

**STICHTING INTERNATIONALE ORDE
VAN HOSPITAALBROEDERS**

**seat at
AMSTERDAM**

Annual Report 2019

STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS
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PART A OUR ORGANISATION

Stichting Internationale Orde van HospitaalBroeders (SJOG-HospitaalBroeders) was founded in 1994 and is part of an international Catholic organisation, of which the head office – *the Generale Curia* – is based in Rome, Italy. Internationally, the organisation runs 334 hospitals and clinics in a total of 54 countries worldwide.

HospitaalBroeders Netherlands exclusively raises funds for its hospital's programmes and projects in Africa.

On 31 December 2019, the members of the Board of Directors were:

- W.M. Forkan;
- P. Hulshof;
- M. Gianotten;
- J. Gallagher;
- R. Roels.

1. Mission and vision

HospitaalBroeders' mission is to provide care of the highest quality to the most vulnerable groups in Africa regardless of a person's ethnic background, gender or religion. We strongly believe in a better future for the most vulnerable people by empowering them through good health care and education. Three pillars are central to our work: better, smarter, more independent. These pillars are directly related to our work: we provide the best health care in our hospitals, we try to train our own people in health care and we strive for more financial independence for our partners. Within the three pillars, we teach people to use their potential to the fullest.

Hospitality is the central value of our international organisation, manifesting itself in four core values: compassion, respect, excellence and justice, in the manner of St John of God. This means that the care we provide focuses on the acceptance of people with a mental or physical disability and their emancipation. We do this not only by providing care in our 19 hospitals and clinics in Africa, but also by training our own doctors and nurses.

2. Strategy and approach worldwide

Traditionally, SJOG has been an organisation specialising in mental health care in the broadest sense of the word. The focus has been on specialised medical care for people from the most vulnerable groups. This ranges from mental health care to caring for people with mental disabilities and addiction treatment. In Africa, we provide health care in nine countries. The main emphasis is on general health care. However, in three of these countries – Malawi, Senegal and Mozambique – a total of five institutions provide mental health care. We operate in a real niche market, because there is hardly any attention for mental health care in Africa. This specialisation distinguishes HospitaalBroeders from many other NGOs in African countries.

Internationally, the Dutch branch of SJOG-HospitaalBroeders is the only branch that does not include active Brothers from the International Order. The Netherlands falls within the West European Province, which is directed by Ireland. HospitaalBroeders has an ANBI status and obtained CBF recognition in 2020.

In Africa, HospitaalBroeders runs 19 hospitals and clinics. The majority of these clinics fall within the African Province: Kenya (1), Cameroon (3), Mozambique (1), Sierra Leone (2), Liberia (2), Zambia (1), Senegal (3) and Ghana (4). Malawi (2) falls within the West European Province.

Since HospitaalBroeders began its operations in the Netherlands, all countries have received support. In the last few years, financial support has shifted to notably Malawi, with the emphasis on mental health care.

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3. Strategy in the Netherlands

Fundraising in the Netherlands is intended to support African hospitals and the projects and programmes managed from these hospitals. In 2019, we were already pre-empting the new Multi-Year Strategy 2020-2022 with a new Supervisory Board. Its main strategic objectives are:

- I. Health Care: expanding and improving services in our hospital and clinics.
- II. Health Care and Awareness: expanding services via Outreach Programmes to extend the reach in peripheral regions.
- III. Education: expanding scholarship programmes in Malawi and Sierra Leone.
- IV. Independence: innovative water systems in clinics.
- V. Independence: supporting income generating programs.

The two main objectives focus on our work in the hospitals and through our Outreach teams. By providing information and awareness campaigns through these Outreach teams, we transfer knowledge and contribute to preventive care.

4. Fundraising policy

The Dutch office focuses exclusively on fundraising for the African hospitals and clinics.

Fundraising is the core business of the Dutch organisation and built on a number of 'sources', of which the most important consists of private donations. However, in 2019, it was decided to start focusing more on institutional and corporate fundraising. This decision was based on a strategic idea: structural support from regular donors lays a good foundation for financing programmes and projects in Africa. The additional income from corporate and institutional funding ensures that the organisation can do more in Africa on a project basis.

Structural support through pledges comes from D2D-acquisition. Private donations are received through direct mailings and in the form of bequests.

HospitaalBroeders aims to apply the concept of cross-fertilisation in the use of these various channels.

Many projects are financed by both private and institutional funds.

The essence of fundraising is the human factor. Projects aim to serve people and are supported by the brothers and people of our organisation. By telling the stories of our workers and our patients, we try to convey the urgency of our work to donors in an intimate and personal way.

5. Health care and awareness

HospitaalBroeders and its activities in Africa are markedly different from many other Dutch development organisations. First of all, we specialise in mental health care. In Malawi, Senegal and Mozambique, we have five clinics that specialise in this branch of care. This is unique in Africa because there is hardly any attention for mental health care activities in regular African health care. For comparison: mental health care in the Netherlands accounts for approximately 20% of the entire health care supply. In Malawi, this is only 1.5%.

A second distinguishing feature of our work is that we work with so-called Outreach teams: teams of doctors and nurses who visit communities around the hospital. This is an essential form of care, particularly for patients who live far away from the hospital or who are too poor or sick to travel to the hospital.

Our Outreach teams educate the communities, thus contributing to increased awareness about all kinds of diseases. In Malawi and Senegal, communities are educated about living with mental health problems. Parents and family members learn to recognise mental health problems in their children and, more specifically, that they have nothing to do with witchcraft. As a result, the work of the Outreach teams has a highly emancipatory influence on these communities. This work is carried out according to the so-called community-based principle and is central to HospitaalBroeders' working methods.

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We also offer community-based Outreach visits in countries such as Ghana, Sierra Leone, Zambia and Cameroon. Because these countries are used to working from regular hospitals, the focus here is more on awareness campaigns about hygiene, mother and child care, information for children in primary schools, etc.

6. Results and impact

In the work of NGOs impact measurement has become increasingly important in the past years. For us as an organisation working in the health care sector, measuring impact can be a challenging task. After all, how do we define the 'outcome' of health care activities?

Some output, such as numbers of patients treated, and bed occupancy rates, can easily be established, but the final 'outcome' is harder to pin down. Hospital care is more than a series of actions performed under medical protocols. Giving care includes being attentive and expressing sympathy as part of a professional attitude as well as a caring attitude.

This is how we explicitly ask our hospitals to report on impact and outcome.

- Input: resources put in programme.
- Output: the activities done.
- Outcome: the quantifiable effects that show a change that has occurred due to the programme.
- Impact: long term effects of the programme.

Our hospitals focus strongly on further training of staff.

Study meetings and workshops to improve administrative processes are frequently conducted in Africa.

From the Netherlands, the importance of storytelling is stressed, projects in hospitals are visited regularly, often on a bi-annual basis, informal conversations are held with medical staff and patients, and Brothers are interviewed. The Dutch manager writes an extensive report on the outcomes of each visit. With respect to quantitative data, reports are received, information is distilled from annual reports, and results are communicated to stakeholders and donors.

The Brothers send regular reports about the implementation of projects. These are shared with stakeholders such as the institutional donors.

An important new development is pushing clinics and hospitals towards organising more income generating activities. This helps a facility to build a financial buffer to meet growing expenditures.

7. International and national impact

In Europe, several sections of the St John of God organisation support African hospitals. These fundraising departments from Italy, Spain, Portugal, France, Ireland and the Netherlands meet twice a year during the Fundraising Alliance meetings, to examine the best way to work together.

A total of 76 African Brothers worked in the African Province in 2019.

The Brothers worked with 2,024 staff members.

The total number of patients in 2019 was close to 400,000 in 19 facilities. The number of patients who came to our hospitals plus the patients we helped in our Outreach clinics was 331,448 (inpatient) and 28,681 (outpatient).

Our hospitals and clinics vary in size considerably, as demonstrated in the overview below of the number of beds and staff members.

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Hospital	# Patients*	# Beds	# Staff	# Outreach**
Ghana-Koforidua	98,763	183	430	130
Ghana-Asafo	60,406	150	326	10,425
Ghana-Amrahia	13,946	24	124	3,807
Ghana-Oseikojokrom	6,116		10	
Sierra Leone-Lunsar	23,357	95	163	439
Sierra Leone-Lungi	2,532	18	118	
Liberia-Monrovia	22,703	99	152	
Liberia-New Kru Town	3,925		8	
Kenya-Tigania	29,192	117	104	2,790
Cameroon-Yassa	7,221	26	28	
Cameroon-Boko	5,833	16	19	
Cameroon-Batibo	1,869	56	34	1,574
Senegal-Thies Dalal-Xel	17,643	52	49	1,238
Senegal-Fatick Dalal-Xel	3,969	48	32	1,543
Senegal-Thies Hospital	--	--	--	--
Malawi-Mzuzu	5,769	39	195	2,743
Malawi-Lilongwe	3,144	49	109	2,708
Zambia-Monze	1,820	40	20	120
Mozambique-Nampula	23,240	41	103	1,164
TOTAL	331,448*	1,053	2,024	28,681

* The numbers for our Thies hospital were unknown at the time of writing.

* Number of patients is inpatients (staying overnight in the hospital) and outpatients (consultation only).

** Outreach patients are patients who are being serviced outside of the regular hospital, on location.

The Outreach teams reached nearly 30,000 patients in 2019. The importance of visiting communities outside of the hospital is twofold.

People who are too sick, old or poor and are unable to come to the hospital for that reason, can now get help. Because the Outreach teams come back regularly, patients can also be monitored in this way.

Another important part of Outreach is raising awareness in the communities which has a huge impact on the health of these people.

8. Awareness campaigns

Providing information and raising awareness plays an important part in the work of our Outreach teams. In Malawi, where we specialise in mental health care, our teams' visits ensure a deeper understanding of various aspects of mental health.

Our awareness campaigns in Malawi can be divided into three categories:

- ✓ *Mental health advocacy and awareness sessions through radio and community mobilisation meetings*
- ✓ *Disability rights advocacy and awareness sessions through weekly radio broadcasts and stakeholders' workshops*
- ✓ *Advocacy and awareness sessions in 7 prisons and the surrounding communities*

These programs have the following impact:

- ✓ Eliminating stigmas about mental health problems (such as Down's syndrome, schizophrenia, depression, etc.)
- ✓ Preventing exclusion of people with these conditions
- ✓ Informing people who fall into the target group and informing them that 'help' via bush doctors is

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- not an option
- ✓ Changing the behaviour of groups that work with the target group such as hospital staff, teachers, civil servants, police and prison warders
- ✓ Eliminating stigmas about children with physical disabilities
- ✓ Positive Parenting programme: teaching and training parents to deal with their children with disabilities
- ✓ More children going to – our – schools who are no longer locked up
- ✓ Behavioural changes in villagers who are informed about mental health care.

9. Dutch support – results per country and impact

Below, we explain the Dutch aid, and the impact we have created with that aid, in five donor countries. There is an important distinction between project and programme aid. The former is always one-off and project-based, while the latter is often part of a multi-annual project. We often see this second form of support in Malawi, where we support multi-annual programmes.

Malawi (44%)

(The figure next to the country indicates the percentage of the Dutch budget spent in that country.)

Malawi has always been the main partner in Africa for HospitaalBroeders' projects. This is because Malawi has been part of the West European Province and because of its specialisation: mental health. In 2019, we supported five projects and two multi-annual programmes totalling € 185,000 (cash out).

a. Child Development Centre: Elvira School Support for Children with special needs (€ 51,572)

The Elvira school in Mzuzu is a school for children with special needs, unique in Malawi. It facilitates rehabilitation of children with disabilities through different programmes and provides access to health assessment, treatment and care of children with intellectual and physical disabilities. It also facilitates special needs education and psychosocial support to the children's parents.

This was a donation from a third party and part of a € 100,000 one-off donation.

* Outcome

- in 2019, a total of 336 children benefited from our child development centre & Elvira special needs programme in Mzuzu Malawi, including:
- 58 children who benefited from enhanced rehabilitation through the early intervention services called portage approach;
- 56 beneficiaries who had improved access to postural management interventions;
- 112 children who had access to special needs education and pre-vocational skills training by our teams;
- 110 children who benefitted from our child and adolescent psychiatry and general health intervention programme;
- More than 1,900 parents and guardians received psychosocial support and positive parenting knowledge.

* Impact

- Improvement in developmental milestones reached and quality of life of children with intellectual and physical disabilities in Mzuzu City and surrounding communities;
- Addressing the varying needs of children with physical disabilities and special needs;
- Reduction of stigma, abandonment, violence and exclusion of children with disabilities;
- Parents adopting mechanisms to cope with having a disabled child.

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b. Procurement and supply of equipment for hospital, Lilongwe (€ 33,106) – In 2019, Saint John of God Hospitaller Services in Malawi completed the construction of a new mental hospital in Lilongwe, the Malawi capital. As a result, they required hospital equipment to start providing clinical services at both its OPD and residential units. Part of this third-party donation was allocated to supply this newly built hospital in Lilongwe. Equipment procured included an ECT machine, suction machine, defibrillator Ambubuck, examination lamp, examination couch, BP machines, scissors, oxygen concentrator, oxygen cylinder, suturing sets, artery forceps, dissecting forceps, kidney dishes, medication trays, galipots, sphygmomanometers, digital thermometers, surgical blades, stethoscope, glucometer, stretcher, orthoscope, jars, drip stand, bathroom scales, screens with curtains, refrigerator for medication, wheelchairs, medical storage boxes and anti-psychotic and antiepileptic medication.

Thanks to this donation, the hospital is now fully equipped and offers various mental health services to the people of Central Malawi, numbering about 9 million people, as it is the only psychiatric hospital available in all of Central Malawi.

c. Community Mental Health Outreach in North Malawi (€ 25,000) – This programme aims to up-scale and upgrade mental health services across northern Malawi by supporting 27 community mental health outreach clinics. It aims to improve the quality of life of people with mental illness and epilepsy, as well as the quality of life of their families and local communities, by bringing services closer to their homes. The programme is designed to work with public health facilities and private agencies to foster integration of mental health services within primary health care and community-based interventions.

* Outcome

- Facilitating 8,512 clients with mental illness;
- Training in mental health delivery services and general awareness of more than 1,500 traditional leaders, 10,460 youths and teachers and 5,000 employees of various training;
- Training of 8 mental health and 4 primary health care staff;
- 12,000 brochures about mental health, addiction and disability issues were distributed in this region;
- 6 support groups were formed.

* Impact

- Improved quality of life for people with mental illness and reduced stigma about mental health issues.

d. Mental Health, Counselling and Vocational Training in Prison project (€ 25,000) – This was the last year of a three-year project that commenced in 2017. The project aims to improve the quality of life of inmates at the Mzuzu, Mzimba, Rumphu and Nkhata Bay prisons in northern Malawi, and the Maula and Kasungu prisons in the Central Region through treatment and care for those with mental health problems and epilepsy through psychosocial counselling and support; rehabilitation and vocational skills training; capability-building and advocacy. Specifically, the project offers mental health assessment and care; mental health information; psychosocial counselling and support to inmates, prison warders and their families; vocational skill training and building the capability of inmates, prison warders and other stakeholders on mental health and psychosocial issues.

* Outcome

- 24 mental health and psychosocial awareness sessions conducted;
- 5,561 prison inmates were reached;
- Monthly mental health clinics were held in all the prisons;
- 1,002 inmates accessed counselling sessions;
- Execution of 5 short-term vocational skills programmes in beauty and hairdressing; cell phone repair; tailoring, carpentry and soap-making to empower inmates' self-reliance after being released from prison;
- Bi-annual training for 120 prison warders to increase their knowledge about mental health issues and illnesses and how to identify and refer cases.

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* Impact

- Improved quality of life for prisoners through the provision of treatment and care to those with mental health problems; psycho-counselling and support, and capability-building and advocacy.

e. Elderly programme (cash out € 20,000) – In 2019, the programme for the elderly supported 733 beneficiaries through its various interventions and outcomes.

1. *Health care and support* - The intervention has improved the health status of the elderly beneficiaries by, among others, conducting physical health screening, checking their vital signs and referring those with health risks or ailments to the hospital for further treatment.
 2. *Psychosocial support* - the psychosocial services intervention helped to improve their psychosocial well-being and coping strategies to mitigate against psychosocial challenges, including loneliness, faced by beneficiaries.
 3. *Community education and advocacy* - The project recognises the need for and importance of fostering societies that respond to the needs of the elderly at both the micro and macro level. The project team conducted monthly community education and advocacy awareness sessions to educate the community about the importance of recognising and respecting the elderly's human rights.
 4. *Economic empowerment* - The project team works towards poverty mitigation in order to achieve independence and sustainability. It offers vocational skills to service users, their guardians and their grandchildren who have not had the opportunity to pursue further education. Around 75% of both service users and guardians engage in self-help group activities, tending to gardens, and producing door-mats, pottery and carvings products. These activities help the service users to achieve socioeconomic independence. The grandchildren who acquire vocational skills through our project are of great importance in ensuring the well-being of our elderly. Once these grandchildren have acquired the vocational skills, they are able to engage in entrepreneurship that generates income for themselves as well as their households, which directly benefits the older persons.
 5. *Leisure and recreation* - Strengthening interaction and socialisation among service users. The project facilitates weekly indoor activities such as chess, Bawo, draughts and playing cards. These activities allow service users who are unable to engage in sporting activities like football and netball to remain active. The project facilitates cultural music and dance, walking exercise, relaxation, arts and crafts, and other social activities. The leisure and recreational activities enhance the well-being of older persons, and all service users are kept active at all times.
 6. *Adult literacy* - The project also offered basic adult literacy education to our service users to help them improve their reading and maths. This basic adult education purposefully helps service users with their shopping; household budgeting; reading the Bible, and reading newspapers so that they can stay informed about current affairs across the country.
- The impact of all these interventions is a general improvement in the welfare and quality of life of the elderly in the project catchment area.

f. Support Centre for Living (€ 15,322) – Part of a third-party donation.

The Centre for Living is a non-residential facility that offers rehabilitation services to a variety of clients who are recuperating from mental illness, and those in our disability programme. We use a multidimensional and holistic approach in the sense that health is regarded as more than an absence of illness; it is regarded as a dynamic process of striving to reach one's full potential in the dimensions outlined by the World Health Organisation – physiological, psychological, social and spiritual. The main purpose of the rehabilitation process is to identify, emphasise and maximise patients' strengths, to reduce the consequences of illness or disability, and to encourage the development of new skills. The ultimate aim is to facilitate clients leading satisfying lives in the community. The Centre offers services to clients during part of this ongoing process and focuses on giving clients the opportunity to gain skills, knowledge and experience that will enable them to take more responsibility for managing their own lives and pursuing their personal goals.

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The impact of this 'facilitating' donation is improved community reintegration of clients recuperating from mental illness and improved opportunities for gaining occupational skills among people with mental illness and/or disability.

Funding was utilised to furnish and equip the newly built centre within our Lilongwe mental hospital facility and to procure the following items: hairdressing materials and equipment; tailoring equipment; carpentry tools; office furniture and office equipment.

g. Scholarships for training and development for registered psychiatric nurses (€ 15,000) – At our St John of God College in Mzuzu, we were able to support 10 students with study scholarships for the two-year upgrading course in psychiatric nursing. This was done in collaboration with Malawi Mental Care, a Heerlen-based NGO.

The outcome in the near future is alleviation of shortages of human resources for health personnel in the country's health sector.

Ghana (26%)

In Ghana, HospitaalBroeders runs hospitals and clinics in three cities and one small rural community. The total amount spent on four projects was: € 102,415.

a. Improving health conditions of the elderly in Adenta (€ 34,867) – Adenta is a poor neighbourhood in Accra with a relatively high number of elderly people. From our centre in Amrahia, an Outreach team of 10 people visit the seniors in this community every week. Basic health care is provided for all common health problems and training is given in workshops on how the elderly can live healthier lives. It teaches older people how to recognise diabetes symptoms and what they can do to prevent type-2 diabetes by eating healthier. The workshops are called 'health education classes'.

b. Starting up Outreach activities in Oseikojokrom (€ 26,778) – The small community of Oseikojokrom is located on the border between Ghana and Ivory Coast. HospitaalBroeders has operated a small clinic here for several years. In 2019, we gave this clinic a big boost by tackling the electricity situation with the construction of new solar panels and with the start-up of an Outreach program. The team consists of four people and made 15 visits: nine were health education programs and six were health screenings. For this programme, we purchased a new pick-up truck for the team. The activities consist of health care and information. Information (and awareness) is offered through the Safe Motherhood program. We also offer information on HIV prevention and family planning, as well as child welfare clinics and school visits.

c. Solar panels for clinic in Oseikojokrom (€ 21,322) – With the installation of solar panels, the clinic finally gets a stable, reliable, continuous supply of electricity; national grid electricity is generally not available in this area.

*** Impact**

With the new electricity supply, costs for fuel went down. Smooth and uninterrupted health care delivery is now available at the clinic. The main purpose for which the clinic was situated in the rural area was to provide high-quality and affordable health care to the poorer communities. With power outages now a thing of the past, inhabitants of Oseikojokrom and its surrounding communities no longer have to travel long distances on bad roads to major towns and cities just to access primary health care services. In addition, medical equipment and machines at the clinic will no longer break down as a result of unstable power supply or power surges.

d. Improving primary health care in Amrahia (€ 19,448) – This programme is run from our hospital in Amrahia. The activities involved immunisation of newborns and the general populace against preventable diseases; health education about safe motherhood for pregnant women; health talks for school children; follow-up on patients and basic treatment and referral of sick people.

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Outcome

- More than 4,421 children were immunised against preventable killer diseases;
- 159 received vitamin supplements;
- 330 home visits in the community;
- 3,847 patients seen;
- 32 people referred to our hospital.

* Impact

- Improved quality of life of mothers and their children;
- The health education given to the pregnant women contributed to an increased number of safe deliveries in the hospital. As a result, the hospital recorded all safe deliveries within this period.
No maternal mortality was recorded as a result of this project intervention.

Sierra Leone (11%)

a. Scholarships (€ 32,378) – In 2019, 37 students received a scholarship. Year 1 and year 2 were financed in 2019. These scholarships are always for a period of three years, to enable students to complete their nursing studies. After a selection procedure, the hospital management decides who is eligible for a scholarship.

* Outcome

- 37 students received a scholarship, two quit, six lost their scholarships due to poor results.

* Impact

- The Scholarship programme contributes significantly to improving health care in Sierra Leone, a country with a shortage of trained nurses.
- In addition, it gives young people in this rural environment the opportunity to learn a profession and escape poverty. Empowerment of vulnerable girls is an important by-catch of the scholarship programme.

b. New server (€ 6,754) – The hospital server broke down during the course of the year, resulting in the shut-down of the entire administration. A pressing problem here was the loss of income because collection and administration of payments were no longer possible. HospitaalBroeders responded swiftly by immediately transferring money to purchase a new server.

Cameroon (7%)

The project HospitaalBroeders supported in Cameroon was dominated by the war situation that started in 2016 in the North-West Region of Cameroon, the English-speaking part, and unfortunately developed into a full-blown conflict in 2018.

a. Emergency aid Batibo (€ 30,489) – Many families fled from the violence. Many health facilities were forced to close; all schools were shut down and many businesses were forced to close.

Thanks to HospitaalBroeders' contribution, the Outreach programme in the mountains of Batibo was financed from our hospital. This is important because the most vulnerable people, old and/or poor, were left behind in this region.

The result was that after the closure and reopening of the hospital, we were able to continue employing 30 of the staff who would otherwise have lost their jobs due to the impact of the crisis that caused a severe blow to the centre's finances. If these workers had left, a number of the patients seen wouldn't have had proper health care and some, if not all, would have died. The families of the staff would have lost their livelihoods, and some auxiliary workers with on-the-job training (OJT) and no academic certificate would have found it very difficult to get other jobs to continue supporting their families.

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* Outcome

Because the aid was only given in December 2019, direct figures are not available. The figures for the period from January to December were as follows:

- 1,353 outpatients
- 282 antenatal care
- 93 deliveries
- 2,049 vaccinations
- 93 malaria treatments for children under five
- 120 HIV/AIDS treatments

* Impact

- In this war situation, closure of our centre had prevented pregnant women and their children receiving medical assistance; the infant mortality rate from malnutrition, malaria or other illnesses had increased dramatically.
- Hundreds of children were vaccinated against polio, hepatitis, tuberculosis, measles and chicken pox.
- People living with HIV/AIDS and breastfeeding mothers infected with the disease had nowhere to follow up on their treatment. These patients were only able to get their treatment in St John of God's hospital in Batibo and its outreach clinics. Our application through the Northwest Regional HIV/AIDS Control programme for accreditation was approved. Since the district hospital closed in 2018, we are the only organisation assisting the clients with continuation of their treatment.

Liberia (12%)

The hospital in Liberia requested our assistance in the construction of a new maternity ward and the purchase of medicines.

a. Construction of a maternity ward (€ 38,000) – The construction of our hospital's new maternity ward was funded by the Contribute Foundation. The idea behind this new ward was that women who have the financial means are happy to pay to give birth in a private room to ensure that they receive good care. With the income from ten additional beds, our team is going to help pregnant girls and women who cannot afford that care. In principle, the wealthier ladies of Monrovia pay for the programme for the poor girls from the slums of New Kru Town and Congo Town. 50% of the income from the additional beds goes to the so-called charity programme, with which approximately 300 hospital admissions, including caesareans, are financed annually. In addition, it finances around 400 treatments for babies and young children (malaria/anaemia, etc.). Finally, there is postnatal care through 600 free consultations and checks. The impact of this programme mainly concerns reducing maternal mortality and morbidity. This programme was expected to start in the first quarter of 2020 but was unable to continue due to the outbreak of the corona crisis.

b. Drugs procurement (€ 7,975) – The purchase of medicines has a twofold result. On the one hand, more than 150 children were treated on the paediatric ward and around 50 women on the maternity ward. In addition, the hospital made a profit (€ 2,393) from the sale of the other medicines.

There was no project help in 2019 for Mozambique, Zambia, Senegal and Kenya.

10. Communication

HospitaalBroeders tries to find a balance between providing information about the activities in our hospitals in Africa and recruiting new donors. By telling our stories, we increase our – potential – supporters' knowledge, for example, about mental health care in countries such as Malawi. An important topic in our communication was the civil war in West Cameroon, which received very little media attention. HospitaalBroeders, therefore, saw it as its task to pay attention to it.

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HospitaalBroeders' communication focuses on telling stories. Good pictures, videos and stories are crucial to this. In 2019, we were able to shoot footage in Malawi and Sierra Leone. Our communication mix consists of online resources including the website, social media and digital newsletters, and print resources such as our newsletter and a 'filler' advertising campaign.

The website clocked 10,408 visitors; a slight increase compared with 2018. Looking at where the visitors come from, there has been a shift from the Google Grants program to organic traffic. Whereas the Google Grants program used to be by far the largest source of traffic, this has now become organic traffic. This is due to a change in Google's program.

We invested in Facebook page likes in 2019, resulting in an increase in our followers, to 3,634. Our total number of followers on Instagram is 127, and our posts reached 99,958 people in total in 2019 (up from 61,707 in 2018).

Our digital newsletter is one of the means to keep existing donors and interested parties informed and to raise awareness of fundraising campaigns. In 2019 we informed them regularly, sending two digital newsletters per month on average. The total number of email addresses has decreased due to a 'clean-up action'.

Those who have not opened our emails for more than a year will no longer receive emails. This resulted in a rise in the opening rate (which in turn benefits the deliverability of the emails). Currently, we have 4,026 email addresses on file. Our average newsletter clocked approximately 1,100 unique openers.

We also sent three paper newsletters (Dagomba) to our supporters. In the first newsletter, we informed readers how we spent the donations in 2018. In addition to these three regular newsletters, a special edition of Dagomba was also issued for its 25th anniversary.

With respect to brand awareness, we launched a 'filler' campaign: advertisements which the media run free of charge. In this campaign, 1,292 ads were placed with a total media value of € 137,488.

11. Internal organisation

In 2019, HospitaalBroeders started the process towards achieving CBF recognition. We succeeded in doing so in March 2020. As a small organisation of only 2.4 FTE, HospitaalBroeders had to implement far-reaching changes in a number of areas.

One complicating factor was that we have a director who keeps an overview from Ireland, who is not paid by the Dutch organisation, but is 100% on the payroll of the Irish sister organisation.

The salaries of the three staff members with a permanent contract are in line with the salary structures of other charitable organisations.

Most of the employees work part-time. In addition to their salary, staff receive 8% holiday pay. Additional employment benefits are modest and include a pension scheme and ample training and development opportunities. SJOG-HospitaalBroeders does not pay annual or any other type of bonuses.

Volunteers policy

HospitaalBroeders has instituted a policy for volunteers, which can be requested from the secretariat.

12. Segregation of functions: supervisory tasks, executive powers and operational activities

In 2019, the board of trustees for SJOG-HospitaalBroeders consisted of five members. At the end of 2019, the members were: William Martin Forkan, Paul Hulshof, Merel Gianotten, Ralph Roels and Finnian Gallagher. The board convened six times. In January 2020, a new independent chairperson was appointed.

The CEO (John Fleming) reports to a Board of Directors.

The board is responsible for governance including:

- a. Setting the strategic direction of the company
- b. Ensuring the financial viability of the company
- c. Reviewing and agreeing operational plans and budgets with the CEO
- d. Reviewing operational updates from the CEO

STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS seat at AMSTERDAM

- e. Appointing the CEO
- f. Reviewing the CEO's performance
- g. Receiving and recommending the Annual Report to the Irish Governing Authority (Members).

The CEO is responsible for:

- a. Managing the operational and financial management of the company
- b. Assisting the Board in defining the strategic direction of the company
- c. Assisting and advising the board on compliance with relevant company and charity law.

The CEO is not a member of the board. Meetings are held five to six times a year. The CEO presents the following information in these meetings:

- a. Financial Update
- b. Operational Update
- c. Strategic Plan development
- d. Compliance Updates.

The Board of Directors reports to a Governing Authority known as Provincial Definitor who usually meet every year at the AGM. They receive the Annual Report and approve it for publication.

Board members do not receive any remuneration. Expenses are allowed for travel to and from board meetings. Directors are appointed every three years by the Governing Authority (Members).

There are no other key functions.

13. Future plans

The annual plan for 2019 was drafted in line with the 2017-2020 strategic plan, and builds on the experiences and lessons learned over the past years.

The most important change in our fundraising strategy is the integration of corporate funding into the marketing mix.

Initially, fundraising plans were focused on obtaining financing for a new hospital in Boko, Cameroon. However, the outbreak of Covid-19 and the subsequent problems in the 19 hospitals resulted in postponement of these plans for the time being.

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PART B FINANCE

In 2019, the accounting firm IAS recorded the financial accounts. They prepared monthly financial accounts which were sent to the Board of Trustees. In preparation of each Board meeting, the office drew up an explanatory report on the financial accounts.

IAS played a role as an intermediary in additional controls on the payroll. The office sends a calculation to the office in Ireland, which then transfers funds to IAS, which then pays the salaries and the corresponding social security charges.

Donors' pledges and mutations in SJOG-HospitaalBroeders' database were entered into Engage, the CRM database.

AREP Accountants from Nieuwegein, the Netherlands, carried out the audit. The audit report for the 2019 financial year has been included in full at the end of the annual report.

1. Incoming resources

The income in 2019 amounted to € 848,177, a drop of 2.0% compared with 2018 and below the set objective of € 932,000 (-9.0%).

Year	2019	2018	2017	2016
Target	€ 932,000	€ 819,000	€ 862,000	€ 945,000
Actual	€ 848,177	€ 865,427	€ 837,708	€ 919,248
% actual vs. target	-9.0%	+5.7%	-2.8%	-2.7%

The actual income in 2019 was below the set target. This was related to our aim of raising an initial payment for a new hospital to be built in Cameroon. However, these plans were postponed until 2020.

Pledge income (standing orders) was € 43,013 per month on average.

Broken down into channels of fundraising, the sources of income are as follows:

- direct debit mandates (58% vs 61% in 2018)
- direct mailings (13% vs 13%)
- bequests (14% vs 9%)
- events (1% vs 1%)
- institutional funding (7% vs 14%)
- other sources (7% vs 2%).

Legacy income was higher compared with 2018 and direct debits (pledge income) was a little lower than in 2018.

Income from institutional funding was also lower (7%) as a result of a substantial gift in 2018 from a private equity fund. However, this drop was compensated by 'other income', in particular a gift from SJOG Ireland.

2. Expenditure and expenditure allocation

In the statement of expenditure, direct and indirect expenses have been allocated to strategic targets, fundraising, and management and administration.

A total of € 573,196 was spent on strategic targets (70.6%), € 174,218 on fundraising (21.4%), and € 64,435 on management and administration (8.0%).

Direct expenses entail a demonstrable relationship between the actual expense and the results achieved. In the case of indirect expenses, such a demonstrable relationship is not present. In consultation with the accountant, an expense allocation key was defined based on actual figures from previous years but also after talks to CBF. This expense allocation key can be found on page 33 of the 2019 Financial Statements report by AREP.

STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS seat at AMSTERDAM

In 2019, direct project expenditure amounted to € 395,566 (cash out 504,566).

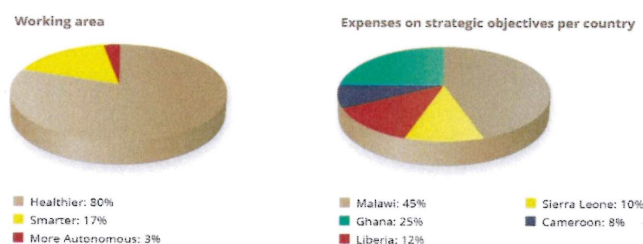
The expenditure on strategic objectives as a percentage of income was 67.6%.

The cost of fundraising in 2019 as a percentage of income derived from our own fundraising amounted to 23.8%.

SJOG-HospitaalBroeders uses a classification based on three distinct pillars: 'health, knowledge, autonomy'. 'Health' refers to expenditure on healthcare; 'knowledge' refers to expenditure on scholarships and training programmes; 'autonomy' refers to expenditure on ways to help communities and people to build their own lives or improve the quality of their lives by, for example, building water points or granaries.

The resulting breakdown of direct project expenditure is as follows:

2019



	Euro	%
Expenses on strategic objectives		
Malawi	261,728	45%
Sierra Leone	55,322	10%
Liberia	68,079	12%
Cameroon	43,252	8%
Ghana	144,815	25%
	573,196	100%

Budget 2020

Income

Pledges	€ 518,000*
Corporates	€ 195,000
Legacies	€ 60,000
Donations	€ 99,000
Institutional	€ 35,000
Other	€ 5,000
Events	€ 2,000

Expenses

-Organisational Costs-

Employee Costs	€ 175,000
Accommodation	€ 29,000
Office Costs	€ 9,000
General Costs	€ 30,000
Donor Administration	€ 18,000
Banking Costs	€ 15,000

-Fundraising Costs-

Selling Exp. Prosp. Donors	€ 85,000
Selling Exp. Existing Donors	€ 44,000
Telemarketing	€ 25,000
Loyalty/Online/Comm.	€ 37,000

-Project contribution-

Projects	€ 435,000
Other	€ 9,500

* this does include budgeted rejected pledges of € 22,000

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3. Resources expended on charitable activities

Direct project expenditure in 2019 was on target as it was budgeted, at € 400,000.

For 2020, a small step forward is planned towards direct project expenditure of € 435,000.

At the beginning of each year, the project applications from Africa are systematically reviewed by the management team and presented to the Board of Trustees. The Board selects the projects that qualify for funding. The relatively high share of private donations in total income enables us to finance a large part of the projects from our own resources. Funds from institutional donors are always earmarked and must be used for designated projects.*

** The outbreak of Covid-19 has had a severe impact on our plans for 2020.*

4. Scope of reserves and funds

Continuity reserve

A continuity reserve is intended to cover short-term risks and to ensure that the fundraising organisation will be able to meet its obligations, now and in the future. At the end of the year, the reserve stood at € 130,751 (€ 52,027 in 2018).

Special purpose reserve

Funds earmarked for educational purposes are set aside on a separate bank account.

5. Financial flows within the international organisation

SJOG-HospitaalBroeders Nederland belongs to the West European Province of the Saint John of God Hospitaller Order. The Dutch manager reports to the Irish CEO. The CEO reports to the Dutch Board. SJOG-HospitaalBroeders focuses exclusively on the funding of projects in Africa.

Twice a year, we meet with other European entities from within the Order. These meetings, known as the Fundraising Alliance, bring Portuguese, Spanish, French, Italian, Irish and Dutch fundraisers together to align their project funding activities. The General Curia in Rome coordinates these activities with a view to achieving the highest possible return on project funding and ensuring that the broadest possible spectrum of projects, in terms of different needs, receive funding. In 2019, only one meeting was held, in Rome.

6. Strategy, finance and risks

The central objective as set out in the articles of association and primarily inclined towards fundraising is as follows:

“The object of the Foundation is to organise and manage funding activities, to receive charitable donations, to acquire and manage money in its charge, to acquire, preserve and maintain real estate and movable property and to invest in this and manage this, and, from time to time, to use and distribute all income, including the assets the Foundation will receive, in accordance with the existing legislation, to benefit the Hospitaller Order of Saint John of God in connection with its diverse charitable activities in Africa. In addition, to provide information and education related to projects and charitable projects of the Mission of Order worldwide, and to carry out everything that may be related or conducive to the foregoing. These objects do not include making payments to the Founder or to those who form part of the Foundation's bodies.”

Raising funds is central to this objective. SJOG-HospitaalBroeders Netherlands is a fundraising charity. In close collaboration with the African Projects Office, the money is allocated to projects and programmes in Africa. Projects are evaluated and, if considered successful, rolled out elsewhere. Examples are outreach programmes, food security programmes that have been launched, schools that have been built, and various sustainable projects that have been initiated. Projects that prove successful are copied or modified and improved.

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Fundraising and spending policy

The Board fulfils two roles with respect to fundraising.

First of all, it monitors a sound fundraising policy with a view to generating income and spending cautiously, effectively and efficiently.

Secondly, the Board is responsible for risk management.

In the Dutch situation, the CEO and the Fundraising Manager are jointly responsible for the fundraising policy. Reports include issues such as the recoupment period of investments and analyses of the donating behaviour of donors; these subsequently form the basis for the annual plan. These reports use concepts such as Life Time Value and ROI.

The Board of Directors focusses on two important aspects of fundraising. First and foremost, we aim to keep the funds spent on strategic objectives to a minimum of 70% of the money spent (70.6% in 2019).

Secondly, we aim to keep fundraising costs within the CBF norm of a maximum cost of fundraising of 25% of income (21.4% in 2019).

Spending policy

SJOG-HospitaalBroeders does not put projects out to tender; all projects in Africa are set up and implemented by the Brothers that are liaised to the organisation. Projects are monitored through project visits and financial and project reports.

Year plan and reporting

A planning and control cycle help to create and maintain transparent and effective management of the organisation. This cycle includes at least the following four elements:

Mission: long-term strategic objectives

Strategy: how the organisation achieves its objectives

Year plan: objectives for the current financial year and how these are to be achieved

Budget: the estimation of income, expenses and investments that is associated with the year plan.

The year plan serves as a contract between the CEO and the Board of Trustees and is the Board's most important benchmark for evaluating performance.

The year plan and the budget are also the cornerstones of good governance and instrumental in evaluating policy, objectives and quality of reporting.

Reporting is a part of project visits to the hospitals, during which we speak with stakeholders and project managers. Every Board meeting evaluates a report about the finances, and the 70% threshold (minimum spent on strategic objectives) is monitored.

Impact

In recent years, attention for impact measurement has increased. The African Brothers have become more aware that the result of an investment can, of course, be expressed in monetary terms but also in quantitative terms of 'output' and 'outcome'. In fact, impact refers to the part the organisation or hospital has played in the change that has occurred with respect to the target group. This is the change as observed minus the change that 'would have occurred anyway'. In a hospital, such changes are not always easy to measure.

It is obvious that the use of a new X-ray machine will result in more X-ray images of better quality. The impact can then be defined as: improved healthcare quality.

Investment policy

The organisation does not invest funds in any type of financial product.

STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS
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7. Annual accounts

The annual accounts are prepared by AREP Accountants, based in Nieuwegein, the Netherlands.

Development of income and expenses

The result for 2019 amounts to € 11,745 negative compared with € 18,055 positive for 2018. The results for both years can be summarised as follows:

	2019		2018		Difference
	€	%	€	%	€
INCOME					
Income from own fundraising	730,453	86.1	743,427	85.9	-12,974
Income / Grants by third parties	59,546	7.0	122,000	14.1	-62,454
Grants from related parties	58,178	6.9	0	0	58,178
Total income	848,177	100.0	865,427	100.0	-17,250
EXPENDITURE					
Spent on Strategic Objectives	573,196	67.6	525,583	60.7	47,613
Fundraising expenses	174,110	20.5	206,410	23.9	-32,300
Management and administration	64,435	7.6	99,919	11.5	-35,484
Total expenditure	811,741	95.7	831,912	96.1	-20,171
Result expenditure and income	36,436	4.3	33,515	3.9	2,921

Costs

	2019		2018		Difference
	€	%	€	%	€
Project costs *	395,566	48.8	243,158	29.2	152,408
Personnel costs	184,557	22.7	201,994	24.3	-17,437
Housing costs	27,705	3.4	28,650	3.4	-945
Office costs	9,062	1.1	13,029	1.6	-3,967
Selling expenses donors	129,348	15.9	260,952	31.4	-131,604
Donor administration	19,315	2.4	13,827	1.7	5,488
General expenses	46,188	5.7	70,302	8.5	24,114
	811,741	100.0	831,912	100.0	-20,171

** The total cash out for project contribution in 2019 amounts to € 405,566. Given that € 10,000 of the Elderly project in Malawi was accounted for in 2018, the total costs for 2019 amount to € 395,566.*

STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS

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REPORT FROM THE BOARD OF DIRECTORS

Principal activities

Stichting Internationale Orde van HospitaalBroeders (the Foundation), located at Nieuwendammerdijk 530A, Amsterdam, is a charity which raises funds primarily for health services in developing countries, especially in Africa. The Foundation is part of the Hospitaller Order of Saint John of God, which was founded more than 500 years ago and is active in 54 countries worldwide.

Statement of responsibility of the Board of Directors

The Board of Directors requires financial statements to be prepared for each year in accordance with generally accepted accounting policies. The financial statements should give a true and fair view of the Foundation's state of affairs and its results for the relevant period.

Accordingly, the Board of Directors must ensure that in the preparation of the financial statements:

- suitable accounting policies are selected and then applied consistently;
- responsible and prudent judgements and estimates are made;
- material departures from applicable accounting standards are disclosed and explained; and
- financial statements are prepared based on the going concern unless it is inappropriate to presume that the Foundation will continue.

The Board of Directors is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Foundation. They are also responsible for safeguarding the Foundation's assets and hence for taking reasonable steps to detect and prevent fraud and other irregularities.

Books of account

Measurements taken by the Board of Directors to secure compliance with its obligation to keep proper books of account include the use of appropriate systems and procedures and employment of competent persons.

The books of account are kept at Stichting Internationale Orde van HospitaalBroeders, located at Nieuwendammerdijk 530A, Amsterdam.

Legal status

The Foundation is a foundation in accordance with article 24 sub 4 of the Successiewet (Inheritance Tax Act) of 1956. Stichting Internationale Orde van HospitaalBroeders is also registered at the Chamber of Commerce in Amsterdam under number 41058935.

Results

For the 2019 results, we refer to the statement "Income and Expenditure" on page 19 of this report.

Future developments

The Foundation will continue to build up the number of pledge donors and actively start corporate funding fundraising, while at the same time reducing fundraising costs.

STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS
seat at AMSTERDAM

Principal risks and uncertainties

Continued sustainability of donation income is considered to be the highest risk.

Subsequent events

There were no subsequent events for the disclosure.

On behalf of the Board of Directors

Amsterdam, 2020

Signed: E.J.J.M. Kimman
Voorzitter (Chairman)

Signed: P. Hulshof
Penningmeester



STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS
seat at AMSTERDAM

FINANCIAL STATEMENTS 2019



STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS
seat at AMSTERDAM

BALANCE SHEET AS AT 31 DECEMBER 2019

(After appropriation of result)

		<u>31 December 2019</u>	<u>31 December 2018</u>
		€	€
ASSETS			
Fixed assets			
Tangible fixed assets	(1)		
Inventory		15,525	19,197
Current assets			
Receivables	(2)		
Receivables		5,922	5,922
Other receivables and prepayments		114,764	179,277
		<u>120,686</u>	<u>185,199</u>
Cash and cash equivalents	(3)	101,965	71,373
		<u><u>238,176</u></u>	<u><u>275,769</u></u>



STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS
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INCOME AND EXPENDITURE FOR THE YEAR 2019

		<u>2019</u>	<u>Budget</u>	<u>2018</u>
		€	€	€
INCOME				
Income from own fundraising	(6)	730,453	907,000	743,427
Income / Grants from third parties	(7)	59,546	25,000	122,000
Grants from related parties		58,178		
Total income		848,177	932,000	865,427
EXPENSES				
Expenses for strategic objectives (8)				
Direct aid		435,561	449,250	300,324
Coordination		48,055	57,683	65,495
Information & awareness in Africa		89,580	113,933	159,764
		<u>573,196</u>	<u>620,866</u>	<u>525,583</u>
Fundraising expenses (9)				
Existing donors		73,456	82,883	76,311
Prospective donors		100,654	120,983	130,099
		<u>174,110</u>	<u>203,866</u>	<u>206,410</u>
Management and administration (10)		64,435	58,267	99,919
Total expenses		811,741	883,000	831,912
Balance of income and expenses		36,436	49,000	33,515
Appropriation of the result				
Release restricted funds		-100,000	—	-8,483
Addition to restricted funds		57,710		100,00
Addition to continuity reserve		78,726	—	58,002
		<u>36,436</u>	<u>—</u>	<u>33,515</u>
<u>INDEX NUMBERS</u>				
		<u>2019</u>	<u>Budget</u>	<u>2018</u>
- Management and administration in % of Total expenses		7.9%	6.6%	12.0%
- Expenses for Strategic objectives in % of Total expenses		70.6%	70.3%	63.2%
- Expenses for Fundraising in % of Income from own fundraising		23.8%	22.5%	27.8%
- Expenses for Strategic objectives in % of Total income		67.6%	66.6%	60.7%



STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS
seat at AMSTERDAM

CASH FLOW STATEMENT FOR THE YEAR
ENDED 31 DECEMBER 2019

(According to the indirect method)

	2019		2018	
	€	€		
Cash flow from operating activities				
Operating result	36,436		33,515	
Adjustments for:				
- Depreciations	4,535		3,836	
		40,971		37,351
Changes in working capital:				
Movements in accounts receivable	64,513		-70,965	
Movements in current liabilities	-74,029		52,212	
Cash flow from operating activities		-9,516		-18,753
Cash flow from investment activities				
Investment in fixed assets	-863		-21,259	
Repayment loan			2,420	
Cash flow from investment activities		-863		-18,839
Movement in cash position		30,592		-241
Compilation cash				
Cash and cash equivalents as at 1 January		71,373		71,614
Movements in cash and cash equivalents		30,592		-241
Cash and cash equivalents as at 31 December		101,965		71,373



STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS
seat at AMSTERDAM

NOTES TO THE 2019 FINANCIAL STATEMENTS

GENERAL

The financial statements were prepared in accordance with the Dutch Accounting Standard for Fundraising Institutions (RJ 650) published by the Dutch Accounting Standards Board.

Valuation of assets and liabilities and determination of the result take place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets are presented at nominal value.

Income and expenses are accounted for the period to which they relate. Surplus is only included if realised on the balance sheet date. Deficits originating before the end of the financial year are taken into account if known before preparation of the financial statements.

PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES

Tangible fixed assets

Tangible fixed assets are valued at cost less straight-line depreciation based on the estimated useful lifetime. The depreciation percentage is applied: Inventory 20%.

Financial fixed assets

Upon initial recognition, the loans are valued at fair value and then valued at amortised cost, which equals the face value, after deduction of any provisions.

Receivables

Upon initial recognition, the receivables are valued at fair value and then valued at amortised cost, which equals the face value. Any provision for doubtful accounts deemed necessary is deducted. Provisions are recognised based on individual assessment of recoverability of the receivables.

Cash and cash equivalents

Cash and cash equivalents are valued at nominal value.

Reserves and funds

The additions to and withdrawals from the reserves and funds take place from the destination of results.

PRINCIPLES FOR THE DETERMINATION OF THE RESULT

General

The result is defined as the difference between the revenue from delivered performances and services and the costs and expenses and other charges for that year, valued at historical costs.

Legacy

Unrestricted donations are accounted for as income in the earliest reporting period that they were received or committed to. Legacies are accounted for as soon as the amount of income can be reliably estimated.



STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS
seat at AMSTERDAM

Financial result

Financial income and expenses comprise interest income and expenses on loans as accounted for in the current reporting period.

PRINCIPLES FOR PREPARATION OF THE CASH FLOW STATEMENT

The cash flow statement was prepared using the indirect method.

The finds in the cash flow statement consist of cash and cash equivalents. Cash equivalents can be considered as highly liquid investments.



STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS
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NOTES TO THE BALANCE SHEET AS AT 31 DECEMBER 2019

1. Tangible fixed assets

	<u>Inventory</u>		
Balance as at 1 January:			
Acquisition costs	33,381		
Accumulated depreciation	<u>-14,184</u>		
Book value	<u>19,197</u>		
Movements during the year:			
Investments	863		
Depreciation	<u>-4,535</u>		
	<u>-3,672</u>		
Balance as at 31 December:			
Acquisition costs	34,244		
Accumulated depreciation	<u>-18,719</u>		
Book value	<u>15,525</u>		
		<u>31-12 2019</u>	<u>31-12-2018</u>
		€	€
2. Receivables			
<i>Guarantee capital</i>			
Guarantee Rentmeester Hollandia N.V.	<u>5,922</u>	<u>5,922</u>	
<i>Other receivables and prepayments</i>			
Loan St. John of God Health Centre Amrahia	-	1,200	
Contribute Foundation	18,000		
Loan Sierra Leone		3,218	
Legacies to be received	76,708	170,104	
Prepaid expenses	17,951	-	
Others	<u>2,106</u>	<u>4,755</u>	
	<u>114,764</u>	<u>179,277</u>	



STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS
seat at AMSTERDAM

3. Cash and cash equivalents

ABN AMRO Bank N.V. 41.45.42.940	6,639	10,616
ABN AMRO Bank N.V. 41.45.42.169	582	175
Rabobank 3844.21.733	67,837	59,675
Rabobank 3823.172.480	25,467	467
Suspense accounts	1,440	440
	<u>101,965</u>	<u>71,373</u>
	<u>2019</u>	<u>2018</u>
	€	€

4. Reserves and funds

Continuity reserve

Balance as at 1 January	52,027	110,029
Appropriation of the result	78,724	-58,002
Balance as at 31 December	<u>130,751</u>	<u>52,027</u>

The foundation wants to ensure sustainability of the organisation. Therefore, the foundation wants to create a continuity reserve to cover operational costs. This reserve is based on a prudent assessment of the time required to source additional funding. According to "The Wijffels code" this reserve should not exceed 1.5 times the operational costs.

Based on the current operational costs, the reserve should be € 375,000. It was necessary in 2018 to access some of the reserve for fundraising investment which has delayed plans to build the continuity reserve to an amount of € 250,000 (1 time the operational costs). A higher reserve will need clarification.

	<u>2019</u>	<u>2018</u>
	€	€
Restricted fund		
Balance as at 1 January	100,000	8,483
Release restricted fund	-100,000	-8,483
Appropriation of the result	57,710	100,000
Balance as at 31 December	<u>57,710</u>	<u>100,000</u>

Restricted funds are earmarked for future spending on the objectives of Stichting Internationale Orde van Hospitaalbroeders. In 2018, € 100,000 was earmarked for spending on three Malawian projects. A limited amount of funds was earmarked for future spending on the objectives of Stichting Internationale Orde van Hospitaalbroeders.



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	31-12-2019	31-12-2018
	€	€
5. Current liabilities		
Trade creditors		
Trade creditors	3,239	22,332
Taxes and social securities		
Payroll tax	4,995	5,140
Accrued liabilities		
Funding Ireland	0	48,178
Accruals and deferred income	34,824	39,330
Holiday pay	6,658	6,657
	41,482	94,165

The Board of Directors proposes to appropriate the 2019 results as follows:

Release restricted funds	-100,000
Addition to restricted funds	57,710
Addition to continuity reserve	78,726
	36,436

This proposition has already been recognised in the financial statements.

Long-term financial obligations

Rental commitments buildings

The Foundation has long-term rental commitments, which relate to the rent of the office.

The commitments amount to approximately € 25,270 (on a yearly basis).



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NOTES TO THE INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR 2019

	2019	Budget	2018
6. Income from own fundraising			
Donations	610,004	638,000	654,240
Legacy	120,449	104,000	67,357
Events	1,836	5,000	3,211
Funding Ireland*	58,178	0	18,619
Income special purposes		10,000	
	<u>790,467</u>	<u>757,000</u>	<u>743,427</u>

* The Funding Ireland item includes the costs of a prospect mailing (€ 48.178), paid by HB Ireland. In addition, time spent by the Irish director (€ 10,000) has been included in the income and expenditure account as income in kind, in accordance with RJ640.204 (the income is measured at fair value as of 2019).

7. Income / Grants from third parties

Liliane Fonds/MIVA	-	-	15,000
Dioraphte	-	-	2,000
Hofstee Stichting	-	-	5,000
Contribute Foundation	38,000		
Malawi Mental Care	15,000		
Corporate Funding *		150,000	100,000
Other	4,710		
	<u>57,710</u>	<u>150,000</u>	<u>122,000</u>

* An application was planned for the construction of a new hospital in 2019. However, these plans were postponed.



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8. Allocation of expenses to objectives

	<u>Strategic objectives</u>			<u>Fundraising</u>		<u>M & A</u>			
	<i>Direct aid</i>	<i>Coordination</i>	<i>Information and awareness in Africa</i>	<i>Fundraising donors</i>	<i>Prospective donors</i>	<i>Management and administration</i>	<i>Total 2019</i>	<i>Budget 2019</i>	<i>Total 2018</i>
Project contributions*	395,566	—	—	—	—	—	395,566	400,000	238,605
Personnel costs	32,297	32,297	73,823	9,228	9,228	27,684	184,557	175,000	195,989
Housing costs	—	4,618	4,618	4,618	4,618	9,235	27,705	29,000	27,705
Office costs	—	1,510	1,510	1,510	1,510	3,021	9,062	12,000	10,670
Selling expenses donors	—	—	—	40,745	75,669	12,935	129,348	218,000	291,194
Donor administration	—	1,932	1,932	9,658	1,932	3,863	19,315	16,000	12,215
General costs	7,698	7,698	7,698	7,698	7,698	7,698	46,188	33,000	43,020
Total	435,561	48,055	89,580	73,546	100,654	64,435	811,741	883,000	819,653

* The total cash out for project contribution in 2019 amounts to € 405,566. Given that € 10,000 of the Elderly project in Malawi was accounted for in 2018, the total costs for 2019 amount to € 395,566.

The overview above incorporates all costs. The allocation of costs over the various activities is divided into three main groups: Strategic objectives (SO), Fundraising (FR) and Management and administration (MA).

This allocation is primarily based on actual direct costs incurred. The subdivision of some posts and allocation of shared costs are decided in cooperation with our accountant to ensure as accurate a basis as feasible can be achieved.

Personnel costs are divided according to the following percentages: SO (75%), FR (10%) and MA (15%). Housing costs/Office costs are divided according the following percentages: SO, *Coordination and Information and awareness* (33.3%), FR (33.3%) and MA (33.3%).

Selling expenses (for both Prospective and Existing donors): MA (10%, FR 90%). Donor administration: Coordination (10%), Information and awareness (10%), Existing donors (50%), Prospective donors (20%) and Management and administration (10%).

General costs are equally divided between Direct aid, Coordination, Information and awareness, Prospective donors, Existing donors and Management and administration.



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	2019	Budget	2018
	€	€	€
Projects			
Malawi	175,000	185,000	150,000
Sierra Leone	39,405	45,000	18,170
Ghana	102,425	100,000	43,239
Cameroon	30,489	30,000	30,794
Liberia	48,147	40,000	955
	<u>395,566*</u>	<u>400,000</u>	<u>243,158</u>

** The total cash out for project contribution in 2019 amounts to € 405,566. Given that € 10,000 of the Elderly project in Malawi was accounted for in 2018, the total costs for 2019 amount to € 395,566.*

Personnel costs

During the 2019 financial year, the average number of (part-time) staff employed by The Foundation was 3. Converted into full-time equivalents, this amounted to 2.4 (2018: 2.4).

	2019	Budget	2018
	€	€	€
Wages and salaries	138,853	175,000	138,904
Social security charges	25,180	—	24,844
Sickness insurance	5,134	—	4,800
Management costs*	10,000	—	23,011
Other personnel costs	5,390	—	10,435
	<u>184,557</u>	<u>175,000</u>	<u>201,994</u>

* Management costs include the costs (paid by HB Ireland) of the director-administrator from Ireland, as an expense in kind in accordance with RJ640.204.

No members of the Board of Directors received any remuneration for the year ended December 31, 2019.

	2019	Budget	2018
	€	€	€
Housing costs			
Rent	23,252	29,000	24,498
Cleaning	3,321	—	3,105
Other	1,132	—	1,047
	<u>27,705</u>	<u>29,000</u>	<u>28,650</u>

Office costs

Office supplies	1,004	12,000	2,540
Telephone, internet and postage	4,979	—	4,975



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Website	3,079	—	5,514
	<u>9,062</u>	<u>12,000</u>	<u>13,029</u>

	2019	Budget	2018
	€	€	€

Selling expenses donors

Existing donors

Mailing expenses	48,261	—	50,066
Loyalty	—	—	62,808
	<u>48,261</u>	<u>—</u>	<u>112,874</u>

Prospective donors

Canvassing	53,410	—	86,188
Loyalty	4,299	—	4,017
Telemarketing	18,004	—	39,455
Affiliate marketing	2,520	—	5,921
Institutional funding	404	—	11,858
Events	2,450	—	639
	<u>81,087</u>	<u>—</u>	<u>148,078</u>

Total selling expenses donors	<u>129,348</u>	<u>218,000</u>	<u>260,952</u>
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Donor administration

Database costs	<u>19,315</u>	<u>16,000</u>	<u>13,827</u>
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General costs

Auditor's fee	12,473	33,000	15,809
Consultancy fee	—	—	10,021
Administration fee	6,693	—	8,422
Bank charges	7,869	—	13,373
Depreciation	4,535	—	3,836
Other general expenses	14,619	—	18,841
	<u>46,188</u>	<u>33,000</u>	<u>70,302</u>



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Post balance sheet events

COVID-19

As far as we can assess, there are no issues regarding the continuity of the foundation due to COVID-19.
We will monitor the developments closely and action will be taken where needed.

On behalf of the board of directors

Amsterdam,2020

Signed: E.J.J.M. Kimman
Chairman

Signed: P.H. Hulshof
Treasurer



Accountants en Belastingadviseurs B.V.

CONFIDENTIAL

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INDEPENDENT AUDITOR'S REPORT

A. Report on the audit of the financial statements 2019 included in the annual report

Our opinion

We have audited the financial statements 2019 of Stichting Internationale Orde van HospitaalBroeders ('the foundation'), based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting Internationale Orde van HospitaalBroeders as at 31 December 2019, and of its result for 2019 in accordance with the 'Richtlijn voor de Jaarverslaggeving 650'.

The financial statements comprise:

- the balance sheet as at 31 December 2019;
- the statement of income and expenditure for 2019;
- the notes, comprising a summary of the accounting policies and other explanatory information.

The 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 section 'Our responsibilities for the audit of the financial statements' of our report.

We are independent of Stichting Internationale Orde van Hospitaalbroeders in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

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

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

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

- the directors' report;
- the other information pursuant to the 'Richtlijn voor de Jaarverslaggeving 650'.



We have read the other information. Based on our knowledge and understanding obtained in 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 managing director is responsible for the preparation of the other information, including the directors' report and the other information pursuant to 'Richtlijn voor de Jaarverslaggeving 650'.

C. Description of responsibilities regarding the financial statements

Responsibilities of the managing director and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 'Richtlijn voor de Jaarverslaggeving 650'. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the managing director is responsible for assessing the foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the managing director should prepare the financial statements using the going-concern basis of accounting unless the managing director either intends to liquidate the foundation or to cease operations, or has no realistic alternative but to do so.

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.

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 among others:

- Identifying and assessing the risks of material misstatement of the annual accounts, 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 annual accounts 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 annual accounts, including the disclosures, and
- Evaluating whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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

Nieuwegein, June 22nd 2020

AREP Accountants en Belastingadviseurs B.V.

Mr. A.H. van Engelen RA



STICHTING INTERNATIONALE ORDE VAN HOSPITAALBROEDERS
seat at AMSTERDAM

OVERVIEW OF SUPPORTED PROJECTS

Project	Country	Centre	Total (€)
Support for Children with Special Needs	Malawi	Mzuzu	51,572
Hospital Equipment	Malawi	Lilongwe	33,106
Community Mental Health Outreach	Malawi	Mzuzu	25,000
Counselling & Vocational Training Prison	Malawi	Mzuzu	25,000
Elderly Programme *	Malawi	Mzuzu	10,000
Equipment for Centre for Living	Malawi	Lilongwe	15,322
Scholarships Psychiatric Nurses	Malawi	Mzuzu	15,000
Construction of Maternity Ward	Liberia	Monrovia	38,000
Drugs Procurement Hospital	Liberia	Monrovia	7,975
Maternity ward Equipment	Liberia	Monrovia	2,172
Emergency Aid Hospital	Cameroon	Batibo	30,489
Food help	Cameroon	Bamenda	100
Improving health Conditions Elderly	Ghana	Amrahia	34,867
Starting up Outreach Activities	Ghana	Oseikojokrom	26,778
Solar Panels Clinic	Ghana	Oseikojokrom	21,332
Improving Primary Health Care	Ghana	Amrahia	19,448
Scholarships (year 1&2)	Sierra Leone	Lunsar	32,378
New Server Hospital	Sierra Leone	Lunsar	7,027
Total			<u>395,566</u>

** The total cash out for project contribution in 2019 amounts to € 405,566. Given that € 10,000 of the Elderly project in Malawi was accounted for in 2018, the total costs for 2019 amount to € 395,566.*