

**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 28<sup>th</sup> 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](http://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:

M.J.J.M. Malmberg

For the staff:

M. Euwema

Foundation International Child Development Initiatives, Leiden

BALANCE SHEET AS AT 31 DECEMBER 2013

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

**Foundation International Child Development Initiatives, Leiden**

**STATEMENT OF INCOME AND EXPENSES FOR THE YEAR 2013**

	Ref.	<u>2013</u> €	<u>Budget 2013</u>	<u>2012</u> €
<b>Income</b>				
Income from direct fundraising	12	547.622	750.000	517.375
Grants from governments	13	866.193	750.000	879.812
Other income		0	0	0
Interest		0	6.000	0
Total income		<u>1.413.815</u>	<u>1.506.000</u>	<u>1.397.187</u>
<b>Expenditures on objectives</b>				
Objective Child Protection		767.216	801.588	719.377
Objective Child & Youth Participation		208.554	151.211	78.686
Objective Newly Emerging Issues		63.028	72.155	205.773
Objective E.C.E.C.		157.359	255.674	181.257
Total expenditures on objectives	14	<u>1.196.157</u>	<u>1.280.628</u>	<u>1.185.093</u>
<b>Expenditures for generating income</b>				
Cost of direct fundraising		113.184	127.322	105.029
<b>Overhead and administration</b>				
Overhead and administration		86.718	97.550	83.803
Total expenses		<u>1.396.059</u>	<u>1.505.500</u>	<u>1.373.925</u>
<b>Result</b>		<u>17.756</u>	<u>500</u>	<u>23.262</u>



Foundation International Child Development Initiatives, Leiden

Cash flow overview

	2013	2012
	€	€
<b>Cash flow from operational activities</b>		
Income	1.413.815	1.397.187
Expenses	- 1.396.059	- 1.373.925
	<hr/>	<hr/>
	17.756	23.262
<i>Adjustment for:</i>		
Depreciation on tangible fixed assets	6.345	8.405
<i>Changes in working capital:</i>		
Disinvestment fixed assets	2.500	0
Debtors and accrued income	6.168-	9.507
Receivables and prepayments	2.309-	58.509
Taxes and social security	1.160-	845
Accruals	191.176-	168.411
	<hr/>	<hr/>
	198.313-	237.272
	<hr/>	<hr/>
Cash flow from operational activities	174.212-	268.939
	=====	=====

## Foundation International Child Development Initiatives, Leiden

### NOTES TO FINANCIAL STATEMENTS

#### **1 General**

##### **1.1 Activities**

The Foundation International Child Development Initiatives was founded in Leiden on 28<sup>th</sup> 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.

## Foundation International Child Development Initiatives, Leiden

### 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.



## Foundation International Child Development Initiatives, Leiden

### 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.

Foundation International Child Development Initiatives, Leiden

**NOTES ON THE BALANCE SHEET AS AT 31 DECEMBER 2013**

**ASSETS**

**FIXED ASSETS**

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

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

**CURRENT ASSETS**

**5 Debtors and accrued income**

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

## 6 Receivables and prepayments

<u>Receivables and prepayments</u>	<u>31-12-2013</u>	<u>31-12-2012</u>
	€	€
Deposits	2.186	2.186
Accrued assets	30.473	28.164
	<u>32.659</u>	<u>30.350</u>
	=====	=====

## 7 Cash and bank

<u>Cash and bank</u>	<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
	<u>505.583</u>	<u>679.795</u>
	=====	=====

## RESERVES AND LIABILITIES

### 8 Reserves and funds

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

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.

## **CURRENT LIABILITIES**

### **9 Taxes and social security**

<u>Taxes and social security</u>	<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
Other	32.111	31.120
	<u>221.271</u>	<u>412.447</u>
	=====	=====

### **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 € 17.406 a year.



**Foundation International Child Development Initiatives, Leiden**

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

**12 Income from direct fundraising**

	<u>31-12-2013</u>	<u>Budget 2013</u>	<u>31-12-2012</u>
	€	€	€
<i>Income from direct fundraising:</i>			
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
<b>Total</b>	<u>547.622</u> =====	<u>750.000</u> =====	<u>517.375</u> =====

	<u>31-12-2013</u>	<u>Budget 2013</u>	<u>31-12-2012</u>
	€	€	€
<b>13 Grants from government</b>			
<i>Grants from Governments (Netherlands Ministry of Foreign affairs):</i>			
Matra Ukraine	0	0	98.203
MFS	866.193	750.000	781.609
	<hr/>	<hr/>	<hr/>
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.	Cost of direct fundraising	Overhead and administration	Total 2013	Total 2012
Grants and contributions								
Work done by third parties	604.894	89.753	0	58.497			753.144	810.819
	70.504	51.230	14.531	15.766			152.030	98.837
Publicity and communication	2.903	2.137	1.534	2.628	3.579	2.742	15.524	18.088
Staff costs	77.708	57.186	41.044	70.325	95.790	73.391	415.443	375.837
Rent and accommodation	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	5.055	28.616	26.724
Depreciation and interest	545 -	401 -	288 -	493 -	671 -	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

<u>Wages and salaries</u>	<u>2013</u>	<u>Budget 2013</u>	<u>2012</u>
	€	€	€
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
	<u>403.447</u>	<u>425.000</u>	<u>363.014</u>
	=====	=====	=====

### Personel

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

<u>Other staff costs</u>	<u>2013</u>	<u>Budget 2013</u>	<u>2012</u>
	€	€	€
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
	<u>11.996</u>	<u>31.000</u>	<u>12.823</u>
	=====	=====	=====

<u>Publicity and communication</u>	<u>2013</u>	<u>Budget 2013</u>	<u>2012</u>
	€	€	€
Travel and representation costs	914	2.500	1.962
Project development	13.834	12.000	14.599
Others	776	0	1.527
	<u>15.524</u>	<u>14.500</u>	<u>18.088</u>
	=====	=====	=====



<u>Housing Costs</u>	<u>2013</u>	<u>Budget 2013</u>	<u>2012</u>
	€	€	€
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
	<u>34.215</u>	<u>49.100</u>	<u>45.164</u>
	=====	=====	=====

<u>Other operating costs</u>	<u>2013</u>	<u>Budget 2013</u>	<u>2012</u>
	€	€	€
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
	<u>34.960</u>	<u>41.100</u>	<u>26.724</u>
	=====	=====	=====