

Annual accounts

Balance Sheet as per December 31, 2021 (after appropriation of result)

ASSETS (x 1,000 Euro)	NOTE	31-12-2021	31-12-2020
FIXED ASSETS	1		
Intangible fixed assets		-	4
Tangible fixed assets		24	27
		24	31
CURRENT ASSETS			
Receivables and accrued income	2		
Bequests to be received	2.1	4	33
Grants to be received	10	71	843
Other receivables and prepaid expenses	2.2	1,083	1,033
		1,158	1,909
CASH AND CASH EQUIVALENTS	3	7,490	8,317
TOTAL ASSETS		8,672	10,257
LIABILITIES (x 1,000 Euro)			
RESERVES AND FUNDS	4		
Continuity reserve	4.1	2,336	2,336
Reserve for financing assets	4.2	24	31
Earmarked reserves	4.3	3,469	3,913
Earmarked funds	4.4	-	71
		5,829	6,351
SHORT-TERM LIABILITIES			
Taxes and social insurance premiums		81	87
Other liabilities and accruals	5	423	840
Deferred income	6	2,339	2,979
		2,843	3,906
TOTAL LIABILITIES		8,672	10,257

Statement of Income and Expenditure for the year 2021

ASSETS (x 1,000 Euro)	NOTE	ACTUAL 2021	BUDGET 2021	ACTUAL 2020
INCOME				
Income from private individuals	8	2,034	1,337	2,565
Income from companies		282	350	367
Income from lottery organisations	9	900	900	900
Income from government subsidies	10	6,364	7,728	9,297
Income Dutch Ministry of Foreign Affairs for alliance partners	10	6,515	9,847	14,067
Income from other non-profit organisations	11	531	655	354
TOTAL INCOME RAISED		16,626	20,817	27,550
EXPENSES				
SPENT ON OBJECTIVES	12			
Awareness raising		1,100	1,250	1,159
Programmes				
Simavi programmes		7,497	9,032	9,809
Paid to alliance partners		6,515	9,847	14,067
Advocacy		120	156	178
TOTAL SPENT ON OBJECTIVES		15,232	20,285	25,213
Cost of generating funds	13	1,119	1,382	1,049
Management & administration costs	14	767	721	729
TOTAL EXPENSES	15	17,118	22,388	26,991
Balance of financial income and expenses				
Financial income		-30	-25	-
RESULT		-522	-1,596	559

Statement of Income and Expenditure for the year 2021 - continued

APPROPRIATION OF RESULT (x 1,000 Euro)	ACTUAL 2021	ACTUAL 2020
Withdrawal from earmarked reserve Projects	-291	-183
Withdrawal from earmarked reserve Capacity Building	-	-13
Withdrawal from earmarked reserve Fundraising legacies	-	-12
Withdrawal from earmarked reserve Strategic development	-153	-245
Withdrawal from earmarked fund Interest	-1	-2
Withdrawal from earmarked fund eye care Africa	-64	-
Withdrawal from earmarked fund eye care Irian Yaya	-6	-
Withdrawal from reserve for financing assets	-25	-34
Addition to earmarked reserve Strategic development	-	1,028
Addition to reserve for financing assets	18	20
TOTAL	-522	559

Cash Flow Statement for the year 2021

(x 1,000 Euro)	NOTE	2021	2020
Result		-522	559
Adjustment for depreciation	1	25	34
Adjustment for interest income		30	-
		-467	593
Changes in operating capital			
Change in receivables	2	751	-600
Change in short-term liabilities	5, 6	-1,063	-2,715
Interest received		-30	1
Cash flow from operational activities		-809	-2,721
Cash flow from investment activities			
Investments in fixed assets	1	-18	-20
Change in cash and cash equivalents		-827	-2,741
Balance of cash and cash equivalents on January 1		8,317	11,058
Balance of cash and cash equivalents on December 31	3	7,490	8,317
Change in cash and cash equivalents		-827	-2,741

Accounting policies

General

The annual accounts have been prepared in accordance with the Dutch Accounting Standard for Fundraising Institutions (RJ 650) and are subject to the “Wet Normering bezoldiging Topfunctionarissen publieke en semi publieke sector” (WNT). The annual accounts aim to provide a fair presentation of the financial position of Stichting Simavi, registered in Haarlem (reg.no. 40594571), having office at Naritaweg 153, 1043 BS Amsterdam, The Netherlands (Simavi), as of December 31, 2021, and of its income and expenditure for the year 2021. The financial year coincides with the calendar year. The valuation principles and methods of determining the result are the same as those used in the previous year.

Continuity

The annual accounts are drawn up on the basis of continuity.

Related parties

Transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is necessary in order to provide the required insight. With reference to Section 407(1a);13, Title 9, Book 2 of the Netherlands Civil Code, the financial data of Stichting NFICH and Stichting Zien have not been consolidated. The current accounts between Simavi and these foundations are reported under Other liabilities and accruals (see note 5).

Functional and reporting currency

The annual accounts are denominated in euros, Simavi's functional and reporting currency. Transactions denominated in foreign currencies conducted during the reporting period are recognised in the annual accounts at the rate of exchange on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange at the reporting date. Any resulting exchange differences are recognised in the statement of income and expenditure.

Use of estimates

In applying the accounting policies and standards for preparing annual accounts, the management of Simavi is required to make estimates and judgments that might significantly influence the amounts disclosed in the annual accounts. If necessary for the purposes of providing the insight required under Section 362(1), Book 2 of the Netherlands Civil Code, the nature of these estimates and judgments, including the related assumptions, has been disclosed in the notes to the relevant items. Simavi did not change its policies for accounting estimates compared to the previous year.

Basis of measurement

Unless indicated otherwise, the annual accounts have been prepared using the historical cost basis.

Events after the balance sheet date

Post balance sheet events that provide further information about the actual situation as at the balance sheet date and appear up to the date of the preparation of the financial statements will be adjusted in the financial statements for the current year.

Post balance sheet events that do not provide further information about the actual situation as at the balance sheet date will not be adjusted in the financial statements for the current year. If such events are considered material to the judgment of the users of the financial statements, their nature and estimated financial implications are disclosed in the financial statements as 'Events after balance sheet date'.

Impairments

Simavi assesses at each reporting date whether there is any evidence of assets being subject to impairment. If any such evidence exists, the recoverable amount of the relevant asset is determined. An asset is subject to impairment if its carrying amount is higher than its recoverable amount; the recoverable amount is the higher of net realizable value and value in use. If it is established that a previously recognised impairment loss no longer applies or has declined, the increased carrying amount of the asset in question is not set higher than the carrying amount that would have been determined had no impairment loss been recognised. An impairment loss is directly expensed in the statement of income and expenditure.

Fixed assets

Fixed assets, both tangible and intangible, are carried at cost less straight-line depreciation over their estimated useful lives. The percentages used are: Equipment: 10 %; Office machines: 20 %; Computers and software: 20 - 33 %.

Operational Leasing

The lease of the office premises is recognised as operational lease, as a large part of the risks and rewards associated with the ownership are not for the benefit of, nor incurred by Simavi. Lease payments are recorded on a straight-line basis in the income statement for the duration of the contract.

Financial instruments

Financial instruments include receivables, cash and cash equivalents, project/programme commitments, accounts payable, and other payables. Financial instruments are initially recognised at fair value. Any directly attributable transaction costs are part of this initial valuation. Financial instruments are subsequently valued in the manner described below.

Cash and cash equivalents

Cash and cash equivalents represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is carried at nominal value.

Receivables and accrued income

Receivables and accrued income are initially stated at fair value, and are subsequently valued at amortised cost. An allowance is made for obsolescence where necessary.

Bequests to be received and Legacies with usufruct are valued at the time they can reliably be determined based on the notarial deed of distribution.

Reserves

In order to secure the continuity of the foundation in case of unexpected events, part of Simavi's capital has been transferred to a separate continuity reserve. The size is in accordance with sector regulations and is aimed to meet legal and moral obligations in case of a significant fall in income.

Simavi holds a reserve for financing fixed assets to guarantee replacement of these assets in the future.

Earmarked reserves are held for different purposes as determined by management. Management of Simavi can change the specific earmark of reserves, when deemed appropriate.

Earmarked funds

The earmarked funds represent all received earmarked income that the donor intended for a specific purpose, for which the underlying objective and related expenditure have not yet been realised. Furthermore, earmarked funds are held for accumulated interest income earned on the advance payments of grants in respect of the applicable programmes. The earmarked funds are expected to be used within 3 years or in case of interest from grants during the remaining project period of the grant. The restriction following the earmark can only be released by specific third party approval.

Financing contracts with government and other major donors

Simavi signed financing contracts for carrying out specific projects. Simavi recognises the incoming resources from these financing contracts and grant decisions at the time resources are actually expended. The difference between the income recognised and the actual amounts received in the form of contributions from donors is recorded in the balance sheet. This results in receivables if more resources have been expended than received or in deferred grants if amounts actually received are greater than those expended.

Pension scheme

Simavi's pension scheme is a defined contribution scheme, managed by life insurance company Nationale Nederlanden. All premiums pertaining to the reporting year are included under staff costs. Any premiums due at year-end are included on the balance sheet under other liabilities, any premiums paid in advance or in access of the premiums due are included as prepaid expenses, in case these can be offset against future premiums due. There are no additional obligations arising from the management agreement with the pension insurer, the pension agreement with employees or other commitments to employees.

Project/programme commitments

The grants unconditionally committed as of the balance sheet date, which have not been already paid, are divided into short-term liabilities and long-term liabilities. The amounts that are expected to be settled after more than one year after the balance sheet date, are accounted for as long-term liabilities.

Liabilities

On initial recognition, liabilities are recognised at fair value. After initial recognition liabilities are recognised at the amortised cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the nominal value.

Liabilities due within one year are presented as short-term liabilities; liabilities due after one year are presented under long-term liabilities.

Conversion of foreign currency

Monetary assets and liabilities in foreign currency are converted into euros at the closing rate at year's end. Exchange differences are accounted for in the statement of income and expenditure under financial income and expenses.

Determination of results**Income from private individuals, companies, lottery organisations and other non-profit organisations**

Income from private individuals, companies, lottery organisations and other non-profit organisations is recognised in the year to which it pertains, unless income is subject to conditions still to be met.

Legacies and bequests are valued and accounted for as income in the year in which their amount can be reliably determined. Provisional payments are accounted for as income in the financial year in which they are received, in cases when a reliable estimate or valuation was not possible at an earlier time.

Income from government subsidies

Income from government subsidies that have been allocated by the donor depending on actual project costs is accounted for in the statement of income and expenditure in the year that the eligible expenditure is recognised, it is probable that the amounts will be received and Simavi complied with all attached conditions. In this context, the expenditure in respect of alliance partners in alliances where Simavi is the lead agency is equal to the amounts paid to these partners.

Differences between the (final) settlement of the grants and accumulated income are accounted for in the statement of income and expenditure in the year in which these differences can be reliably estimated.

Expenditure

Amounts spent on Simavi projects and programmes are accounted for as expenses in the financial year in which the contribution has been unconditionally committed. The expenses recognised in the statement of income and expenditure include the related direct and indirect organisational costs.

Fundraising, awareness raising and management & administration costs are charged to the statement of income and expenditure in the year to which they pertain and as soon as they become apparent.

Salaries, wages and social security contributions are recognised in the statement of income and expenditure based on the pay and benefits package to the extent that they are payable to employees.

Expenditure allocation

Expenditure allocation is described in note 15 of the notes to the statement of income and expenditure.

Financial income

Financial income is recognised in the statement of income and expenditure time proportionally.

Cash flow statement

The cash flow statement is prepared using the indirect method. To determine the change in cash and cash equivalents during the reporting period, the result for that year is adjusted for items in the statement of income and expenditure and for balance sheet movements that did not result in actual cash flows.

The cash flow statement makes a distinction between cash flow from operational, investment and financing activities. In this context, changes in long-term debts from project/programme commitments and interest income are presented as cash flow from operational activities. Under the investment activities, only investments are included for which cash is paid.

Notes to the balance sheet**Note 1 - Fixed assets**

Fixed assets are used for operations only. Intangible fixed assets consist of externally acquired software. Tangible fixed assets comprise office machines, equipment and computers. The movements during the year can be specified as follows:

(x 1,000 Euro)	Intangible Fixed assets	Tangible Fixed assets	Total Fixed assets
Value as at January 1, 2021			
Aquisition value	69	121	190
Cummulative depreciation	-65	-94	-159
Book value	4	27	31
Movements			
Investments	-	18	18
Depreciation	-4	-21	-25
Balance	-4	-3	-7
Value as at December 31, 2021			
Acquisition value	69	139	208
Cummulative depreciation	-69	-115	-184
Book value	-	24	24
Depreciation percentages	20 - 33%	10 - 33%	

The 2021 investments relate mainly to the purchase of computer equipment.

Note 2 - Receivables and accrued income**2.1 Bequests to be received**

From a legacy Simavi obtained 15 certificates of shares (16.9% of the total shares) in Marnel Zaandam Beheer B.V., registered in Amsterdam. These certificates do not bear any voting rights. Simavi received €4K dividend in 2021 (2020: €4K), which was accounted for as income from Legacies and bequests. Considering the uncertainty of future income from these certificates, the valuation is set at nil (2020: nil). Any future income from these certificates will be accounted for as soon as this income can be reliably determined.

At year-end Simavi had three legacies (four in 2020) encumbered with usufruct. Two were settled in 2021, of which one was valued at €29K last year. Due to the uncertainty on the size and timing of future payments, the remaining legacies encumbered with usufruct are valued conservatively at nil.

2.2 Other receivables and prepaid expenses

(x 1,000 Euro)	31-12-2021	31-12-2020
Other receivables	60	3
Contribution Dutch Postcode Lottery	900	900
Prepaid expenses	123	130
Total	1,083	1,033

All amounts are to be settled within one year after the balance sheet date.

The contribution of the Dutch Postcode Lottery, committed but not yet received, amounted to €900K at year-end (2020: €900K).

Note 3 - Cash and cash equivalents

The cash and cash equivalents are placed on current accounts or savings accounts. The total amount of €7,490K includes foreign currency in the amount of US\$49K (€44K). All amounts are placed at Dutch banking institutions and are available upon demand, except for €26K, which is restricted as a collateral for a bank guarantee. There are no cash or cash equivalents placed on deposit for more than 1 month. The cash and cash equivalents are intended for objectives and operations only, so not for investment purposes.

The average yield on outstanding cash and cash equivalents was -0.4% in 2021 (-0.0% in 2020).

Note 4 - Reserves and funds

4.1 Continuity reserve

(x 1,000 Euro)	31-12-2020	Withdrawal	Addition	31-12-2021
Continuity reserve	2,336	-	-	2,336
	2,336	-	-	2,336

The continuity reserve is designed to create a sufficiently large buffer to enable Simavi to complete or terminate ongoing projects/programmes appropriately in case of a significant shortfall of key sources of funding. Furthermore, it includes funding necessary for actions to enable Simavi to rebuild such a shortfall or, in worst case, dissolve the organisation, while still meeting legal and moral obligations.

To do this we envisage requiring an equivalent of six to nine months of total operational expenditure, thus ranging between €1.8 and 2.8 million. The continuity reserve, after appropriation of result, amounts to €2,336K at the end of 2021. This is just over seven months and falls well within the indicated range. As the risk levels have not significantly changed, the continuity reserve is kept at the same level as last year. See also the paragraph on the future outlook in the annual report.

The maximum size for the continuity reserve, according to the assets' guidelines set by the association for fund-raising institutions (Goede Doelen Nederland), equals to one and a half times the annual operational costs of the organisation, based on the budget for the following year. This maximum amounts to €5.4 million as per December 31, 2021.

4.2 Reserve for financing assets

(x 1,000 Euro)	31-12-2020	Withdrawal	Addition	31-12-2021
Reserve for financing assets	31	25	18	24
	31	25	18	24

The reserve for financing assets matches the book value of the total fixed assets.

4.3 Earmarked reserves

The earmarked reserves held by Simavi, including the movements in these reserves during the year, are specified below:

(x 1,000 Euro)	31-12-2020	Withdrawal	Addition	31-12-2021
Projects	2,695	291	-	2,404
Strategic development	1,214	153	-	1,061
Legacies Fundraising campaign	4	-	-	4
Total earmarked reserves	3,913	444	-	3,469

Projects

This reserve will be used in the coming years to match funds of institutional donors and foundations to realise projects and to finance projects out of own funds for which no funding is yet available from other sources.

In 2016 we decided to set aside €350K for the Nepal Learning programme. This programme is a combined WASH and SRHR programme and is running in the period 2018-2022. A further amount of €560K has been reserved as matching fund for the EU Our lives, our health, our futures programme in Bangladesh. This programme will be running up to 2023. This year we have allocated an amount of €615K for two new own programmes (Connect4WASH and Back2Back), to be executed in the next three years.

Strategic Development

A reserve has been formed for Strategic Development to further position Simavi, preparing for the future. In the coming year, this reserve will be invested in: further strategic and organisational positioning, private fundraising and programme development. In 2021, we invested €153K from this reserve for this purpose. In 2022, we expect to spend an amount of €824K from this reserve.

Legacies Fundraising campaign

In order to ensure a continuous flow of legacies, a multi-year plan is being executed to actively acquire future legacies from existing and new donors and to obtain insight in the size of currently existing (but latent) legacies. The remaining €4K of this reserve will be spent in 2022.

4.4 Earmarked funds

(x 1,000 Euro)	31-12-2020	Withdrawal	Addition	31-12-2021
Children eye care Irian Jaya	6	6	-	-
Children eye care Africa	64	64	-	-
Interest to be spent on objectives	1	1	-	-
Total earmarked funds	71	71	-	-

Children eye care Irian Jaya and Africa funds have been spent on projects under the Wash & Learn programme.

Note 5 - Other liabilities and accruals

(x 1,000 Euro)	31-12-2021	31-12-2020
Accounts payable	203	592
Current account Stichting NFICH and ZIEN	8	6
Accrued vacation hours	55	43
Accrued holiday allowance	87	103
Accrued audit fees	70	96
Total	423	840

All other liabilities and accruals are due within one year.

Note 6 - Deferred income

(x 1,000 Euro)	31-12-2021	31-12-2020
Government grants	2,017	2,549
Other projects	322	430
Total	2,339	2,979

In 2021 the deferred income from government grants decreased to €2,017K. More income was recognised than factually received. Further information on deferred income from government grants is provided in note 10.

Note 7 - Off balance sheet rights and obligations**Off-balance sheet rights**

Simavi has received multiyear commitments to grants for programmes to be executed in the coming years. The grants are subject to restrictions, so these may be withdrawn. As far as these grants are not yet unconditionally committed, they have not been included in the balance sheet and are considered as off-balance rights.

The below table provides an overview of these rights, of grants in excess of €1 million, as at December 31, 2021.

SUBSIDY (x 1,000 Euro)	WASH SDG	OLHF
Grant received from:	MoFA	EU
Programme period	1-7-2017 till 31-12-2022	1-1-2019 till 31-12-2023
Lead of the alliance	Simavi	n.a.
Total grant amount for the alliance	59,000	-
Grant amount for Simavi	p,m,	5,000
Total amount received upto 2020	33,534	1,786
Received in 2021	11,558	969
Total amount received upto 2021	45,092	2,755
Total amount still to be received	13,908	2,245
To be received after determination of total grant amount	590	500

WASH SDG - The Dutch Ministry of Foreign Affairs awarded a grant to the WASH SDG consortium in which Simavi acts as lead agency of the consortium consisting of SNV, Plan International and the WASH Alliance International partners. The amount received up to 2021 for the WASH SDG consortium is in total for all parties €45,092K. The grants of Dutch Ministry of Foreign Affairs are conditional upon sufficient funds being made available in the budget by the government and parliament.

OLHF - Simavi obtained a grant from the European Union for the programme Our lives, our health, our future in Bangladesh. The total amount of programme entails an amount of €5,560K, of which €560K is financed from our own funds. The programme started in January 2019 and will run for 5 years, up to the end of 2023

Off-balance sheet obligations

Under the framework of the WASH SDG (€1,846K), WASH First (€47K) and EU OLHF (€1,414K) programmes, Simavi and its partners entered into contractual (multi-year) project commitments to carry out projects in areas where Simavi operates. Where these contracts depend on conditions that are yet to be met, such as grant allocation by Dutch Ministry of Foreign Affairs or other parties, they have not been accounted for in the balance sheet. These obligations amounted to €3,307K at the end of 2021 (2020: €6,005K).

Additionally, for other programme contracts, where contracts depend on conditions yet to be met, off balance sheet commitments exist in the amount of €519K (2020: €734K).

Simavi is located at rented premises. The rent amounts to €81K per year. A bank guarantee for this lease has been issued in the amount of €26K. The contract runs until December 31, 2022, with a six-months notice period, and can be extended year by year. The total obligation amounts to €81K, due within one year.

Notes to the cash flow statement

The cash position of Simavi has decreased by an amount of €827K in 2021. This decrease resulted from a negative cash flow from operational activities of €809K (2020: €2,721K negative). Our cash position is volatile over the years, due to the timing of receipt of the larger instalments of the government subsidies.

Notes to the balance sheet

All income reported in the annual accounts has a structural character.

Note 8 - Income from private individuals

This income comprises donations and gifts as well as legacies and bequests. The donations and gifts from private individuals amounted to €1,506K which is lower than in 2020 (€1,828K), but above expectations. The income from legacies and bequests amounted to €528K (2020: €737K). Income from legacies and bequests is not budgeted given the uncertainty of this type of income.

Note 9 - Income from lottery organisations

In 2021, Simavi received €900K as a contribution from the Dutch Postcode Lottery. This unearmarked contribution is made under a multi-year conditional commitment.

Note 10 - Income from government subsidies

The income from government subsidies in 2021 amounted to €6,364K (2020: €9,297K) which is €1,364K lower than budgeted. The latter is resulting from lower level of activities than expected.

In 2021, the income from the Dutch Ministry of Foreign affairs for alliance partners amounted to €6,515K (2020: €14,067K). These funds are directly transferred to the consortium partners of WASH SDG alliance. The decrease is due to less activities and the receipt of an amount for the WASH First program (€4,197K) last year.

The table below gives an overview of the grants received and income accounted for from the Dutch Ministry of Foreign Affairs and the European Union.

(x 1,000 Euro)	31-12-2020		2021			31-12-2021	
	Grants to be received	Grants received in advance	Add: Grants received	Minus: Income government subsidies	Minus: Income for alliance partners	Grants to be received	Grants received in advance
Sehati & extension	184	-	184	-	-	-	-
Watershed	57	-	20	8	-	45	-
WASH SDG	387	-	11,558	3,870	6,324	-	977
WASH First	-	1,404	-	1,055	-	-	349
GUSO & GUSO Flex	-	196	-142	54	-	-	-
Golden Line	201	-	390	-2	191	-	-
More Than Brides Flex	-	173	-	191	-	18	-
More Than Brides	-	115	-	43	-	-	72
Our Life, Health, Future	-	342	968	995	-	-	315
Other	14	319	141	150	-	8	304
Total	843	2,549	13,119	6,364	6,515	71	2,017

A positive balance between the grants received and the actual expenditure eligible for grant funding is presented in the balance sheet as advance government grants under deferred income (see note 6). In the event of a negative balance, these assets are presented in the balance sheet as grants to be received. Some smaller programmes are grouped under 'Other'.

Note that the accounted income and expenditure can differ from what was reported to the related donor, as a consequence of their specific reporting or accounting requirements.

Note 11 - Income from other non-profit organisations

This income relates to the donations received from foundations and the income from schools, relating to the Walking for Water campaign. The income is specified as follows:

(x 1,000 Euro)	ACTUAL 2021	BUDGET 2021	ACTUAL 2020
Income from foundations	359	305	339
Income from schools (Walking for Water)	172	350	15
Total	531	655	354

The income from Walking for Water is much lower than budgeted as the event was partly cancelled again due to the COVID-19 restrictions. The Income from foundations is slightly higher than projected.

Note 12 - Spent on objectives

(x 1,000 Euro)	ACTUAL 2021	BUDGET 2021	ACTUAL 2020
Objective: Awareness raising	1,100	1,250	1,159
Objective: Simavi programmes	7,497	9,032	9,809
Objective: Paid to alliance partners	6,515	9,847	14,067
Objective: Advocacy	120	156	178
Total spent on objectives	15,232	20,285	25,213

The actual expenditure on objectives in 2021 is €9,981K lower than last year, and €5,053K lower than budgeted. The difference is firstly caused by lower payments of alliance members, due to the level of activities and timing of receipt and transfer of the funds. At the same time the own programme expenditures were lower than budgeted due to delays in execution caused by the ongoing pandemic.

Spending percentage

The ratio of the total expenditure on objectives as a percentage of the total income is presented in the following table:

(x 1,000 Euro)	ACTUAL 2021	BUDGET 2021	ACTUAL 2020
Total spent on objectives	15,232	20,285	25,213
Total income raised	16,626	20,817	27,550
Spending percentage	91.6%	97.4%	91.5%

The percentage expenditure on objectives of total income in 2021 is 91.6%, as compared to 91.5% in 2020. Corrected for the effect of payments to alliance partners, the spending ratio is 86.2% in 2021 (82.7% in 2020).

As a percentage of total expenditure, the expenditure on objectives amounts to 89.0% (2020: 93.4%). This lower percentage in 2021 is mainly resulting from the decrease of expenditure compared to last year.

Note 13 - Cost of generating funds

The cost of generating funds relate to the various funding activities. The most important are the costs relating to private fundraising and the costs for fundraising of grants. The percentage cost of generating funds is significantly higher at 6.7% (2020: 3.8%), but percentage wise in line with budget. The increase is mainly reflecting the decreased income level. The amount of expenditure in 2021 was almost in line with last year and well below budget.

(x 1,000 Euro)	ACTUAL 2021	BUDGET 2021	ACTUAL 2020
Cost of generating funds	1,119	1,382	1,049
Total Income raised	16,626	20,817	27,550
Percentage cost of generating funds	6.7%	6.6%	3.8%

Apart from the costs of our own organisation, the fundraising costs mainly relate to the costs of our newsletters and mailings, these are important for maintaining and expanding our donor base.

Note 14 - Management & administration costs

(x 1,000 Euro)	ACTUAL 2021	BUDGET 2021	ACTUAL 2020
Management & administration costs	767	721	729
Total expenditure	17,118	22,388	26,991
Percentage management & administration costs	4.5%	3.2%	2.7%

The management & administration costs are somewhat above the 2020 level and budget. As a percentage of the total expenditure, the costs are higher at 4.5%, again mainly due to the lower level of total expenditure.

Independent auditors costs

PricewaterhouseCoopers Accountants N.V. have audited the financial accounts. The following fees are charged:

(x 1,000 Euro)	ACTUAL 2021	BUDGET 2021	ACTUAL 2020
Audit of the Financial Statements	81	76	79
Audit contracts institutional donors	31	31	59

The amounts for the audit contracts institutional donors are allocated to the programmes were applicable. Three contracts of institutional donors required audited reports in 2021 (2020: seven).

No other costs for financial or fiscal advise were incurred in 2021.

Note 15 - Total Expenses

Expenditure (x 1,000 Euro)	Objective			Generating funds	Management & Administration	Total 2021	Budget 2021	Total 2020
	Awareness raising	Programmes	Advocacy					
Grants and contributions	-	12,475	-	-	-	12,475	17,207	21,761
Publicity and communication and outsourced work	705	62	24	434	-	1,225	1,724	1,523
Staff costs	354	1,323	85	614	568	2,944	3,003	3,242
Accommodation costs	17	64	5	30	28	144	147	151
Office and general expenses	21	77	5	36	166	305	285	280
Depreciation	3	11	1	5	5	25	22	34
Total	1,100	14,012	120	1,119	767	17,118	22,388	26,991

All direct and indirect costs are allocated to 1) the three objectives of Simavi (Awareness raising, Programmes and Advocacy); 2) the cost of generating funds; and 3) management & administration costs.

Apart from direct costs spent on Simavi projects/programmes, all other out of pocket costs that can be directly allocated to the objectives and fund generation are specified under Publicity and communication and outsourced work.

All indirect costs, such as staff, accommodation, office and general expenses and depreciation are allocated based on the number of hours employees have spent on the aforementioned components. A calculation of the hours spent is made for every employee. This calculation is based on the employee's job description.

Management & administration costs include all administrative and secretarial hours, as well as all hours classified by the organisation as overhead, such as meetings with the supervisory board and other meetings intended to provide guidance and direction to the organisation.

Note 16 - Staff costs

(x 1,000 Euro)	ACTUAL 2021	BUDGET 2021	ACTUAL 2020
Salaries in the Netherlands	2,116	2,191	2,378
Social insurance premiums, insurances	391	424	447
Costs of pension facilities	145	113	160
Other staff costs	292	275	257
Total	2,944	3,003	3,242

For information about the allocation of staff costs to the different categories of expenditure presented in the statement of income and expenditure please refer to note 15.

The staff costs are significantly lower than in 2020, and somewhat under budget. This is reflecting the lower number of staffing in the Netherlands, in line with the lower level of activities..

The development of the number of staffing is as follows:

Average number of persons employed	ACTUAL 2021	BUDGET 2021	ACTUAL 2020
Dutch office staff	47.1	47.0	51.3
in average number of FTE's	41.6	42.4	47.1

Management model and remuneration

Simavi has a two-tier board: a supervisory board for monitoring, supervising and consulting, and a one person executive board (the managing director) for the implementation of Simavi's strategy and its day-to-day management. The salaries of the staff are based on a formalised salary structure. The functions are grouped into categories based on the job characteristics. The categories are linked to a salary grid. The categorisation and salary grid are based on a standardised calculation method performed by an independent agency (Human Capital Group). Periodically we participate in a general survey on salary levels, commissioned by Goede Doelen Nederland. The results of latest survey indicate that our salary levels correspond to the average levels in the sector and are in conformity with the market.

Remuneration of the supervisory board

The members of the supervisory board receive no remuneration for their activities. The members of the supervisory board have also not received any loans, advance payments or guarantees.

Name	Position
Michiel de Wilde	Chair of the supervisory board
Joyce Browne	Vice-chair of the supervisory board
Vera Arnoldus	Member of the supervisory board (since March 2021)
Willem van de Put	Member of the supervisory board
Hans Valkenburg	Member of the supervisory board
Jeroen Wels	Member of the supervisory board

Remuneration of the managing director

The supervisory board determines the remuneration policy, the level of executive remuneration and other fixed remuneration components. The policy is reviewed periodically. Simavi follows the guidelines of Goede Doelen Nederland, laid down in the Advisory Guidelines for the Remuneration of Executives of Charities (see www.goededoelennederland.nl) in determining the remuneration policy and remuneration levels. These guidelines provide a maximum norm for the annual salary based on weighing criteria. These criteria result in a, so called, BSD-score. The rating for Simavi is determined by the supervisory board. The resulting BSD-score is 445 points, indicating a maximum full-time gross salary of €125,011 (excluding remuneration payable in future). The 2021 maximum individual executive remuneration according to the WNT is €209,000.

In 2021, the managing director, Ms Ariette Brouwer, received a gross salary, including holiday allowance, of €107,706 (2020: €107,548). This is well within both the remuneration guideline of Goede Doelen Nederland and the WNT norm.

The managing director did not receive any bonuses, loans, advance payments or guarantees. The 2021 employer's contribution to the pension scheme of the managing director amounted to €14,259 (2020: €14,201). Allowances for expenses are only granted based on actual costs incurred, and contain no remuneration elements. Simavi does not provide lease cars. In 2021, the managing director received untaxable allowances for commuting (€1,117), home work (€251) and telephone (€300).

Remuneration Executives (WNT-format) (x 1 Euro)	2021	2020
Name: A.D. Brouwer, Managing Director		
Term of employment	1/1 - 31/12	1/1 - 31/12
Employment in FTE	1.0	1.0
Former executive	no	no
Formal employment	yes	yes
Individual WNT maximum	209,000	201,000
Total remuneration		
Remuneration	107,706	107,548
Taxable expense reimbursements	-	-
Remunerations payable in future	14,259	14,201
Total remuneration	121,965	121,749

Remuneration Executives (GDN-format)
(x 1 Euro)

2021 2020

Name: A.D. Brouwer, Managing Director		
Duration of employment	undetermined	undetermined
Contract hours	36	36
Part-time percentage	100	100
Term of employment	1/1 - 31/12	1/1 - 31/12
Total remuneration		
Gross salary	99,728	99,728
Holiday allowance (8%)	7,978	7,820
Remuneration	107,706	107,548
Pension scheme paid by employer	14,259	14,201
Total remuneration	121,965	121,749

Also no other staff member received a remuneration exceeding the individual WNT maximum. No severance payments were made to employees that must be (or should have been) reported based on the WNT in 2021 and previous years.

Remuneration of Simavi's goodwill ambassadors

Mr Barry Atsma, Ms Dieuwertje Blok and Ms Britte Lagcher, Simavi's goodwill ambassadors, carried out their activities without receiving any remuneration.

Note 17 - Multi-year income analysis

The below table provides an overview of the development of Simavi's income over the past six years.

(x1,000 Euro)	Individual giving	Legacies and bequests	Corporate	Lottery organisations	Government subsidies	Other non-profit organisations	Total income
2016	1,024	491	239	1,012	12,988	1,130	16,884
2017	1,241	438	81	1,158	12,877	1,466	17,261
2018	1,675	577	158	900	17,405	730	21,445
2019	1,927	755	127	900	18,566	990	23,265
2020	1,828	737	367	900	23,364	354	27,550
2021	1,506	528	282	900	12,879	531	16,626

Individual giving has shown a gradual increase over the years. We aim to maintain this trend by further investments in active private fundraising activities. The drop in 2021 is caused by a change in fundraising strategy, which provides better returns per invested euro and is focussed to lay a solid foundation for future years. The amount received from legacies and bequests is volatile and unpredictable, yet they are an important source of income for Simavi.

In 2017 some of the income from Corporates was shifted to other non-profit organisations, due to the restructuring of the funding channel (e.g. via a related foundation).

Over the past years, the regular contribution of the Dutch Postcode Lottery was €900K. In 2014 Simavi received a contribution for the Making Periods Normal programme, amounting to a total of €2,064K, which was recognised as income during the years of execution of the programme (2014-2017).

The amount of government subsidies has been substantial over the past years. In 2016 and 2017, the finalisation of old and start-up of new programmes caused a dip in the income from government subsidies. From 2018, this income has returned to higher levels. The government subsidies are inclusive the amounts received for alliance partners. This income has been exceptionally high in 2020 due to the WASH SDG and WASH-First programmes, which Simavi is leading. The 2021 results reflect the finalisation of a number of important programmes.

The income from other non-profit organisations shows marked fluctuations. This is partly due to the effect of the timing of income recognition. The drop in 2020 is presumably linked to the pandemic. In 2021, we see a slight increase again. Generation of income from foundations and the private sector remains an important focal point of our fundraising efforts.

Appropriation of result

The result of the financial year 2021, is €522K negative. The executive board proposes, with approval of the supervisory board, to appropriate the result for the year, in accordance with the overview provided in the Statement of Income and Expenditure on page 73 and the explanation in note 4.

After balance sheet date information

There have been no material post balance sheet events, which would require adjustment to the financial statements of Simavi for the year 2021.

Amsterdam, May 13, 2022

Executive board **Supervisory board**

Ariette Brouwer	Michiel de Wilde (chair)
	Joyce Browne (vice-chair)
	Vera Arnoldus
	Willem van de Put
	Hans Valkenburg
	Jeroen Wels

Other information**Appropriation of result**

According to article 16.5 of the articles of association of Simavi, the Supervisory Board approves the annual accounts drawn up by the executive board. The annual accounts include a proposal for the appropriation of the result for the year 2021. The appropriation of result takes the imposed restrictions on spending by third parties into account.



Independent auditor's report

To: the executive board and the supervisory board of Stichting Simavi

Report on the financial statements 2021

Our opinion

In our opinion, the financial statements of Stichting Simavi ('the Stichting') give a true and fair view of the financial position of the Stichting as at 31 December 2021, and of its result for the year then ended in accordance with the Guideline for annual reporting 650 'Charity organisations' of the Dutch Accounting Standards Board and the provisions of and pursuant to the Dutch Standards for Remuneration Act ('WNT').

What we have audited

We have audited the accompanying financial statements 2021 of Stichting Simavi, Amsterdam.

The financial statements comprise:

- the balance sheet as at 31 December 2021;
- the income statement for the year then ended; and
- the notes, comprising the accounting policies and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is the Guideline for annual reporting 650 'Charity organisations' of the Dutch Accounting Standards Board and the provisions of and pursuant to the WNT.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and the Audit protocol WNT 2021. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

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

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Independence

We are independent of Stichting Simavi in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (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).

Compliance with anti-accumulation provisions WNT not audited

In accordance with the Audit protocol WNT 2021 we have not audited the anti-accumulation provisions of article 1.6a WNT and article 5, paragraph 1 (n and o) Uitvoeringsregeling WNT. This means we have not audited whether or not there is a breach of anti-accumulation remuneration standards resulting from remuneration for a possible employment as a high-ranking official of other WNT entities, nor have we audited if any related disclosure requirements are correct and complete.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the directors' report that is required by the Guideline for annual reporting 650 'Charity organisations' of the Dutch Accounting Standards Board.

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

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

The executive board is responsible for the preparation of the other information, including the directors' report pursuant to the Guideline for annual reporting 650 'Charity organisations' of the Dutch Accounting Standards Board.

Responsibilities for the financial statements and the audit

Responsibilities of the executive board and the supervisory board for the financial statements

The executive board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting 650 'Charity organisations' of the Dutch Accounting Standards Board and the provisions of and pursuant to the WNT; and for
- such internal control as the executive board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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As part of the preparation of the financial statements, the executive board is responsible for assessing the Stichting's ability to continue as a going concern. Based on the financial reporting framework mentioned, the executive board should prepare the financial statements using the going-concern basis of accounting unless the executive board either intends to liquidate the Stichting or to cease operations or has no realistic alternative but to do so. The executive board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Stichting's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Stichting's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, which makes it possible that we may not detect all material misstatements. Misstatements may arise due to fraud or error. They 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 the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 31 May 2022
PricewaterhouseCoopers Accountants N.V.

M. van Dijk RA

This document is electronically signed by:
M. van Dijk



Appendix to our auditor's report on the financial statements 2021 of Stichting Simavi

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, the Audit protocol WNT 2021, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- 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 intentional 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 Stichting's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board.
- Concluding on the appropriateness of the executive board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Stichting'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 and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Stichting 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 the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.