, being 85% of the total project budget. MCNV contributes 15% being US\$ 69,255. covered by contribution from an undisclosed Dutch family fund.

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.

With an undisclosed Dutch family fund MCNV signed a contract to cover MCNV's share in the co-financing of the US-AID Handicap International and the US-AID – VietHealth programs for the total amount of € 450.000. Of this amount € 200.000 is allocated to the US-AID Handicap International program and € 250.000 to the US-AID – VietHealth program.

US-AID – I-THRIVE

This 3,5 year program (2018 – September 2021) aims at improving the interdisciplinary rehabilitation system for children with intellectual and developmental disabilities. The project was signed for an amount of US\$ 734.909.

Tropical Fruit

In July 2020 MCNV signed a contract with Dutch governmental organisation RVO, for the project 'Impact Cluster Quality Improvement Tropical Fruit Vietnam', for the period 1 September 2020 – 1 September 2023. Because of Covid-19 related delays in the start-up phase the end date has been postponed until 31 August 2024. Total amount signed for is € 449,475

Obligations

Rental contract

In 1974 MCNV started renting the office building at the Weteringschans 32, Amsterdam. The rent is yearly indexed. From 1 July 2020 the rent is € 1,586,20 per month. Per 31 December 2021 latest the lease will be ended on MCNV's request.

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.

B-5 Clarifications of Statement Of Income And Expenditure 2020

	Result	Budget	Result
	2020	2020	2019
	€	€	€
Benefits from private individuals	714.326	435.000	507.166
Actions donations	121.982	85.000	105.679
Non-specific donations	278.128	250.000	296.244
Specific donations	15.325	50.000	6.880
Inheritance and legacies	298.891	50.000	98.363
Total	714.326	435.000	507.166
Actions donations			
Community Managed Health & Livelyhood Development	16.476	22.000	33.703
Comm. Based Rehabilitation & IE	11.877	0	22.130
WE Womens Empowerment	70	21.000	25.227
CMD (srhr-sag)	494	0	24.619
FSN Laos MCNV contribution	44.617	0	0
Prosper MCNV contribution	33.249	21.000	0
Project support Vietnam / Laos	15.199	21.000	0
Total	121.982	85.000	105.679
Benefits from products and services			
<i>Results from sales of goods</i>			
Netto turnover	5.350	0	5.600
less: cost price	-5.125	0	-4.990
Gross result	225	0	610
Benefits from companies			
Fundraising NLD	0	0	0
Fundraising Viet Nam	34.351	11.765	28.302
Fundraising Lao PDR	0	0	0
Total	34.351	11.765	28.302

Benefits from governmental grants			
<i>Registered on transaction base</i>			
VN NL-DGIS / Land use rights for PWD	61.434	58.512	19.082
<i>Registered on cash basis</i>			
NLD EU / LEARN	318.212	235.666	330.547
NLD EU / LEARN / Correction	5.424	0	16.759
NLD EU / Canteen / Food Security and Nutrition (FSN)	257.062	283.796	125.758
NLD EU / Prosper	110.294	176.374	0
NLD RVO / Tropical Fruit	2.054	0	0
VN US-AID / OT, received	110.343	95.956	119.425
VN US-AID / OT, accrued income	0	0	43.019
VN US-AID / ST, received	161.233	284.682	170.192
VN US-AID / ST, accrued income	0	0	826
VN US-AID / I-Thrive, accrued income	0	0	50.971
VN US-AID / I-Thrive	200.001	316.731	135.835
	1.226.057	1.451.717	1.012.414
Benefits from other non-profit organizations			
<i>Registered on transaction base</i>			
VN Local partners	0	10.623	13.838
Fundraising Vietnam	0	60.769	0
<i>Registered on cash basis</i>			
NLD Wotro / Food Security and Nutrition (FSN) voor Laos	29.570	60.119	21.566
NLD Wotro / NSA voor Vietnam	63.930	60.000	28.725
NLD Wotro / General	27.554	61.388	29.053
NLD AFAS / Food Security and Nutrition (FSN)	0	0	111.446
NLD WE Ben Tre	10.000	0	0
NLD AW / OT	40.000	28.494	40.000
NLD AW / ST	50.000	36.155	50.000
NLD Jumpstart / WE	32.025	58.000	60.658
NLD GSRD / WE	58.037	0	29.478
NLD Hulza	10.000	20.000	10.000
NLD Vereniging Sproet	0	0	23.000
NLD VU / Learn-MC	10.622	0	0
	331.738	395.548	417.764
Result investments			
<i>Shares</i>			
Result on change in value	54.232	0	171.998
Dividend shares	16.493	25.000	11.253
	70.725	25.000	183.251

Others			
Interest bankaccounts	0	0	199
NL Currency result	-2.291	0	5.537
VN Other	2.588	0	0
Lao Other	1.646	0	0
	<u>1.943</u>	<u>0</u>	<u>5.736</u>
Income	2.379.365	2.319.029	2.155.243
EXPENSES FOR OBJECTIVES			
Structural project support			
Programs registered on transaction base	254.594	253.367	317.021
Settlements projects previous years	0	0	-2.313
Programs registered on cash base	1.456.454	1.707.701	1.247.935
Other project expenses	82.328	0	0
<i>Grants and contributions</i>	<u>1.793.376</u>	<u>1.961.068</u>	<u>1.562.643</u>
<i>Programs registered on transaction base</i>			
CMD (srhr-sag)	0	0	32.000
Adolescent girls	0	0	32.923
VNM - Community Based Rehabilitation Inclusive Educ.	6.877	3.522	42.232
VNM - Nutrition Sensitive Agriculture (CMH-VN)	21.489	22.804	65.783
VNM - Women Empowerment (WE)	0	26.507	144.083
VNM - WE GSRD / Jumpstar / MFM / UPS	145.661	128.769	0
VNM - Wotro	57.553	60.000	0
VNM - CBR PWC	12.145	11.765	0
VNM - Emergency relief	10.869	0	0
Subtotal	<u>254.594</u>	<u>253.367</u>	<u>317.021</u>

<i>Programs registered according to actual project-costs</i>			
LAO - Learn	371.743	275.311	386.153
VNM - US-AID / OT	123.861	115.727	175.643
VNM -US-AID / ST	194.026	320.837	180.051
VNM - US-AID / I-Thrive	200.001	307.506	186.806
VNM - NSA / VN	0	0	28.725
VNM - CMD	20.078	10.000	0
VNM - Land use rights for PWD	49.667	58.512	0
VNM - EU / SFM	145.785	204.781	0
LAO - RVO / Tropical Fruit	2.054	0	0
LAO - FSN - Wotro	0	60.119	21.566
LAO - Wotro	27.554	61.388	29.054
LAO - FSN - Canteen	321.685	265.230	128.491
LAO - FSN - AFAS	0	28.290	111.446
Subtotal	1.456.454	1.707.701	1.247.935
Total	1.711.048	1.961.068	1.564.956
Other project expenses	82.328	0	0
Settlement projects previous years	0	0	-2.313
Subsidies and contribution	1.793.376	1.961.068	1.562.643
Staff expenses	65.554	170.012	114.150
Housing expenses	19.917	2.227	8.783
Office and general expenses	32.019	55.603	41.846
Depreciation and interest	261	180	319
Totale structural project support	1.911.127	2.189.090	1.727.741
Staff expenses			
Salaries	440.958	646.163	521.662
Social securities	75.167	110.110	88.894
Pensions	27.576	40.475	30.686
Other staff expenses	20.562	5.000	33.157
	564.263	801.748	674.399
Charged staff expenses	-389.407	-522.033	-460.575
Total	174.856	279.715	213.824
Number of FTE			
The Netherlands	2,29	2,93	2,45
Vietnam	12,60	13,00	11,67
Laos	8,81	9,00	9,00
Total	23,70	24,93	23,12

B-6 Clarification of Allocation Of Costs

Grants and Contributions

Grants and Contributions were entirely allocated to direct project expenses.

Communication

Costs refer to three 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

Office and general 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 2020	Expenditure towards objective		Expenditure towards fundraising					Management & Admin	Total
	Structural project support	Communication	Own fundraising	Joint actions	Third parties	Grants	Investments		
Revised Budget 2020 €									
Grants	1.961.068	0	0	0	0	0	0	0	1.961.068
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	49.725	12.000	0	0	0	0	0	61.725
Staff expenses	170.012	30.782	60.749	0	0	0	0	18.172	279.715
Housing Expenses	2.227	4.040	7.972	0	0	0	0	2.385	16.624
Office & General expenses	55.603	4.897	12.172	0	0	0	0	78.530	151.202
Depreciation and interest	180	90	177	0	0	0	0	53	500
Total	2.189.090	89.534	93.070	0	0	0	0	99.140	2.470.834
Destination category of expenditure 2020	Expenditure towards objective		Expenditure towards fundraising					Management & Admin	Total
2.020 €	Structural project support	Communication	Own fundraising	Joint actions	Third parties	Grants	Investments		
Grants	1.793.376	0	0	0	0	0	0	0	1.793.376
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	47.244	12.272	0	0	0	0	0	59.516
Staff expenses	65.554	30.997	59.154	0	0	0	0	19.151	174.856
Housing Expenses	19.917	4.084	7.793	0	0	0	0	2.523	34.317
Office & General expenses	32.019	5.178	12.414	0	0	0	0	71.090	120.701
Depreciation and interest	261	144	274	0	0	0	0	89	768
Total	1.911.127	87.647	91.907	0	0	0	0	92.853	2.183.534

Destination category of expenditure 2019 Actual results 2019 €	Expenditure towards objective		Expenditure towards fundraising					Management & admin	Total
	Structural project support	Communication	Own fundraising	Joint actions	Third parties	Grants	Investments		
Grants	1.562.650	0	0	0	0	0	0	0	1.562.650
Contributions	0	0	0	0	0	0	0	0	0
Procurements	0	2.150	0	0	0	0	0	0	2.150
Outsourcing	0	0	0	0	0	0	0	0	0
Communication	0	36.321	11.961	0	0	0	0	0	48.282
Staff expenses	114.150	30.816	38.928	0	0	0	0	29.930	213.824
Housing expenses	8.783	3.818	4.824	0	0	0	0	3.709	21.134
Office & general expenses	41.846	6.791	12.477	0	0	0	0	77.278	138.392
Depreciation and interest	319	139	175	0	0	0	0	135	768
Total	1.727.748	80.035	68.365	0	0	0	0	111.052	1.987.200

Independent auditor's report

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

A. Report on the audit of the financial statements 2020

Our opinion

We have audited the financial statements 2020 of Stichting Medisch Comité Nederland Vietnam, based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting Medisch Comité Nederland Vietnam as at 31 December 2020 and of its result for 2020 in accordance with Guideline for annual reporting 650 Fundraising institutions of the Dutch Accounting Standards Board.

The financial statements comprise:

1. the balance sheet as at 31 December 2020;
2. the profit and loss account for 2020; and
3. the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our opinion

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

We are independent of Stichting Medisch Comité Nederland Vietnam in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

Emphasis of matter paragraph concerning the impact of Covid-19

We draw attention to the text in the explanatory notes to the financial statements on page 44 which describe the uncertainties about the possible consequences that the Coronavirus has for Stichting Medisch Comité Nederland Vietnam. We have not modified our audit opinion as a result of this matter.

B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information, that consists of:

- ▶ the management board report;
- ▶ the other information.

Based on the following procedures performed, we conclude that the other information:

- ▶ is consistent with the financial statements and does not contain material misstatements;
- ▶ contains the information as required by the Dutch Standard 720.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information.

C. Description of responsibilities regarding 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 fraud or error.

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 engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

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

- ▶ identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 a company to cease to continue as a going concern;
- ▶ evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- ▶ evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Utrecht, 28 June 2021

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



Drs. J.S. Terlingen RA

Initials for identification purposes:

