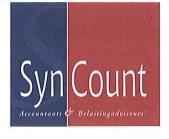


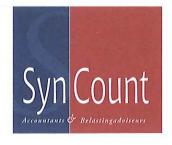
REPORT ON THE ANNUAL ACCOUNTS 2013

FOUNDATION INTERNATIONAL CHILD DEVELOPMENT INITIATIVES IN LEIDEN



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To the Board of the Foundation International Child Development Initiatives Hooglandse Kerkgracht 17 F 2312 HS Leiden

Bodegraven, 12 march 2014

Reference: 019660/JRK/SKO/ERI

Dear members of the Board,

Enclosed you find the auditor's report 2013 of Foundation International Child Development Initiatives.

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements 2013 of the Foundation International Child Development Initiatives, Leiden, which comprise the balance sheet as at 31 December 2013, the profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements and in accordance with general accepted accounting policies in the Netherlands. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion with respect to the financial statements

In our opinion, the financial statements give a true and fair view of the financial position of the Foundation International Child Development Initiatives as at 31 December 2013 and of its result for the year then ended in accordance with general accepted accounting policies in the Netherlands and in accordance with Guideline RJ 650 for fundraising organizations.

GENERAL

The Foundation International Child Development Initiatives was founded in Leiden on 28th April 1994.

The objective of the foundation is to encourage the policy, the practice and the theory of intervention programs on behalf of the children in subordinated situations.

The foundation tries to accomplish their objective by enlarging and putting their expertise to everyone's disposal, to investigate and study, to establish and intensify a professional network and joint ventures, to organize meetings, to produce as well as to publish information and finance intervention programs.

Constitution of the board

The general board of the foundation has the following constitution as at 31 December 2013:

- M.J.J.M. Malmberg, chairperson
- E. Bruning
- A. Vervoord
- J. Ferrier
- J.J.A. Wismans

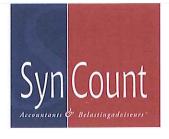
If necessary, we are prepared to provide further information.

Yours sincerely,

SynCount Accountants & Belastingadviseurs B.V.

was getekend

drs. S. Koeleman RA



Board and Director's report

Introduction

We are happy to present International Child Development Initiatives' 2013 Financial Audit Report.

New countries and projects

2013 saw the start of several new projects. We note here the pan-European project Children Rough Sleepers. This two year project, lead by the University of Wolverhampton, aims to collect and compare data on children and young people who are homeless. The first phase of this project involved interviews with homeless youth themselves and with professionals working with or on behalf with them. The preliminary findings of this research in The Netherlands have been presented in a short report. In the coming year we plan to organize workshops and a conference to strengthen approaches to support homeless young people.

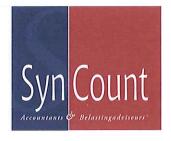
Another project which started in 2013 is the EU financed 'Home is Where the Heart is' project in Belarus. This is our second long term project in that country. The goal is to strengthen preventive practices of youth care services to support families where parents have alcohol addiction (sadly a common problem in Belarus). In Year One several training sessions have been organized with social workers from five regions, who in turn will train others. This project will run until 2016.

We also continued our work with the Girl Power programme, our 2011-2016 collaboration with five other Dutch organizations, in which we focus on improving protection against violence for adolescent girls. ICDI and its local partners implement this programme in six countries: Ethiopia, Sierra Leone, Nicaragua, Nepal, Pakistan and Bangladesh. In 2013 we organized several training activities, to further build the capacity of partner organizations to improve their services for adolescent girls and young women. A highlight of the year was the visit to the Netherlands of 12 Girl Power staff members from the six countries. The programme of the one-week visit was a balanced mix of workshops and visits to interesting projects and organizations.

Organizational issues

In the past year we again saw no changes in staff. During the year we had several staff meetings to discuss our strategy for the coming years. To strengthen our visibility and our ability to attract funding for our important work, we plan to temporarily recruit a communication's officer in 2014. We will also formulate clear organizational goals for the year, so that we are better able to reach the objectives we have set ourselves in our Strategic Plan 2011-2016 (available under 'publications' on our website www.icdi.nl).

The Board of ICDI met three times during the year: in March, July and November. During these meetings the Board discussed and approved the Annual Accounts 2012, the Budget for 2014 and the revised Strategic Plan 2011-2015. Every three months the Board is informed by the Director on expenditures versus budget, and financial updates are always on the agenda of the Board meetings.



During the year the Board said goodbye to long-term member Arthur Offers, who has been instrumental in improving ICDI's financial administration capacity in the past years. We thank him for his contribution. We have welcomed Anke Vervoord and Jeroen Wismans as new Board members, which means we are at full capacity again.

2014 will be the year of ICDI's 20 Years Anniversary! We don't want to let this pass unnoticed, and are planning to organize several public events during the year to showcase our work, especially for the Dutch public.

Financial

Financially it was another good year for the organization. The overall result is positive with a small surplus of € 17.756 (about 1 % of the annual income), which will be added to the continuity reserve. This means that the total continuity reserve is almost at 64% of annual organizational costs (in the coming years we would like to see this increase to 75%).

For the board:

For the staff:

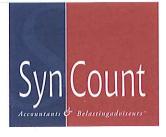
M.J.J.M. Malmberg

M. Euwema



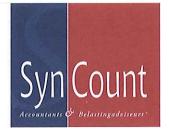
BALANCE SHEET AS AT 31 DECEMBER 2013

		<u>31-12-2013</u> €	<u>31-12-2012</u> €
Assets	ref.		
FIXED ASSETS Tangible fixed assets	4	905 =====	9.750 =====
CURRENT ASSETS Debtors and accrued income Receivables and prepayments Cash and bank	5 6 7	6.168 32.659 505.583 544.410	0 30.350 <u>679.795</u> 710.145 =====
TOTAL ASSETS		545.315 =====	719.895 =====
Reserves and liabilities			
RESERVES AND FUNDS Continuity reserve	8	314.638 =====	296.882 =====
CURRENT LIABILITIES Taxes and social security Accruals	9 10	9.406 <u>221.271</u> 230.677 =====	10.566 412.447 423.013 ======
TOTAL LIABILITIES		545.315 =====	719.895 =====



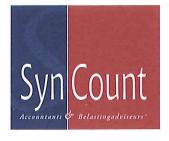
STATEMENT OF INCOME AND EXPENSES FOR THE YEAR 2013

	Ref.	€	<u>Budget 2013</u>	<u>2012</u> €
Income Income from direct fundraising Grants from governments Other income Interest	12 13	547.622 866.193 0	750.000 750.000 0 6.000	517.375 879.812 0 0
Total income		1.413.815 ======	1.506.000 ======	1.397.187 ======
Expenditures on objectives				
Objective Child Protection Objective Child & Youth Particip Objective Newly Emerging Issue Objective E.C.E.C. Total expenditures on objectives	s	767.216 208.554 63.028 157.359 1.196.157	801.588 151.211 72.155 255.674 1.280.628	719.377 78.686 205.773 181.257
Expenditures for generating in	icome		======	======
Cost of direct fundraising		113.184 ======	127.322	105.029 ======
Overhead and administration		8		
Overhead and administration		86.718 ======	97.550 ======	83.803 ======
Total expenses		1.396.059	1.505.500 ======	1.373.925 ======
Result		17.756 =====	500	23.262



Cash flow overview

	2013 €	2012 €
Cash flow from operational activities		
Income Expenses	1.413.815 - 1.396.059	1.397.187 - 1.373.925
Adjustment for: Depreciation on tangible fixed assets	17.756 6.345	23.262
Changes in working capital: Disinvestment fixed assets Debtors and accrued income Receivables and prepayments Taxes and social security Accruals	2.500 6.168- 2.309- 1.160- 191.176-	0 9.507 58.509 845 168.411
	198.313-	237.272
Cash flow from operational activities	174.212-	268.939 ======



NOTES TO FINANCIAL STATEMENTS

1 General

1.1 Activities

The Foundation International Child Development Initiatives was founded in Leiden on 28th April 1994. ICDI is a Dutch non-profit organization with a world wide brief, and a focus on developing countries. ICDI promotes the well-being of children growing up in difficult circumstances. We work to improve the policies and practices which affect these children by assisting in the development of local capacity (of children, their communities, organizations, and authorities). We believe in the power of children and young people, supporting their rights and addressing the underlying causes for the problems they face.

1.2 Cash flow overview

The cash flow overview is put together according to the indirect method. The received and paid interest is included in the cash flow from operational activities.

1.3 Comparisons with previous years

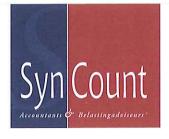
The accounting principles that are used have changed compared to the previous year. The annual accounts are made according to accounting principles generally accepted in the Netherlands pursuing guideline RJ 650 (for fundraising organisations)

1.4 Cost of direct fundraising

In 2013, Foundation International Child Development Initiatives total income from direct fundraising was € 547.622. The total cost for fundraising in 2013 was € 113.184. The percentage of fundraising cost (cost of direct fundraising/income from direct fundraising) for Foundation International Child Development Initiatives is 20%. The total cost of fundraising is 8% of total income. This is well below the 25% as stipulated by the CBF, this is the Dutch Certificate for charitable institutions.

1.5 Cost of overhead and administration

The total cost of overhead and administration for Foundation International Child Development Initiatives were € 86.718. The percentage of the total cost of overhead and administration divided by the total cost was 6%.



1.6 Cost spend on objectives

Foundation International Child Development Initiatives has spent a total of € 1.196.157 on the objectives of the organization. The total income in 2013 is € 1.413.815. In 2013 Foundation International Child Development Initiatives spent 85% of her income on the objectives (2012: 85%).

1.7 Cost allocation of expenditures

Foundation International Child Development Initiatives has done the cost allocation based on percentages. We used the estimated time spent per fte as the most important allocation percentages. Management has approved these allocation percentages.



2 General notes for valuation assets and liabilities

2.1 General

The annual accounts are drawn up according to the accounting principles generally accepted in the Netherlands pursuing RJ 650 (Fundraising Organizations). The annual account is in euro's and will be compared by the Board with the approved budget 2013 and the annual accounts 2013.

Assets and liabilities are in general valued at the historical purchase price. When no specific valuation methods are mentioned the valuation of acquisition is used.

2.2 Tangible fixed assets

Tangible fixed assets are valued at historical purchase price less depreciation, determined on a straight line basis over the estimated useful economic lives of the assets concerned, taking into account any residual values.

2.3 Receivables

Receivables are valued at face value less provision for possible uncollectible amounts.

Continuity reserve

A continuity reserve is formed for the covering of risks in the short term and to ensure that the organisation can live up to its liabilities in the future.

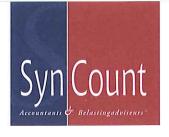
The continuity reserve is mutated with the yearly surpluses or deficits.

2.4 Current liabilities

Current liabilities are valued at face value.

2.5 Off-balance-sheet assets and liabilities

The off-balance-sheet assets and liabilities are, unless otherwise stated, valued at face value.



3 Principles of determination of result

3.1 General

Revenue and expenses in the statement of income and expenses are allocated to the period in which they relate. The result is determined as the difference between income generated by contributions and others, and the costs and other charges for the year.

3.2 Revenue recognition

Income

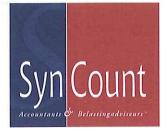
Income of Foundation International Child Development Initiatives may be taken into account as soon as been committed or has already been received and has been confirmed formal and in writing.

3.3 Depreciation of tangible fixed assets

Tangible fixed assets are from the time of commission amortized over the estimated life expectancy of the asset in the future. If a change in an accounting estimate is made of the economic life, the future depreciation will be adjusted.

3.4 Expenses

The expenses are attributed to the year to which they relate.



NOTES ON THE BALANCE SHEET AS AT 31 DECEMBER 2013

<u>ASSETS</u>

FIXED ASSETS

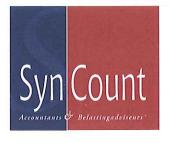
4 Tangible fixed assets	<u>31-12-2013</u>	<u>31-12-2012</u>
	€	€
Opening balance on 1 January 2013		
Acquisition costs	42.034	42.034
Accumulated depreciation	- 32.284	- 23.879
Book value	9,750	18.155
DOOK value	9.750	10.155
Disinvestment	- 2.500	0
Depreciation	<u>- 6.345</u>	<u>- 8.405</u>
Balance	- 905	- 8.405
	=======	======
Closing balance 31 December 2013		
Acquisition costs	39.534	42.034
Accumulated depreciation	- 38.629	- 32.284
7-1-1-	0.05	0.750
Book value	905	9.750

Office equipment is depreciated 20% over a life term of 5 years.

CURRENT ASSETS

5 Debtors and accrued income

Debtors and accrued income	<u>31-12-2013</u>	<u>31-12-2012</u>
	€	€
Debtors and accrued income	6.168	0
	6.168	0
	=======	======



6 Receivables and prepayments

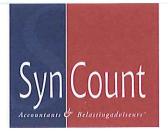
Receivables and prepayments	31-12-2013	31-12-2012
Deposits Accrued assets	€ 2.186 30.473	€ 2.186 28.164
	32.659 ======	30.350
7 Cash and bank		
Cash and bank	<u>31-12-2013</u> €	<u>31-12-2012</u> €
Cash	154	0
ING	3.382	1.221
ASN	437.500	510.509
TRIODOS	64.547	168.065
	505.583 ======	679.795 ======

RESERVES AND LIABILITIES

8 Reserves and funds

CONTINUITY RESERVE	31-12-2013	<u>31-12-2012</u>
	€	€
Continuity reserve at 1 January	296.882	273.620
Appropriated result	17.756	23.262
Continuity reserve at 31 December	314.638	296.882
•	=======	======

The board agrees that the optimal amount covers nine months of cost for staff and overhead and administration cost. The aim is to build the continuity reserve in the upcoming years.



Other

CURRENT LIABILITIES

9 Taxes and social security

Taxes and social security	<u>31-12-2013</u>	<u>31-12-2012</u>
	€	€
Wage taxes	9.406	10.566
	======	======
10 Accruals		
<u>Accruals</u>	<u>31-12-2013</u>	<u>31-12-2012</u>
	€	€
Deferred grants	164.937	361.610
Auditing and administration costs	11.000	7.500
Reservation holiday allowance	13.223	12.217
and the state of t		

32.111

221.271

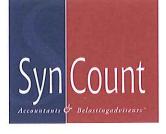
31.120

412.447

11 Rights and Obligations not included in the balance sheet

Obligations that are not included in the balance sheet

As from 2013, there is a rental obligation till 2015. The yearly amount of the rental obligation amounts to \in 17.406 a year.



NOTES ON THE STATEMENT OF INCOME AND EXPENSES FOR THE YEAR 2013

12 Income from direct fundraising

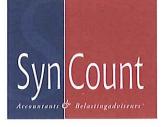
12 1100110 110111 01100 111111	31-12-2013	<u>Budget 2013</u>	31-12-2012
	€	€	€
Income from direct fundraising:			
Discipline without Violence Suriname	0	0	500
Animus/Daphne EU	0	0	2.000
KIT consultancy	0	0	1.750
UTOPA Organizational Support	0	0	50.000
Ethiopia ECCE	43.473	40.000	69.804
Grundtvig workshop Positive Deviance	22.630	22.000	29.110
Grundtvig workshop 2	0	0	5.000
Bernard van Leer Foundation Research	0	0	24.000
Bosnia Evaluation (consultancy)	0	0	26.482
CYD Course	19.850	20.000	24.250
Palestine ECCE	59.114	100.000	54.440
Consultancy Aflatoun	0	0	4.000
Kinderpostzegels training	0	0	2.500
Eurochild ECD Conference	0	0	6.397
UPSI 5 Liberty	0	0	7.600
Girl Quat Liberty	0	0	7.600
Together Old and Young	27.020	50.000	154.774
All Children included (Belarus 1)	65.769	60.000	0
Belarus Alcoholic Families (Belarus EU 2)	79.569	70.000	0
IDEA Debate for Europe	24.994	50.000	0
Children Rough Sleepers	40.234	42.000	0
Keeping Youth away from crime	10.477	15.000	0
Girls education Africa	111.304	190.000	0
Come on (Grundtvigproject)	7.811	10.000	0
Roma Education Fund Partnership	4.898	4.000	0
Various	30.479	77.000	0
Total	547.622	750.000	517.375
		-	



ž	<u>31-12-2013</u> €	<u>Budget 2013</u> €	<u>31-12-2012</u> €
13 Grants from government			
Grants from Governments (Netherlands Ministry of Foreign a	fairs):		
Matra Ukraine MFS	0 866.193	750.000	98.203 781.609
Total	878.733 ======	750.000 ======	879.812 ======

14 Allocation of expenses to objectives

Objectives	Child-protection	Child/Youth Participation	C Newly emerging issues D E.C.E.C.	D E.C.E.C.	Cost of direct fundraising	Overhead and administration	Total 2013	Total 2012
Grants and contributions	604.894	89.753	0	58.497			753.144	810.819
work done by third parties	70.504	51.230	14.531	15.766			152.030	98.837
,								
rublicity and communication	2.903	2.137	1.534	2.628	3.579	2.742	15524	18.088
Staff costs	77.708	57.186	41.044	70.325	95.790	73.391	415.443	375.837
Rent and accomodation	6.400	4.710	3.380	5.792	7.889	6.044	34.215	45.164
Office and general costs	5.353	3.939	2.827	4.844	6.598	3 5.055	28.616	26.724
Depreciation and interest	545 -	- 401 -	- 288 -	493 -	- 129	- 514-	2.912 -	1.545 -
	767.216	208.554	63.028	157.359	113.184	86.718	1.396.059	1.373.925



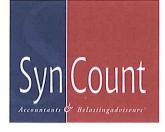
15 Staff costs

Wages and salaries	2013	<u>Budget 2013</u>	2012
	€	€	€
Salary director	65.163	65.000	62.316
Salary and wages	274.985	285.000	258.032
Social security	46.045	50.000	49.604
Pensions	17.334	25.000	14.320
Sickness benefit	- 80	0	- 21.258
	403.447	425.000	363.014
	======	=======	======

<u>Personel</u>

In the year 2013 there were 8 employees employed (2012: 8).

Other staff costs	2013	Budget 2013	2012
T	€ 7.020	€	€
Insurance	7.238	10.000	7.830
Travel costs staff	2.714	4.000	2.578
Courses and training costs	2.000	4.000	465
Others	44	13.000	1.950
	·		
	11.996	31.000	12.823
£	======	======	======
Publicity and communication	2013	<u>Budget 2013</u>	2012
	€	€	€
Travel and representation costs	914	2.500	1.962
Project development	13.834	12.000	14.599
Others	776	0	1.527
	15.524	14.500	18.088
	=======		======



Housing Costs	2013	Budget 2013	2012
Costs sesses and I to	€	€	€.
Costs energy and water	8.308	10.000	12.139
Rental costs building	17.406	25.000	25.496
Maintenance costs	6.414	5.600	7.529
Depreciation	2.087	8.500	0
	34.215	40 100	4F 1 C 1
	34.213 ======	49.100 ======	45.164
		*	
Other operating costs	2013	<u>Budget 2013</u>	2012
	€	€	€
Literature	66	0	437
Memberships	3.519	3.500	2.981
Telephone costs	1.443	2.500	1.597
Postage	281	800	258
Insurance costs	1.044	2.000	1.117
Auditing and administration costs	15.296	12.000	15.678
Office essentials	0	1.500	1.914
Office equipment	0	2.000	0
Board costs	1.684	1.500	0
Publications	0	1.000	0
Internet costs	2.235	0	825
Little investments	1.827	0	243
Computer costs	1.288	1.000	0
Bank costs	0	800	0
Others	- 68	6.000	1.674
Depreciation	6.345	6.500	0
			-

34.960

======

41.100

======

26.724

======