

# Annual accounts 2017

Health[e]Foundation  
at Amsterdam

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## Board Report 2017

### 1. General information

#### 1.1 Mission

Health[e]Foundation was founded as a not-for-profit organization in Amsterdam, the Netherlands, on May 14, 2003.

It was established with the conviction that accurate and state-of-the-art information is essential for health care workers worldwide. It takes up the challenge to provide health care workers with access to this information, particularly in those parts of the world most deprived of resources. It focuses on sustainable methods of training and education mainly health care workers on the treatment and prevention of communicable and poverty related diseases by means of a blended learning system.

Health[e]Foundation is committed to establish sustainable methods of training for health care workers on patient management and care, including disease prevention. We achieve this by means of a blended learning concept, which strengthens health care systems in resource limited settings. We deliver up to date content in an e-learning format which available on- and offline.

Health[e]Foundation's vision is a world in which everyone is treated equally, and poverty is eradicated. We believe that a good health care system is essential to achieve sound and sustainable socioeconomic growth and global development relies heavily on a healthy population. We strive to educate health care workers in the world's most vulnerable societies to ensure quality treatment for everyone in need. In addition, Health[e]Foundation educates the community in prevention, healthy living, life skills and sexual reproductive health.

By offering blended learning programs, Health[e]Foundation aims to give as many health care workers as possible access to information and knowledge that is essential for their daily clinical practice. The courses can be done online, as well as offline, facilitating learning even in the most remote areas.

The distance learning part ensures that all participants can study at their own pace and time, while the combination with short onsite trainings guarantees feedback from experts as well as colleagues. The web portal facilitates communication not only with colleagues from one's own region, but also worldwide. All courses are updated annually, ensuring that all participants have lifelong access to state-of-the-art information.

Main activities of Health[e]Foundation:

- developing training programs on communicable and poverty related diseases for target groups;
- finding authors to write modules, edit and adapt those into e-learning format and implement the courses into the IT platform;
- organizing trainings for health care workers and students;
- yearly updating the training content;
- developing new IT to make the e-learning accessible to more trainees;
- providing information on the activities of the Foundation in order to raise funds to conduct the trainings;
- engaging with other organizations to be able to train more health care workers.

## 1.2 Organization

### Culture

The organizational culture within Health[e]Foundation occurs within an open and positively driven atmosphere, and has a serious commitment to improving health care, especially in resource-limited settings. It is a small, flexible organization, with good contacts internally, as well as externally, with authors, local academia and institutes.

To enhance sustainability and maintain local support, Health[e]Foundation seeks cooperative partnerships with local, well-established organizations and stakeholders in the countries where it is active. The team makes an effort to be accessible to all who are interested in participating in its programs.

### Governance

The Supervisory Board consists of at least five individuals.

In 2017, the Supervisory Board of Health[e]Foundation consisted of the following people:

1. Professor Marcel M. Levi, chair (CEO and internist in University College London Hospitals)
2. Professor Dr. Jintanat Ananworanich (Associate Director for Therapeutics Research at MHRP and Professor Global Health, AGHD)
3. Professor Frank Cobelens (AIGHD, Amsterdam)
4. Rogier van Duyn (Rocycle, Amsterdam)
5. Dr. Mohammed Lamorde (IDI/ Makerere University Kampala)
6. Hans van der Noordaa (Dutch top manager, former CEO ING and Delta Lloyd)

The Supervisory Board's role is to provide advice on corporate strategy, training possibilities and the development of new programs, as well as approving the budget. Supervisory Board members receive no financial recompense for their activities. Originally the Board consisted of health care professionals in the field of HIV/AIDS. Recently, it has been extended to include more financial expertise.

### *Scientific Advisory Board*

Each training course developed by Health[e]Foundation has a Scientific Advisory Board. Members of these Advisory Boards are world-renowned experts in specific fields covered by the course. They are responsible for the completeness and accuracy of course content. These Board members are not financially rewarded.

### Executive team

The Executive Director of the Foundation, Fransje van der Waals, together with the Managing Director, Nadine Pakker, are responsible for daily management and supervision.

Dr. Van der Waals is Professor at the Department of Global Health of the Academic Medical Center as well as a doctor in a private practice in Amsterdam and a Supervisory Board member of the WEB foundation. Dr. Nadine Pakker is seconded to Health[e]Foundation for 0,45 FTE by AIGHD and directly employed by Health[e]Foundation for 0,1 FTE. The executive team together with the office staff in Amsterdam is the core team of Health[e]Foundation.

<b>Health[e]Foundation team 2017</b>	<b>Position</b>
Fransje van der Waals	Executive Director (0,5 FTE)
Nadine Pakker	Managing Director (0,55 FTE)
Lisa Gullbransson (till June 30 <sup>th</sup> )	Project manager (0,8 FTE)
Judith de Lange	Project manager (0,9 FTE)
Myrna Derksen	Project manager (0,8 FTE)
Vera Jamin	Project manager (0,8 FTE)
Marcellino Santoso	Webmaster IT manager (0,8 FTE)
Renée van Hoof (from September 1 <sup>st</sup> )	Project manager (0,8 FTE)

In 2017 there was an average of 4,57 FTE's at the Foundation. Of the employees, 6 people have an employment contract for an indefinite period and the others have a fixed time employment contract. Health[e]Foundation supports a 40-hour workweek.

The organization and its projects are also supported by volunteers, like the many authors and facilitators per project, as well as representatives all over the world.

<b>Regional Representatives 2017</b>	<b>Position</b>
Hanipha Kakooza	Local representative Uganda
Marie Michelle Umulisa and Oliva Bazirette	Local representatives Rwanda
Annemijn Blok-Versteeg	Consultant South Africa
Maeza Semaw and Betelhem Kassie	Local representatives Ethiopia
Liesje Tempelman	Local representative South Africa

#### Policy, strategy and control cycles

To fulfill its mission, Health[e]Foundation strives to train as many health care workers as possible in a relatively short period of time. Within the application for the grant from the Ministry of Foreign Affairs of the Netherlands that was developed in 2005 for 2006-2010, a policy plan was developed that specifies how many people will be trained in each country, and contains the financial and operational planning for the organization. It describes goals and ambitions, and explains how they can be realized. This is the basis upon which an annual work plan is drawn up by the management team, to be evaluated and approved by the Board. This work plan contains a clear overview of activities for the coming year, the goals to be met and the budget needed to fulfill the objectives.

The budget includes: costs per activity, personnel costs, material costs, and sources of funding.

The financial administration is outsourced to Jac's den Boer & Vink bv, specialized in non-profit-organizations. The audit of the reporting year 2017 is performed by WITH accountants.

Monthly the financial administration provides a financial overview of the current situation to the management team. The management team meets every week, in order to discuss ongoing projects and strategies. There is a monthly meeting with the directors and the treasurer of the Board.

The progress and execution of projects is subject to external factors, such as financial resources or political instability in target countries. This explains why sometimes the number of trained participants deviates from that originally specified in the policy plan; why projects in certain countries were not initiated whereas others not on the original list were initiated; or why the development of new programs is not as planned. These differences are always accounted for in the reports to the donors, sponsors as well as to the Board.

#### Communication with stakeholders

Health[e]Foundation makes a great effort to inform everybody involved in its projects about its progress and project outcomes. A short description of each event is published on our website. A bimonthly newsletter, containing news items and reports, is sent worldwide to all course participants, authors, (potential) sponsors, training partners and other involved and interested parties.

All stakeholders involved in Health[e]Foundation or any of its projects receive an annual report. While a project is ongoing, donors and sponsors receive reports and evaluations, as agreed in advance. After completion of a project, sponsors and local training partners receive an extensive written evaluation report. This report describes the progress of the participants, assessment results, challenges and solutions, lessons learned for future projects and a financial statement. Participants are updated through the bimonthly newsletter, distributed via email, and social media (Facebook and Twitter). Other news or information can also be sent automatically through the IT platform, which is convenient since all personal contact details are stored in one location.

When updated course content becomes available, participants are informed by text message, as well as by an email notification. As well as in the monthly newsletters, Health[e]Foundation has started to expand its use of social media, such as Facebook and Twitter to inform and keep in touch with stakeholders.

In line with mutual transparency and communication a Code of Conduct was established in 2009, as well as a complaints procedure for stakeholders and trainees.

#### Administrative Organization

The administrative processes of Health[e]Foundation are documented in 2010 in order to minimize a breach of financial liability for Health[e]Foundation to prevent and/or signal fraud or financial misuse.

### 1.3 Financial statement

Each year within six months after start of the calendar year the Supervisory Board together with the management discusses and approves the financial statements of income and expenditure and forecast of the next financial year.

## 2. Taxes

In 2008 the Tax Administration designated Health[e]Foundation as an institution for General Benefit (Algemeen Nut Beogende Instelling or ANBI). Donations to the Foundation can therefore be deducted from income tax, as well as from company and inheritance tax.

In 2009 and 2013 Health[e]Foundation was audited by the Dutch Tax Administration, after which the ANBI status was extended. The audit took place concerning the payment and administration of VAT and Corporate Income Tax. The Foundation is regarded as a taxpayer for VAT purposes by the Tax & Customs Authority, but is not liable for Corporate Income Tax.

## 3. Financing 2017

The financing of Health[e]Foundation activities in 2017 was realized through:

- grants by (pharmaceutical) companies;
- non-profit organization;
- donations;
- other financial benefit, such as interest.

## 4. Volunteers

Health[e]Foundation is fortunate to have many volunteers and unpaid facilitators and authors that donate the reimbursement for their writings and yearly updates to the foundation. The total investment of volunteers is not represented in the financial report.

In 2017 21 authors made an update of their module. It takes them about 8 hours to adapt a module, realizing that the average income per hour is € 150. Often hours are donated to the foundation, 3 authors donated the full amount to the foundation.

During the training workshops on location Health[e]Foundation makes use of local professionals that volunteer, often local health care workers mostly physicians. Per training at least six volunteers facilitate and help with the organization of a workshop. They spend at least ten hours per training workshop. An average local hourly income would be € 50. A total of 29 workshops were given on location in 2017.

Also important volunteers are the e-tutors. Participants to the training can make online use of our e-tutors to answer questions concerning content. All the e-tutor are specialists that answer these question on a volunteer basis. E-tutors spend an average of two hours per group answering questions. They donate their average income of €150 per hour, to Health[e]Foundation.

## 5. Policy 2017

The organization and coordination of many of Health[e]Foundation's activities are executed by headquarter staff, local representatives and co-workers.

### *Training activities*

In 2017, worldwide a total of 2826 health care workers and 9643 students and community workers were trained. The staff of the Amsterdam office has been at 29 training workshops. The focus countries in 2017 were Cameroon, Ethiopia, Rwanda, Senegal, South Africa, Uganda, besides Bonaire, China and Europe.

### *Training programs*

The following training programs have been available in previous years: HIV[e]Education, Pediatric HIV[e]Education, TB[e]Education, Female and Family[e]education, Basic Occupational Health[e]Education, Scientific writing[e]Education, Health[e]Communities, Health[e]Living, Mental Health and HIV[e]Education, the Dutch Mental Health[e]Education, Ebola[e]Education and Telemicrobiology[e]Education. New in 2017 is the Dutch blended versions of Refugee Care[e]Education and Hepatitis[e]Education

## 6. Policy 2018

There has been a slight shift in focus to countries with several years funding such as Ethiopia. The financing of the trainings were by specific funders as pharmaceutical companies, trust funds, partner organizations and private funders. With this strategy Health[e]Foundation hopes to optimize the efficiency of her financial means.

Today, Health[e]Foundation no longer limits itself to health workers but also provides information outreach to community workers via Apps (smartphone applications). This combination boosts the integration of knowledge and information and is in line with the global shift in doctor-centered health care towards community-based and patient-centered care. Health[e]Foundation is improving the accessibility of care by developing the mobile application 'MyHEALTH@HAND'. Patients will be able to use this App to store all of their medical information on their own smartphones. They will have continual access to this information, whenever and wherever they are. By promoting the involvement of women in their own care, mother and child morbidity and mortality - which are still a major problem in Africa - will be reduced.

Concerning the funding commitments for 2018, Health[e]Foundation is confident in its continuation and in the financial statements. The principles of valuation and results are based on the assumption of continuity of the foundation.

## 7. Fundraising

We are pleased to note that the funding in 2017 was more than the budget for 2016 due to generous funding for trainings by the pharmaceutical companies and private foundations. Unfortunately, we did not receive the bonus to become a beneficiary of the Nationale Postcode Loterij. In 2018 we will renew our efforts to obtain their yearly funding.

Overall, the time and effort put into fundraising in 2017 was very successful. With the trust of long time contacts and help of the Supervisory Board members we will be actively pursuing on getting this on an even more successful level in 2018.

Before developing any new training program, we will ensure funding for the development and trainings are secured before the starting of a new effort. Luckily we received extra funding in December 2017 to enable us to start the MyHEALTH@HAND application.

## 8. Risk management

Health[e]Foundation operates in an environment that involves both operational and reputational risk. To mitigate the risks Health[e]Foundation continually identifies additional risks and recommends measures to counter these risks.

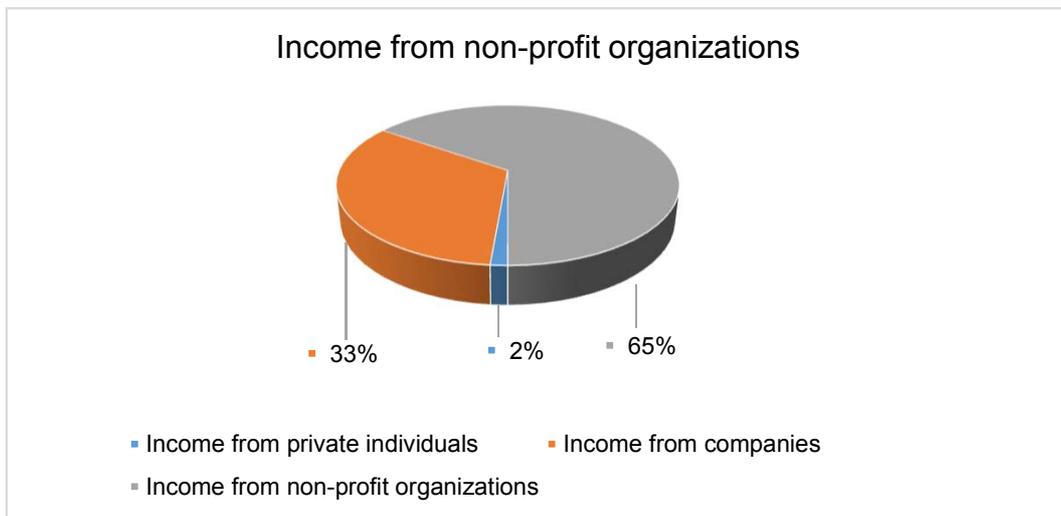
<b>Risk category</b>	<b>Risk appetite</b>	<b>Risk description</b>	<b>Measures</b>
Reputational	Low	Reputation	Recruitment of staff with good qualifications and operational experience in the Health[e]Foundation field.  Continued identification of additional risks and measures to counter these risks.
Operational	Low	Risk to persons	Continual identification of additional risks and measures to counter these risks.
Financial	Low	Financial risk: To maintain a solid financial position ensuring continuity due to secured funding of activities.	A monthly overview of income and expenditures.

## 9. Exploitation 2017

In 2017 Health[e]Foundation achieved a positive balance of income and expenditure of € 57.200, budgeted was € 41.725.

### *Income*

The actual income is € 1.052.062 (budget: € 1.041.925). Of the total actual income Health[e]Foundation raised 65% mainly from other non-profit organizations. Please see below an overview of total income per non-profit organization.

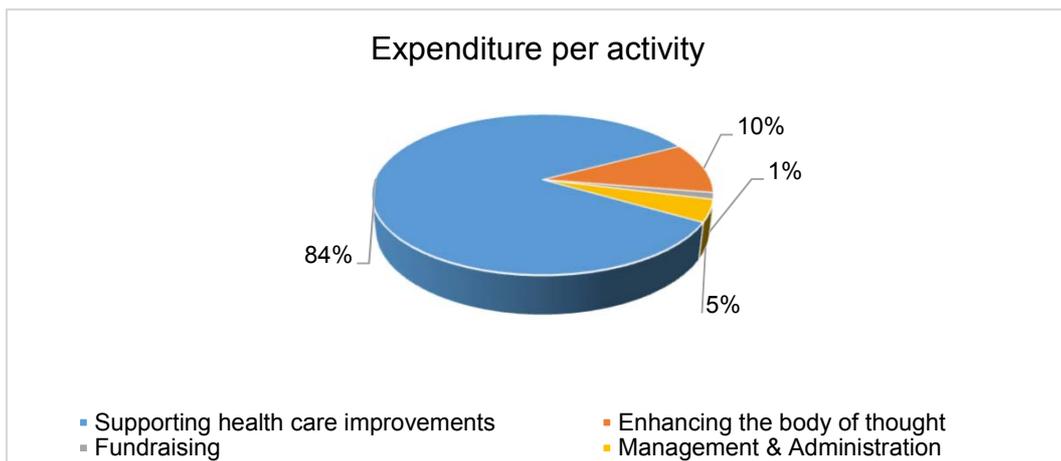


Some additional funding for the year 2018 and 2019 has already been secured, which ensures that Health[e]Foundation will be able to continue its activities in 2018 and beyond. An overview of these secured fundings can be found at page 21.

### *Expenses*

In 2017 the total expenses are € 994.862, budgeted was € 1.000.200. The staff expenses are lower than budgeted (€ 74.119). The budgeted business developer (€ 50.000) has not been realized.

Also the office and general expenses are € 19.181 lower than budgeted. The figure below shows an overview of expenditure per activity.



*Result*

The result income and expenditure of € 57.200 is allocated to the continuity reserve (€ -75.260) and the reserve Health activities (€ 132.460) created in 2017. The balance of the continuity reserve at 31 December 2017 was € 357.321. On 31 December 2017 the continuity reserve covers one year of the annual costs of the staff, depreciation and the office and general expenses.

	<u>Realization 2017</u>	<u>Budget 2017</u>
	€	€
<u>Income</u>		
Sum of the raised income	1.052.035	1.041.925
Other income	<u>27</u>	<u>0</u>
Total income	<u>1.052.062</u>	<u>1.041.925</u>
<u>Expenditure</u>		
Activities	619.306	470.000
PR and conferences	18.235	15.000
Fundraising	0	65.000
Staff expenses	319.881	394.000
Office and general expenses	35.819	55.000
Depreciation	<u>1.621</u>	<u>1.200</u>
Total expenditure	<u>994.862</u>	<u>1.000.200</u>
Result income and expenditure	<u><u>57.200</u></u>	<u><u>41.725</u></u>

10. Key figures

	<u>Realization 2017</u>	<u>Budget 2017</u>	<u>Realization 2016</u>
Total expenditure on behalf of the objectives/total income	89,1%	77,6%	61,6%
Costs of own fundraising/total costs	1,3%	14,9%	5,7%
Costs of management and administration/ total costs	<u>4,4%</u>	<u>4,3%</u>	<u>8,0%</u>
	<u>94,9%</u>	<u>96,8%</u>	<u>75,2%</u>
Costs of own fundraising/income from own fundraising	1,3%	14,3%	4,3%

11. Budget 2018

The budget is the responsibility of the Supervisory Board and is established on January 15, 2018.

	€
INCOME	
Sum of the raised income	<u>1.016.122</u>
Total income (A)	<u>1.016.122</u>
EXPENDITURE	
<i>Spent on objectives</i>	
- Supporting health care improvements	698.184
- Enhancing the body of thought that good health care is a prerequisite for growth in developing countries	<u>121.765</u>
Total spent on objectives	819.949
Fundraising	
- Costs of fundraising	38.200
Management and administration	
- Management and administration costs	<u>61.851</u>
Total expenditure (B)	<u>920.000</u>
Result income and expenditure (A - B)	<u><u>96.122</u></u>

Amsterdam, 8 May 2018

Prof. M.M. Levi

Mr. H. van der Noordaa

## A. Balance

<u>Ref.</u>	<u>31-12-2017</u>	<u>31-12-2016</u>
	€	€
ASSETS		
	Fixed assets	
1.	- Tangible fixed assets	<u>4.797</u> <u>2.711</u>
	Current assets	
2.	- Receivables	138.638      216.942
3.	- Cash and cash equivalents	<u>659.819</u> <u>403.395</u>
	Total current assets	<u>798.457</u> <u>620.337</u>
	Total assets	<u><u>803.254</u></u> <u><u>623.048</u></u>
LIABILITIES		
	Reserves	
4.	- Continuity reserve	357.321      432.581
5.	- Reserve Health activities	<u>132.460</u> <u>0</u>
	Total reserves	<u>489.781</u> <u>432.581</u>
	Debts	
6.	- Short term debts	<u>313.473</u> <u>190.467</u>
	Total liabilities	<u><u>803.254</u></u> <u><u>623.048</u></u>

## B. Statement of income and expenditure

Ref.		<u>Realization 2017</u>	<u>Budget 2017</u>	<u>Realization 2016</u>
		€	€	€
	INCOME			
7.	Income from private individuals	14.339	20.900	25.693
8.	Income from companies	350.646	157.500	534.108
9.	Income from other non-profit organizations	<u>687.050</u>	<u>863.525</u>	<u>379.025</u>
	Sum of the raised income	<u>1.052.035</u>	<u>1.041.925</u>	<u>938.826</u>
10.	Other income	<u>27</u>	<u>0</u>	<u>67.537</u>
	Total income (A)	<u>1.052.062</u>	<u>1.041.925</u>	<u>1.006.363</u>
11.	EXPENDITURE			
	<i>Spent on objectives</i>			
	- Supporting health care improvements	835.151	714.672	523.223
	- Enhancing the body of thought that good health care is a prerequisite for growth in developing countries	<u>102.544</u>	<u>94.049</u>	<u>96.417</u>
	Total spent on objectives	937.695	808.721	619.640
	Fundraising			
	- Costs of fundraising	13.200	148.792	40.650
	Management and administration			
	- Management and administration costs	<u>43.967</u>	<u>42.687</u>	<u>57.308</u>
	Total expenditure (B)	<u>994.862</u>	<u>1.000.200</u>	<u>717.598</u>
	Result income and expenditure (A - B)	<u>57.200</u>	<u>41.725</u>	<u>288.765</u>
	Appropriation:			
	- Continuity reserve	-75.260	41.725	288.765
	- Reserve Health activities	<u>132.460</u>	<u>0</u>	<u>0</u>
	Total	<u>57.200</u>	<u>41.725</u>	<u>288.765</u>

### C. Cash flow statement

	2017		2016	
	€	€	€	€
<u>Cash flow from operational activities</u>				
Result income and expenditure	57.200		288.765	
Investments	-3.707		0	
Depreciation	1.621		1.461	
Mutation provision	<u>0</u>		<u>-67.184</u>	
		55.114		223.042
Changes in working capital				
- Change in receivables	78.304		-90.954	
- Change in short-term debt	<u>123.006</u>		<u>61.334</u>	
Total changes in working capital		<u>201.310</u>		<u>-29.620</u>
Total cash flow from operational activities		<u>256.424</u>		<u>193.422</u>
Changes in cash and cash equivalents		<u>256.424</u>		<u>193.422</u>
Cash and cash equivalents 1 January		403.395		209.973
Cash and cash equivalents 31 December		<u>659.819</u>		<u>403.395</u>
Changes in cash and cash equivalents		<u>256.424</u>		<u>193.422</u>

#### Notes to the cash flow statement

The cash flow statement analyses the changes in cash and cash equivalents between 1 January 2017 and 31 December 2017 and is prepared according to the indirect method. Due to the result of income and expenditure the cash position has improved.

## D. Accounting principles

### General information

The financial statements are prepared in accordance with accounting principles generally accepted in the Netherlands titel 9 Boek 2 BW and the Guideline 650 of the Dutch Accounting Standards Board, the guideline for fundraising organisations. Unless otherwise indicated, assets and liabilities are entered at nominal value under the historical cost convention and are used for the Foundation's objectives.

### Tangible fixed assets

Depreciation of the computers (valued against purchase price) is calculated on a straight-line basis taking the estimated economic useful life into account. The estimated economic useful life of the computers is set at three years. Items that do not exceed € 450 are not capitalised but charged directly to the statement of income and expenditure. Additions for the year 2017 are considered to have contributed to the Foundation's activities pro rata.

### Receivables

Receivables are recognized at fair value. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of discounted value of the expected revenues. Interest gains are recognized using the effective interest method.

### Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank balances. Cash and cash equivalents are stated at face value.

### Continuity

The subsidy commitments assume a continuation of the Foundation and in these annual accounts the principles of valuation and determination of the result are based on the assumption of continuity of the Foundation.

The continuity reserve is created to ensure that the Foundation can meet its legal and moral obligations in case of a significant fall in income in the future. The continuity reserve covers the annual costs of the staff, depreciation and general expenses for one year.

### Provisions

Provisions are recognised for legally enforceable or constructive obligations existing at the balance sheet date, the settlement of which is probable to require an outflow of resources whose extent can be reliably estimated.

Provisions are measured on the basis of the best estimate of the amounts required to settle the obligations at the balance sheet date. Unless indicated otherwise, provisions are stated at the present value of the expenditure expected to be required to settle the obligations.

### Liabilities

Liabilities are initially recognized at fair value. Transaction costs directly attributable to the incurrance of the liabilities are included in the measurement on initial recognition. Liabilities are subsequently measured at amortized costs; this is the amount received plus or less any premium or discount and net of transaction costs.

### Pension

Health[e]Foundation has her pension plan (Defined Contribution) voluntary committed to Zwitserleven. In the annual accounts the payable amounts are added in.

### Income and expenditure

Income and expenditure are recognised as they are earned or incurred and are recorded in the financial statements of the period to which they relate. Losses are taken into account if they originate in the financial year and as soon as these are anticipated. Profit or loss is determined as the difference between realisable value of the services delivered and the costs and other charges for the year.

The general and administrative expenses comprise partly costs chargeable to the year that are not directly attributable to the costs of the services rendered.

Salaries, wages and social security contributions are taken to the income statement based on the terms of employment, where they are due to employees.

Interest received is recognized on a time-weighted basis, taken account of the effective rate concerned.

### Accounting policies for the allocation

The allocation of personnel costs is based on an annual activity estimate created by Health[e]Foundation per person per destination. This dividing has been used in both the budget and the result of 2017.

The other staff costs have been added based on a percentage mark per person.

The amounts for office and general expenses are divided based on FTE's. Based on the estimated timesheet it is possible to determine FTE's per destination. The total estimated timesheet is used to allocate the costs.

Estimated time sheet to allocate the office and general expenses:

<u>Supporting health care improvements</u>	<u>Enhancing the thought</u>	<u>Fundraising</u>	<u>Management and administration</u>	<u>Total</u>
69%	21%	1%	9%	100%

The depreciation costs are entirely allocated to the objective 'supporting health care improvements'.

The way in which the costs are allocated in 2017 does not deviate from the method used for the budget of 2017 and the result of 2016.

## E. Notes to the balance sheet

	<u>31-12-2017</u>	<u>31-12-2016</u>
	€	€
1. <u>Tangible fixed assets</u>		
- Computers		
Balance at 1 January	2.711	4.172
Mutations:		
- Investments	3.707	0
- Depreciation	<u>-1.621</u>	<u>-1.461</u>
Balance at 31 December	<u><u>4.797</u></u>	<u><u>2.711</u></u>
Purchase value	15.487	11.780
Cumulative depreciation	<u>-10.690</u>	<u>-9.069</u>
Balance 31 December	<u><u>4.797</u></u>	<u><u>2.711</u></u>
2. <u>Receivables</u>		
Receivables and prepayments	55.323	9.566
Debtors	52.417	185.550
VAT	<u>30.898</u>	<u>21.826</u>
Total receivables	<u><u>138.638</u></u>	<u><u>216.942</u></u>

All receivables have a maturity shorter than one year and are fully considered.

	<u>31-12-2017</u>	<u>31-12-2016</u>
	€	€
- Receivables and prepayments		
Dioraphte Ethiopia Fase I	50.000 *	0
Donation Koffrie	3.000 *	0
Prepayments (hosting and computer-based course)	1.625	875
Prepayment pension	671	1.837
Interest	27 *	354
Dioraphte Refugees	<u>0</u>	<u>6.500</u>
Total receivables and prepayments	<u><u>55.323</u></u>	<u><u>9.566</u></u>

\* Received in first quarter 2018.

- Debtors

Stichting Dioraphte	50.000 *	87.500
Project funders	0	98.050
Others	<u>2.417</u>	<u>0</u>
Total debtors	<u><u>52.417</u></u>	<u><u>185.550</u></u>

\* Received in first quarter 2018.

3. Cash and cash equivalents

Rabobank - current account	370.838	139.659
Rabobank - savings account	286.386	260.484
Cash	2.595	1.678
Cash Rwanda	<u>0</u>	<u>1.574</u>
Total cash and cash equivalents	<u><u>659.819</u></u>	<u><u>403.395</u></u>

All cash and cash equivalents can be withdrawn upon demand.

	<u>31-12-2017</u>	<u>31-12-2016</u>
	€	€
4. <u>Continuity reserve</u>		
Balance at 1 January	432.581	143.816
Allocation balance income and expenditure	<u>-75.260</u>	<u>288.765</u>
Balance at 31 December	<u><u>357.321</u></u>	<u><u>432.581</u></u>

The Supervisory Board decided to build up a continuity reserve to cover the annual costs of the staff, depreciation and the office and general expenses in 2017. These expenses are € 357.321.

5. <u>Reserve Health activities</u>		
Balance at 1 January	0	
Allocation balance income and expenditure	<u>132.460</u>	
Balance at 31 December	<u><u>132.460</u></u>	<u><u>0</u></u>

The reserve Health activities was created to take care that, besides the raised income in the coming years, the activities of the projects will be continued, for example the development of "MyHEALTH@HAND" app.

6. <u>Short term debts</u>		
Received in advance	250.596	117.500
Creditors and payables	40.463	52.749
Reservation holiday pay	16.292	12.438
Salary taxes	6.122	7.519
Pension	<u>0</u>	<u>261</u>
Total short term debts	<u><u>313.473</u></u>	<u><u>190.467</u></u>

All short term debts have a maturity shorter than one year.

	<u>31-12-2017</u>	<u>31-12-2016</u>
	€	€
<b>- Received in advance</b>		
Stichting Virtutis Opus	75.000	0
PAI/Joep Lange Instituut	50.000	0
Janssen (Cameroon)	29.145	0
Janssen (South-Senegal)	41.025	0
Janssen (Ethiopia)	33.950	0
Janssen (Nigeria)	0	40.000
Janssen (Senegal)	0	40.000
Gilead	21.476	0
Contributions received in advance 2016	<u>0</u>	<u>37.500</u>
<b>Total received in advance</b>	<b><u><u>250.596</u></u></b>	<b><u><u>117.500</u></u></b>
<b>- Creditors and payables</b>		
Staff costs	31.716	33.674
Auditor	4.450	4.375
Travelling costs	2.768	3.771
Administration costs	1.292	1.943
Materials and resources	138	4.242
Banking costs	99	120
On-site workshop	0	2.022
Other costs	<u>0</u>	<u>2.602</u>
<b>Total creditors and payables</b>	<b><u><u>40.463</u></u></b>	<b><u><u>52.749</u></u></b>

#### Post balance sheet events

There have been no significant events post balance date which would materially effect the financial statement.

Rights and commitments not appearing in the balance sheet

During the financial year, Health[e]Foundation has started several new projects with a duration of several years. Because these commitments are not visible in the balance sheet, reference is made to the table below.

	<u>Granted contributions</u>	<u>Received</u>	<u>Previously realized income</u>	<u>Income 2017</u>	<u>Received in advance per 31-12-2017</u>	<u>Still to receive per 31-12-2017</u>	<u>Duration</u>
	€	€	€	€	€	€	
<i>Project income from Foundations</i>							
Refugee Care[e]Education (Stg. Dioraphte)	37.525	25.000	6.500	18.500	0	0	2016 till 2018
Ethiopia Fase I (Stg. Dioraphte)	300.000	250.000	162.500	137.500	0	50.000	01-10-2015 till 31-10-2017
Ethiopia Fase II (Stg. Dioraphte)	300.000	0	0	50.000	0	50.000	01-10-2017 till 30-09-2019
Stichting Virtutis Opus	125.000	75.000	0	50.000	75.000	0	01-11-2017 till 31-12-2018
Stichting PAI/JLI	300.000	50.000	0	0	50.000	0	01-01-2018 till 31-12-2021
Subtotal Foundations				<u>256.000</u>	<u>125.000</u>	<u>100.000</u>	
<i>Project income from other organisations</i>							
Janssen Ethiopia	67.900	67.900	0	33.950	33.950	0	01-10-2017 till 31-03-2018
Janssen Cameroon	58.290	58.290	0	29.145	29.145	0	01-10-2017 till 31-03-2018
Janssen South-Senegal	82.050	82.050	0	41.025	41.025	0	01-10-2017 till 31-03-2018
Gilead Nigeria	42.953	42.953	0	21.476	21.476	0	18-09-2017 till 31-12-2017
Subtotal other organisations				<u>125.596</u>	<u>125.596</u>	<u>0</u>	
Total				<u>381.596</u>	<u>250.596</u>	<u>100.000</u>	

## F. Notes to the statement of income and expenditure

	<u>Realization</u> <u>2017</u>	<u>Budget</u> <u>2017</u>	<u>Realization</u> <u>2016</u>
	€	€	€
INCOME			
7.	<u>Income from private individuals</u>		
Donations	12.451	8.400	8.440
Contribution in kind	463	0	0
Fundraising activities	0	12.500	17.253
Contributions of participants	<u>1.425</u>	<u>0</u>	<u>0</u>
Total income from private individuals	<u><u>14.339</u></u>	<u><u>20.900</u></u>	<u><u>25.693</u></u>
8.	<u>Income from companies</u>		
Contribution in kind	0	0	13.675
C.A. Boonen Beheer B.V.	5.000	5.000	0
Gilead	21.476	0	95.000
Merck for Mothers	0	0	132.205
ViiV (Kenya)	0	0	92.474
ViiV (Bonaire)	40.000	40.000	60.000
ViiV (Rwanda)	100.050	0	0
Janssen (Impact Analysis)	0	0	23.500
Janssen (Nigeria)	40.000	40.000	20.000
Janssen (Senegal)	40.000	40.000	20.000
Janssen (Tanzania)	0	0	60.000
Janssen/CACAPC (China)	0	20.000	0
Janssen (Ethiopia)	33.950	0	0
Janssen (Cameroon)	29.145	0	0
Janssen (South-Senegal)	41.025	0	0
Fundraising activities	<u>0</u>	<u>12.500</u>	<u>17.254</u>
Total income from companies	<u><u>350.646</u></u>	<u><u>157.500</u></u>	<u><u>534.108</u></u>

	<u>Realization 2017</u>	<u>Budget 2017</u>	<u>Realization 2016</u>
	€	€	€
9. <u>Income from other non-profit organizations</u>			
Stichting MKI	0	0	28.700
AFEW	5.000	0	37.575
Swiss Tropical Institute	0	0	0
Refugees:			
- H2020	0	0	69.050
- Innovatiefonds	5.000	5.000	20.000
- Stichting Dioraphte	18.500	31.025	6.500
- GGD Amsterdam	35.000	35.000	0
- Other	0	0	12.500
Charitable funds:			
- Stichting Dioraphte - Ethiopia	137.500	112.500	112.500
- Stichting Dioraphte - Ethiopia II	50.000	50.000	0
- Private Anonymous Foundation	75.000	75.000	65.000
- Stichting Virtutis Opus	50.000	125.000	0
- PAI/Joep Lange Instituut	0	50.000	0
- War Trauma Foundation	-16.450	18.000	25.450
Schools	2.500	2.000	1.750
Contribution in kind from Estonia	325.000	175.000	0
Project subsidies in acquisition	0	185.000	0
	<u>0</u>	<u>185.000</u>	<u>0</u>
Total income from other non-profit organizations	<u>687.050</u>	<u>863.525</u>	<u>379.025</u>
10. <u>Other income</u>			
Interest banks	27		353
Exceptional income	0		67.184
	<u>0</u>		<u>67.184</u>
Total other income	<u>27</u>	<u>0</u>	<u>67.537</u>
11. EXPENDITURE			

The specification expenditure starts on page 24 with the allocation of the expenditures.

**Specification and allocation of expenditures to destination - realisation 2017**

	Destination				Total realisation 2017	Budget 2017	Realisation 2016
	Spent on objectives		Fundraising	Management and administration			
	Supporting health care improvements	Enhancing the thought					
	€	€	€	€	€	€	€
<u>Expenditure</u>							
Activities	619.306	0	0	0	619.306	470.000	300.218
PR and conferences	0	18.235	0	0	18.235	15.000	12.728
Fundraising	0	0	0	0	0	65.000	19.730
Staff expenses	189.770	76.706	12.730	40.675	319.881	394.000	338.521
Office and general expenses	24.454	7.603	470	3.292	35.819	55.000	44.940
Depreciation	1.621	0	0	0	1.621	1.200	1.461
Total	<u>835.151</u>	<u>102.544</u>	<u>13.200</u>	<u>43.967</u>	<u>994.862</u>	<u>1.000.200</u>	<u>717.598</u>

**Continuation specification expenditure**

	<u>Realization 2017</u>	<u>Budget 2017</u>	<u>Realization 2016</u>
	€	€	€
<u>Activities</u>			
Translations	20.460	25.000	13.675
Organization and implementation	559.736	405.000	243.578
Software platform	29.689	30.000	33.362
Updates/development of programs	<u>9.421</u>	<u>10.000</u>	<u>9.603</u>
Total activities	<u><u>619.306</u></u>	<u><u>470.000</u></u>	<u><u>300.218</u></u>
- Translations			
Translations HIV[e]Education	20.460		0
Translations Pediatric HIV[e]Education Country specific modules	<u>0</u>		<u>13.675</u>
Total translations	<u><u>20.460</u></u>	<u><u>25.000</u></u>	<u><u>13.675</u></u>
- Organization and implementation			
On-Site Workshop	483.419 *		180.409
Travelling costs	43.386		41.171
Materials and resources	<u>32.931</u>		<u>21.998</u>
Total organization and implementation	<u><u>559.736</u></u>	<u><u>405.000</u></u>	<u><u>243.578</u></u>
* Includes € 325.000 in kind from Estonia regarding the development of "MyHEALTH@HAND" app.			
- Software platform			
	<u><u>29.689</u></u>	<u><u>30.000</u></u>	<u><u>33.362</u></u>

	<u>Realization 2017</u>	<u>Budget 2017</u>	<u>Realization 2016</u>
	€	€	€
<b>- Updates/development of programs</b>			
Development new programs	4.326		1.332
Update/development HIV[e]Education	4.635		6.449
Update/development Community[e]Education	0		891
Update/development Pediatric HIV[e]Education	460		0
Update/development TB[e]Education	<u>0</u>		<u>931</u>
Total updates/development of programs	<u><u>9.421</u></u>	<u><u>10.000</u></u>	<u><u>9.603</u></u>
 <b><u>PR and conferences</u></b>			
Annual report	11.280		9.546
Aids meetings/congresses	5.961		3.182
Board meetings	<u>994</u>		<u>0</u>
Total PR and conferences	<u><u>18.235</u></u>	<u><u>15.000</u></u>	<u><u>12.728</u></u>
 <b><u>Fundraising</u></b>			
Costs Health[e]Event			19.523
Direct costs own fundraising			<u>207</u>
Total fundraising	<u><u>0</u></u>	<u><u>65.000</u></u>	<u><u>19.730</u></u>

No Health[e]Event took place in 2017.

	<u>Realization 2017</u>	<u>Budget 2017</u>	<u>Realization 2016</u>
	€	€	€
<u>Staff expenses</u>			
- Salary costs			
Executive Director	59.305	59.500	59.305
Managing Director	60.547	60.500	60.520
Project managers	117.559	129.000	139.828
Office and web administrator	31.622	32.000	30.067
Business developer	<u>0 *</u>	<u>50.000</u>	<u>0</u>
Total salary costs	<u>269.033</u>	<u>331.000</u>	<u>289.720</u>
* The budgeted business developer has not been appointed.			
- Other staff expenses			
Social insurances charges	30.769	42.000	33.839
Pension charges	4.633	6.000	11.038
Commuting expenses	6.567	8.000	7.001
Holidays	2.834	0	276
Received sickness pay	0	0	-9.783
Other staff costs	<u>6.045</u>	<u>7.000</u>	<u>6.430</u>
Total other staff expenses	<u>50.848</u>	<u>63.000</u>	<u>48.801</u>
Total staff expenses	<u><u>319.881</u></u>	<u><u>394.000</u></u>	<u><u>338.521</u></u>
<i>Number of persons employed at year end</i>	<i>7</i>	<i>8</i>	<i>8</i>
<i>Number of FTE at year end</i>	<i>4,70</i>	<i>5,70</i>	<i>5,60</i>
<i>Average number of FTE</i>	<i>4,57</i>	<i>5,70</i>	<i>5,17</i>

The remuneration of the executive team was in total € 125.520 including holiday pay, social insurance charges, pension and charged salary costs from AIGHD. The executive team represents 1,05 FTE.

	<u>Realization 2017</u>	<u>Budget 2017</u>	<u>Realization 2016</u>
	€	€	€
<i>Executive Director</i>			
Salary	54.912		54.912
Holiday pay	4.393		4.393
Social insurances charges	3.571		3.422
Pension charges	<u>598</u>		<u>7.172</u>
Total expenses Executive Director	<u><u>63.474</u></u>		<u><u>69.899</u></u>
<i>Managing Director</i>			
Salary	7.800		7.800
Holiday pay	624		624
Social insurances charges	1.499		1.462
Salary expenses from AIGHD	<u>52.123</u>		<u>52.096</u>
Total expenses Managing Director	<u><u>62.046</u></u>		<u><u>61.982</u></u>
<u>Office and general expenses</u>			
Administrative outsourcing	23.622		19.589
Other consulting fees	0		14.450
Auditor expenses	4.525		4.375
Bank charges	3.504		1.194
Other office and general expenses	<u>4.168</u>		<u>5.332</u>
Total office and general expenses	<u><u>35.819</u></u>	<u><u>55.000</u></u>	<u><u>44.940</u></u>
The Board members receive no remuneration for their activities.			
<u>Depreciation</u>			
Depreciation computers	<u><u>1.621</u></u>	<u><u>1.200</u></u>	<u><u>1.461</u></u>

## **Other information**

### Auditor's statement

The auditor's statement is included at the next page of the annual accounts.

Stichting Health[e]Foundation  
Postbus 22660  
1100 DD AMSTERDAM

## INDEPENDENT AUDITOR'S REPORT

To: the board of directors and the supervisory board of Stichting Health[e]Foundation

### Report on the audit of the financial statements 2017 included in the annual report

#### *Our opinion*

We have audited the financial statements 2017 of Stichting Health[e]Foundation, based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting Health[e]Foundation as at 31 December 2017 and of its result for 2017 in accordance with the Guideline for annual reporting 650 "Fundraising Organizations" of the Dutch Accounting Standards Board.

The financial statements comprise:

1. the balance sheet as at 31 December 2017 with a balance sheet total of € 803.254;
2. the statement of income and expenditure for the period 1 January 2017 to 31 December 2017 (with a total positive result of € 57.200; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

#### *Basis for our opinion*

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

We are independent of Stichting Health[e]Foundation 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.

### 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's report;
- other information as required by the Guideline for annual reporting 650 "Fundraising Organizations" of the Dutch Accounting Standards Board.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements. 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.

The Board of Directors is responsible for the preparation of the management board's report and other information in accordance with the Guideline for annual reporting 650 "Fundraising Organizations" of the Dutch Accounting Standards Board.

#### **Description of responsibilities regarding the financial statements**

##### ***Responsibilities of the Board of Directors for the financial statements***

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting 650 "Fundraising Organizations" of the Dutch Accounting Standards Board. Furthermore, the Board of Directors 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, the Board of Directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the company financial statements.

##### ***Our responsibilities for the audit of the financial statements***

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion. Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

Was signed at Sliedrecht, 28 May 2018.

WITh accountants B.V.  
M. de Bruijne RA

Enclosures.

**Enclosure to our auditor's report by the accompanying financial statements 2017 of Stichting Health[e]Foundation, te Amsterdam**

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

- identifying and assessing the risks of material misstatement of the company financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the company 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 company financial statements, including the disclosures; and
- evaluating whether the company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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