

Annual **report**

2023



Help  a
CHILD





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Standing firm

2023 was once more a year of global challenges. An unprecedented number of people worldwide were displaced from their homesteads and had to flee or find shelter elsewhere. At the same time, there is a decrease in official development aid and support for the least developed countries worldwide and a decline in international solidarity.

Despite these challenges, we are grateful that we succeeded in our mission to give more, better, and faster support to children and communities in 2023. Standing firm in turbulent times, we saw growing interest in our way of working for children and engaging communities. Our early childhood development expertise area has attracted more attention internationally, which is very promising. We found that staying focused on what we do well pays off. Recognition of our expertise and value in (child) protection has brought us into collaboration with large INGOs and the US in the DRC. Acknowledgement of our strong knowledge of problems and solutions in early childhood development in Rwanda enabled us to co-develop and design a USD 10 million grant with UNICEF and the Rwandan government on ECD. Our effectiveness is demonstrated in projects like Kids@Risk in the DRC. Our projects are well integrated in local governments and society. Also, we have been given the opportunity to certify at the Core Humanitarian Standard after completing an audit performed by Humanitarian Quality Assurance Initiative. We still have a right to exist, thanks to our loyal constituency. We have grown financially, for which we are grateful. These are just a short description of a few examples of our impact in 2023. We have also produced a detailed impact report describing the impact we made in 2023. Please visit www.helpachild.org/our-impact/annual-report/ to see the results of our efforts in 2023.

Both reports show the results of our determination to help more children, and to do so even better, despite all the challenges. This is made possible by the loyalty and support given in many ways, for which we are grateful and feel blessed. The need is high. So is our ambition. In turmoil and in times of need, we are thankful that our Lord is in charge of this world. We trust that He will continue to bless our efforts.

Andries Schuttinga
CEO





Director's report

Aim, mission, vision

Help a Child is a Christian international relief and development organization that was established in the Netherlands in 1968. Our mission is to provide a future for children in need, their families, and their entire community. By empowering vulnerable communities, we help them make sustainable improvements to their living conditions and unlock opportunities for the future.

Help a Child operates in regions where poverty is widespread and in disaster or conflict-afflicted areas where children and families are especially vulnerable. Working in cooperation with various Dutch, international, and local organizations, we are pursuing our mission in India, Kenya, Malawi, Burundi, Rwanda, the Democratic Republic of the Congo (DRC), Somalia, South Sudan, and Uganda.

Together with expert organizations, charitable trusts, and institutional donors, Help a Child develops innovative programmes across thematic areas such as Early Childhood Development, Child Protection, and Youth & Work. Help a Child is supported by a broad-based constituency comprising individuals, churches, charitable foundations, businesses, and schools.

Our mission

Help a Child provides a future for children in need, their families, and their entire community.

Our vision

As a Christian non-profit organization, Help a Child wants every child – regardless of their social, political, religious, ethnic, or economic background – to have a life of dignity, with love and with a promising future.

Legal structure

Help a Child ('Red een Kind' in Dutch) was established as a charitable foundation in 1968 and is located at Koggelaan 21, Zwolle, the Netherlands. The foundation is

registered with the Chamber of Commerce under the number 41022454. The Netherlands Tax and Customs Administration recognizes Help a Child as a Public Benefit Organization (ANBI), the Dutch equivalent of registered charity status.

Risks and mitigation

In 2023, we were halfway through our 2021-2024 strategic planning period. In compiling this document, we paid a lot of attention to our stakeholders, trends, risks, and opportunities. We plan our activities with a close eye on current trends and developments, internally and in the world at large.

The world is full of social unrest, and populism is setting the political tone in many countries. Citizens are understandably concerned about their personal safety and the stability of wider society. Civil-society organizations, too, are worried about the potential impact of political developments on their work.

In the Netherlands, several developments are complicating our work. These include the sometimes negative image of development aid, a rising tide of populism, and growing individualism and secularization.

Financial risk acceptance within Help a Child is limited. As a non-governmental organization largely funded by a faith constituency, we cannot allow ourselves to take significant risks. That is therefore the guiding principle in our financial policy, under which we operate a conservative investment strategy.

Each year we define the major strategic and operational risks and weaknesses faced by Help a Child. These are then presented to and discussed with the management team and the Supervisory Board, along with possible measures to counter them.

Strategic risks

For 2023, we reconfirmed the following strategic risks.

- Help a Child is relatively small, whereas donors seem to prefer to contract with larger NGOs. This may impact our ability to remain relevant to donors. On the other hand, being small also has the advantage of keeping us relatively flexible and better positioned for innovation. To mitigate the risks, we are very active in exploring and committing ourselves to strategic partnerships.
- It is challenging to continue to grow in the highly competitive market of NGOs appealing to private donors in the Netherlands. This is also linked to the reality of a shrinking Christian community. For this reason, we try constantly to find new means to engage with our constituency and we are always exploring and implementing new giving models. We feel that our investment in strategic innovation gives us a distinct advantage.
- Within our institutional funding portfolio, we are heavily dependent on the Dutch Ministry of Foreign Affairs and more specifically on the Dutch Relief Alliance. This makes us vulnerable in the long term when it comes to safeguarding the continuous funding of our programmes. Our Institutional Fundraising strategy therefore emphasizes the diversification of our portfolio with the aim of securing more funding from, for example, EU and UN-related donors. We made some progress in this area in 2023.
- As we work closely with independent but affiliated parties (Help a Child Africa, Help a Child USA, and Stichting Klimrek), it is becoming more important to guarantee strategic alignment. We are developing or redeveloping legal frameworks for cooperation, as well as investing in our relationships with affiliated parties to ensure organizational alignment. And when that is not possible, we make alternative arrangements to safeguard our work with vulnerable children and families. In 2023, we found good solutions for our work in India and we signed a Memorandum of Understanding with the Board of Help a Child Africa.
- Other strategic risks include the shift of institutional funding towards countries of the Global South and our ability to cope with additional overheads when becoming more dependent on institutional funding and the associated requirements. The former is being mitigated through decentralization, continued capacity-building at our country offices, and more strategic partnerships at the country level, the latter by optimizing our budgeting when raising funds from institutional donors. We consider the organizational consequences before submitting a proposal to a donor and include these in our plan and budget.
- In general, child sponsorship as a funding model is

under scrutiny because it can be associated with white saviourism and post-colonialism. On the one hand, we plan to communicate more strongly that the child ambassador model used by Help a Child is actually addressing some of this criticism, whilst on the other we are making it a priority to diversify income from our private constituency. In 2023, we designed a new giving model that will be piloted in Rwanda as of 2025. We have great hopes that this will be a worthy addition to our current child sponsorship model.

- In India and in African countries, relevant external factors include political instability as well as the impact of climate change on those nations and on the participants in our programmes. In the DRC in particular, our work was jeopardized by continued unrest in North Kivu in 2023; at one point we were even forced to temporarily evacuate our field staff there. We try to mitigate these risks by working in multiple countries and in multiple areas per country.

Operational risks

For 2023, we reconfirmed the following operational risks.

- We have identified operational risks, primarily in respect of compliance, fraud, and corruption. We have various procedures and internal control mechanisms in place to mitigate these operational risks.
- Another risk relates to security, not only physically but also virtually in our own IT systems (data breaches, cyber risks). To mitigate these risks, we entered into an IT cooperation agreement with Dorcas. In 2023, Microsoft 365 was implemented in all our country offices. With regard to physical security risks, we are working on an update of our security policy, which will be finalized in early 2024.
- Another operational risk relates to fluctuations in exchange rates. We try to mitigate this risk by applying natural hedging, conservative budgeting and regular monitoring. Help a Child allows partner contracts to be signed in local currencies with partners implementing community programmes. In the chain of partner organizations, we believe Help a Child is in a much better position to bear the risks of exchange rate fluctuations as most of our implementing partner organizations have less means and financial capacity to manage these risks. Help a Child has agreed contractual limits related to exchange rate differences with partner organizations.

Impact in 2023

Last year was the third in our current strategic planning period. Over four years, 2021-2024, we are working towards achieving even more impact for even more children. Our main aim in 2023 was to consolidate the results around more impact for more children based on the preparations made in the first two years. Key actions were scheduled in line with our three strategic 'pillars' for the current period. A fourth focuses on strengthening support systems, structures, and procedures. These pillars and the associated actions are outlined below.

More quality and impact

Scheduled key actions for 2023

More quality

- Our new monitoring and audits policy implemented.
- Independent verification of CHS by HQAI.
- Finalization of our project to improve our quality management system (QMS).

More impact

- The Kids@Risk programme in the DRC is yielding more impact for our overall programme there. We also want to initiate a Kids@Risk programme in South Sudan.
- The outcomes of and follow-up to our think-tanks in Burundi and Rwanda, our Kenyan Aid to Trade rethink, and our Malawi strategic refresh will result in more impact.

Measuring our quality and impact

- An independent consultant is to evaluate our CCCD programme.
- Now that we are halfway through our strategic planning period, we will review and measure how we are doing and adjust our plans if need be.

Reflection

- + We are very pleased that we were able to reach the certification stage of CHS. It proves that our projects have quality and impact. Of course, there are points for improvement, but this step in 2023 was a great achievement. Similarly, we are very happy that we were able to sustain our Kids@Risk project in the DRC even during difficult times. It is great that also in challenging project locations we can help children and their families beyond primary needs and provide some hope for improvement. Especially in Rwanda, we made great progress in developing a new giving model and an adapted approach for the years to come that will allow us to combine private and institutional funding even better.



Campaign 'Back to school'

With our Emergency Fund we were able to make more impact on the lives of children in the DRC. The situation in this country is complicated, as communities face many challenges with the ongoing violence, fights between armed groups, hunger, and a lack of all basic support. In the region of East-Kivu, where most of the unrest and violence takes place, Help a Child started the Kids@Risk programme.

Three primary schools received schoolbags with materials like pens, papers, and books for all their students. The campaign 'Back to school' was launched, encouraging parents to send their children back to school, with a special focus on girls. We built two classrooms for children between four and six years old, making it possible for eighty children to go back to school. Our team trained teachers in using the right materials and dealing with the violence and traumas in the area. 1,500 children received a birth certificate and are now officially registered. This gives them an identity and the right to be protected.

Strategic innovation and upscaling

Scheduled key actions for 2023

- We hired and inducted a Business Developer in Zwolle, who plays an active role in the development of upscaling propositions.
- E2P upscaling propositions have attracted at least two more donors, for the DRC, Burundi, or South Sudan.
- At least two of the remaining four upscaling propositions – for Parenting, Integrated Farm Planning (PIP/EPIC), ECD (model) centres, and BoB (Build your own Buddy) – have been developed and are yielding their first results. The results come from a diverse group of donors in a diverse group of countries.
- The 2022 Global Innovation Challenge and innovation

cafés have resulted in tested pilot projects.

- A new innovation challenge and innovation cafés are being organized and adapted in response to the lessons learnt in the first round.

Reflection

- +/- Progress has been mixed in this area. Our upscaling and innovation efforts have not yet yielded the results we were hoping for. With the departure of our Innovation coordinator, in early 2023, we were not able to make as much progress as planned. However, we still feel that we are on the right track and will continue on this path.

Child-led research

Help a Child conducted a pilot on child-led research in 2023 in Kitui, Bomet, and Busia in Kenya. We consider the participation of children to be essential. Who else knows what they need better than children themselves? In these three projects, children were trained in data collection and reporting. By engaging children as active participants, these projects seek to tap into their creativity, critical thinking, and problem-solving abilities. The child-led research project places children at the centre, encouraging them to investigate and identify challenges within their respective communities. By actively involving children, they become catalysts for positive change, offering valuable insights and proposing practical solutions to community challenges.



Strong positioning and collaboration for more resources

Scheduled key actions for 2023

- Where possible (in tandem with the phasing out of CCCD programmes in Burundi, for instance) we want to proactively co-create with local partners, other NGOs, and potential donors.
- We are now developing and implementing a communication strategy to showcase our innovative concepts and expertise areas.
- We are lobbying in The Hague to include a focus on young children in Dutch development and disaster response policy.
- The Fundraising & Awareness Department has made a start on implementing the strategic refresh.
- Proactively pursuing strategic cooperation with like-minded partners is a priority for 2023.

Reflection

- + We have made progress in this area. We are increasingly seen as an attractive partner to work with. Our portfolio of alliances and donors is growing steadily. Also, we have seen good examples of co-creation in Burundi with ZOA, but also in Malawi with district government officials. In Rwanda, we co-created with Ready4School and Pharus foundation, as we are preparing for a new strategic period in Rwanda with a new approach and new funding models. In Kenya, the EU-CORD partners were proactively seeking possibilities to work together.

In order to ensure that children remain on the agenda and continue to be a target group in development cooperation, Help a Child invests in maintaining relations with Dutch politicians and government officials. We share our practical knowledge and expertise so that Dutch development and humanitarian policy is as effective and child-friendly as it can be. In 2023, we organized expert meetings with the Ministry of Foreign Affairs and with members of parliament from various political parties. The lobbying efforts were partly shaped by the elections in 2023. We also raised awareness of issues related to children's rights and development in print and online media.

Systems, structures, and procedures

To implement this new strategy successfully, our organization also needs to be ready. At present, we feel that our systems, structures, and procedures are not solid enough to build on, but we are now working very hard to develop robust versions to be rolled out and fine-tuned in 2023.

Further implementation of systems, structures, and procedures

- Our IT systems are working well throughout the organization.
- The appointment of a Quality Manager and the follow-up to the QMS project will result in better procedures.

Investment in IT

- The IT strategy developed in 2022 will provide us with guidance for further investments in this field.

Organization and staffing

Our decentralization process is reaching a more mature stage, with consequences for the degree of autonomy enjoyed by various parts of the organization.

Strategic planning for 2025 and beyond

Towards the end of 2023, we needed to start preparing for the development of a new strategic plan for 2025 and beyond.

Reflection

- + The cooperation with Dorcas in the field of IT has proved to be an excellent choice. We implemented Microsoft 365 in all our country offices. This allows for a more secure and more productive working environment. We also started preparations for the migration of our CRM system to Salesforce in early 2024. Further rollout of ProjectConnect was put on hold in 2023 as the cooperation with Dorcas probably will lead to a different approach to which project management system we will use in the future.

Although we have not been able to fill in the position of Quality Manager, we have improved our quality management system. Discussions and preparations for organizational restructuring and the new strategic planning period started in 2023 and will be finalized in 2024.

In early 2020, we implemented Microsoft 365 at our office in the Netherlands, but due to Covid-19 we had to delay its rollout to the country offices. In 2023, we were able to leverage our cooperation with Dorcas to execute the rollout to our African and Indian colleagues. We replaced most of the laptops used in our country offices, but also managed to improve the IT and Wi-Fi infrastructure in some of our offices.

For more impact stories read our impact report at www.helpachild.org/our-impact/annual-report/

Financial policies and results

Balance sheet as at December 31, 2023

In 2023, the value of our fixed assets increased, mainly as a result of an additional loan granted to the charity shops to set up new shops in 2023 and subsequent years. The increase of more than € 60,000 in tangible fixed assets was caused by the replacement of most of the IT equipment at our country offices and new equipment for our office in the Netherlands as we moved to a new location.

Cash decreased by almost € 1 million. In addition to increased tangible and financial fixed assets, the growing number of contracts with institutional donors makes our cash position more reliant on the disbursement schedules of these donors. Due to late disbursements, we had to prefinance some projects in the course of 2023. This also explains the increase of more than € 700,000 in receivables and accrued items.

Reserves and funds remained relatively stable at € 3.9 million. The continuity reserve increased mainly because we decided to move the balance of the special purpose reserve for exchange rate risks to the continuity reserve. The designated funds increased by € 154,000 in 2023. Due to weak local currencies, some

programmes spent less than budgeted, which left earmarked income for these programmes available for disbursement in the next financial year.

Statement of income and expenditures 2023

In 2023, our income was almost equal to that of 2022. We budgeted for an increase, which was not achieved for a number of reasons. First of all, we planned to increase the sponsorship contribution in early 2023, but due to a number of vacancies in our office in the Netherlands we had to postpone this increase to the third quarter of 2023, resulting in lower income from sponsorship. We also budgeted for an increase in income from foundations in 2023. We submitted a number of proposals, which have been approved by foundations for funding. However, these approvals were received in early 2024, which led to a relatively low amount of income from non-profit organizations in 2023.

Sales at our charity shops grew significantly in 2023. Since significant investments were made in new locations, the net income from charity shops was lower than budgeted and lower compared to 2022. This resulted in lower income from non-profit organizations.

Income from government subsidies increased compared to 2022 and was also higher than budgeted. The portfolio of subsidies was also diversified in 2023.

Balance sheet as at December 31, 2023

(amounts in € 1,000)	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
ASSETS					
Intangible fixed assets	109	103	75	70	76
Tangible fixed assets	723	656	651	644	708
Financial fixed assets	587	319	228	507	533
Receivables and accrued items	1,843	1,133	1,680	1,722	2,102
Cash and cash equivalents	2,460	3,439	3,715	3,969	4,451
Total assets	5,722	5,650	6,349	6,912	7,870
LIABILITIES					
Continuity reserve	2,025	1,787	1,991	2,416	2,572
Special purpose reserves	150	510	611	358	370
Special purpose funds	1,731	1,577	1,625	1,257	873
Total reserves and funds	3,906	3,875	4,227	4,031	3,815
Long-term liabilities	-	4	8	285	226
Short-term liabilities	1,816	1,771	2,114	2,596	3,829
Total liabilities	5,722	5,650	6,349	6,912	7,870

A significant amount of government subsidies was still received from the Dutch Relief Alliance (€ 4.2 million), but we also received funding from several bodies of the United Nations, the European Union, and USAID.

2023 was a year in which our country offices were challenged by relatively high inflation. However, the local currencies in most of the programme countries weakened during 2023, which led to savings of up to 40% in countries such as Burundi and Malawi. This dampened the effect of inflation in most countries and led to lower programme expenditures in 2023. Combined with the fact that we raised less income, total programme expenditures were € 0.8 million lower compared to the budget in 2023.

The expenditure on objectives as a percentage of our total income was 86.0% in 2023 (2023 budget: 88.8%; 2022 actuals: 87.8%); as a percentage of our total expenses, the expenditure on objectives was 86.1% in 2023 (2023 budget: 85.0%; 2022 actuals: 86.2%).

During 2023, we faced challenges in filling our vacancies in the Netherlands, which resulted in underspending on staff costs in 2023. As a result, our costs of both raising income and management and administration were significantly lower than budgeted in 2023.

The costs of raising income as a percentage of raised income were 9.4% in 2023 (2023 budget: 10.4%; 2022 actuals: 9.1%).

Costs of management and administration as a percentage of total expenditure were 4.5% in 2023 (2023 budget: 5.0%; 2022 actuals: 4.9%).

In 2024, we expect to budget for a moderate increase in income from individuals and businesses. The increase will be achieved partly by an adjustment of the monthly sponsorship contribution which we implemented in mid-2023.

For subsidies from governments, we expect income to increase significantly to € 13 million in 2024. In 2023, we were elected as the lead for the South Sudan Joint Response 2024-2026, funded by the Dutch Relief Alliance. As the lead, we will receive funding from the DRA for all members of the alliance in South Sudan. We also expect that our portfolio of other institutional donors will grow in 2024, as we identified and responded to a significant number of promising leads.

Statement of income and expenditures 2023

(amounts in € 1,000)	2023	budget 2023	2022	2021	2020	2019
INCOME						
Income from individuals	6,904	7,145	6,736	6,557	6,551	5,952
Income from businesses	591	694	719	605	556	425
Income from government subsidies	5,341	5,000	5,205	5,821	6,416	4,062
Income from non-profit organizations	1,972	2,446	2,146	1,642	1,327	1,305
Other income	26	5	35	-3	6	10
Total income	14,834	15,290	14,841	14,622	14,856	11,754
EXPENDITURE						
Expenditure on objectives	12,757	13,572	13,034	12,511	12,885	9,795
Costs of raising income	1,392	1,594	1,346	1,319	1,114	1,006
Management and administration costs	664	795	745	638	573	507
Total expenditure	14,813	15,961	15,125	14,468	14,572	11,308
Balance	21	-671	-284	154	284	446
Net financial income and expenditure	47	-	-9	9	32	-20
Net income and expenses	68	-671	-293	163	316	426

Governance

Management

In 2023, the Board of Directors of Help a Child consisted solely of the CEO, Andries Schuttinga. He manages the organization in accordance with a set of regulations covering such matters as avoiding conflicts of interest and the adequate separation of duties.

The Board of Directors is responsible for the organization's policy and its implementation. That policy is formulated and monitored by the Board of Directors, in conjunction with the departmental managers. They jointly make up the management team (MT), which in principle meets once every two weeks. In September 2023, we sat together as MT and country directors to evaluate our progress in the current strategic period. We reprioritized the remaining goals – specifically devoting more structural attention to the effects of climate change in our projects – and adjusted our plans accordingly. In addition, strategic input from country directors is provided at their strategic consultation meetings with the MT, held three times a year. The Board of Directors ensures that the Supervisory Board is provided promptly with all necessary information for the effective fulfilment of its stewardship role.

Supervisory Board

The Supervisory Board currently consists of seven members. They also work in compliance with a set of regulations. These outline their relationship with the Board of Directors, whilst again also containing provisions to avoid conflicts of interest and to ensure the separation of duties. Various advisory committees provide the Supervisory Board with information on specific policy areas, such as fundraising, programmes, and finance.

Composition of the Board of Directors and Supervisory Board

As at 31 December 2023, the Board of Directors of Help a Child had one member.

A. M. Schuttinga, CEO

Other relevant positions: • Board Member of Help a Child US, Oregon WI (United States of America) • Member of the Supervisory Board of the Dutch Relief Alliance Subsidy Funds Management Foundation • Member of the Administrative Council of EU-CORD, a network of European Christian organizations for relief and development • Treasurer of Werkgroep Landschap & Natuur Eelde, a local environmental foundation.

As at 31 December 2023, the Supervisory Board comprised the following members:

F. R. Witteveen, Chair (until May 2024, not available for reappointment) | Owner of Witteveen Coaching en Advies, a consultancy firm.

Other relevant positions: • Vice-chair of the Supervisory Board of Manna Care Group, Twente Region • Independent Chair of the Alliance of Secondary Schools in the Slinge-Berkel Region • Chair of the Alliance of Primary Schools Doetinchem region.

C. van Weelie (until January 2024, not available for reappointment) | Communications trainer • Owner of Grow2Care, a training and coaching firm.

Other relevant positions: none.

F. H. Slingerland (until December 2025, not available for reappointment) | Director of Housing and Facilities at ROC van Twente, a regional training college.

Other relevant positions: • Member of the Executive Board of the Responsible Market Practices Code Foundation • Chair of the Board of Experience Center Kampus Rijssen Foundation.

A. Wittekoek (until December 2027, not available for reappointment) | CEO of Urban Mining Corporation BV, a plastic waste recycling firm • Owner of Mates BV, an advice and coaching firm.

Other relevant positions: • Member of the Neuhofen Contact Committee (CCN) and, in that capacity, member of the Austria Reformation Support Foundation (SSRO).

U. Olsman-Willems (until June 2026, available for reappointment) | Health Scientist.

Other relevant positions: none.

A. van Stek (until June 2026, available for reappointment) | Member Care Coordinator for OMF Netherlands, coaching and debriefing of Dutch missionary workers of OMF Netherlands.

Other relevant positions: none.

P. van der Voort (until March 2027, available for reappointment) | Group Director Finance and Reporting at Triodos Bank NV.

Other relevant positions: none.

Report of the Supervisory Board

Next to their usual supervisory activities, the Supervisory Board worked on a few priorities last year. Firstly, the Supervisory Board invested in connecting with other parts of the organisation by having an annual meeting with both the staff representatives and the country directors. Also, the visit of the Supervisory Board to Rwanda helped to get a better understanding of the operational aspects of Help a Child. Secondly the Supervisory Board prepared for the new strategic period by organising a study day for the Supervisory Board itself, together with the CEO and the management team. Furthermore, the Supervisory Board reviewed and concluded on the new internal methodology regarding ratios and cost allocation system, which will be implemented in 2024. Finally, the Supervisory Board conducted a structured self-evaluation. The main results are represented below.

The Supervisory Board used a PWC self-evaluation questionnaire this year to reflect on its own performance. Overall, the board was satisfied with the outcomes of the questionnaire, with an average score of 7.8 out of 10. Questions that scored the highest dealt with:

- the right mix and experience on the board;
- the right amount of people serving on the board;
- the amount of time allocated to meetings and committees;
- the quality of the chair;
- the fact that in its decision-making the Supervisory Board devotes sufficient attention to balanced interests for all stakeholders.

Questions with lower scores concerned issues such as:

- the timeliness of meeting documents;
- the Supervisory Board's awareness of the nature and degree of risks for the organization;
- the extent to which the Director responds in a timely and adequate manner to questions and issues from the Supervisory Board;
- the Supervisory Board's level of success in relevant networks;
- provision of information outside of meetings;
- attention to succession planning.

Based on the outcomes of this questionnaire, the Supervisory Board will place extra emphasis on the points of attention in 2024.



On behalf of the
Supervisory Board,

Fokko Witteveen, Chair

Remuneration policy

The remuneration policy for the Board of Directors, employees, and members of the Supervisory Board is set out in the notes to the financial statements (see page 43).

Codes of conduct

Integrity

We expect everyone who represents Help a Child to comply with international law and to uphold the highest standards of integrity. Our Integrity Policy, aligned with the IASC's Six Core Principles Relating to Sexual Exploitation and Abuse, includes our Code of Conduct, our Child Safeguarding Policy, anti-fraud and anti-corruption measures, and feedback, complaints, and whistleblowing procedures, as well as arrangements for confidential counselling.

As part of the Core Humanitarian Standard, the Help a Child Integrity & PSEAH policy has been assessed both on paper and in practice. Other donors such as UNICEF also demand the highest standards of Integrity & PSEAH. Our policy was updated in 2023 and will be finalized in 2024. Help a Child actively discusses the Integrity & PSEAH policy with all staff, doing our utmost to ensure our staff adhere in all aspects to our Code of Conduct and that all regulations and tools are in place for child safeguarding, community feedback mechanisms, whistleblowing, confidential counselling, and anti-fraud & corruption.

Integrity notifications

We received several integrity notifications in 2023, compared to two notifications in 2022.

• **Case 1 – misappropriation of resources**

Classification: minor

Number of staff members involved: 1

Conclusion of the investigation: the employment was terminated

• **Case 2 – conflict of interest**

Classification: minor

Number of staff members involved: 1

Conclusion of the investigation: staff member received a formal warning

• **Case 3 – recruitment process**

Classification: minor

Number of staff members involved: 2

Conclusion of the investigation: case was unfounded

• **Case 4 – concerns regarding behaviour**

Classification: moderate

Number of staff members involved: 1

Conclusion of the investigation: staff member resigned before investigation started

• **Case 5 – taking emergency aid supplies from store**

Classification: moderate

Number of staff members involved: 6

Conclusion of the investigation: staff members were dismissed

None of these notifications was major. One resulted in a discussion with a specific partner organization regarding reinforcement of its internal control mechanisms. We also concluded that the handling of integrity notifications should be reorganized. We therefore appointed a team consisting of three integrity officers instead of one integrity officer.

We have a feedback and complaints systems in place for both our project participants (CBCFM) and our constituency. We monitor these regularly and discuss the resulting reports and analyses at least twice a year in our MT meetings. For feedback and complaint statistics, see the 'Communication with stakeholders' section (page 17).

Child Safeguarding

Help a Child is committed to protecting children from harm and abuse. Our [Child Safeguarding Policy](#), which is part of our Integrity Policy, describes our procedures to minimize risks and respond to child protection concerns within our organization. In 2023, in Zwolle, four child safeguarding trainings took place, for a total of 22 new staff members, including two from India. Each training consists of games and a quiz, to make it interactive. Child safeguarding is something to internalize; it is good to discuss how to relate to children and how to prevent, for instance, unintended situations which people may perceive as possible abuse.

Help a Child is a full member of the Keeping Children Safe (KCS) network and adheres to the internationally recognized child safeguarding standards it has set out. Keeping Children Safe organized its annual summit. The senior Child Protection Adviser, who is also responsible for child safeguarding, attended several sessions online.

Humanitarian Standards

Our organization adheres to the core humanitarian principles of humanity, impartiality, neutrality, and independence. Help a Child is a signatory to the [ICRC Code of Conduct for the International Red Cross and Red Crescent Movement and NGOs in Disaster Relief](#). In conflict situations, this code is interpreted and applied in conformity with international humanitarian law. Help a Child also aligns its work with the nine commitments of the [Core Humanitarian Standard \(CHS\)](#). In 2019, Help a Child conducted its first self-assessment according to the Core Humanitarian Standard (CHS). In 2020-2022, many improvements were made as a result, and in January 2022 Help a Child became a full member of the CHS Alliance and conducted another self-assessment. In 2023, an external audit by HQAI (Humanitarian Quality Assurance Initiative) was conducted, with

positive results. Help a Child was officially registered as a certified member of the CHS Alliance in January 2024.



The external audit has highlighted that Help a Child demonstrates several strengths in its implementation of the CHS, including our participatory approach, good monitoring mechanisms, the effectiveness of our approach, timely decision-making, strong coordination, and work with external stakeholders. Our staff are also supported to do their job effectively, and are treated fairly and equitably.

The external audit also resulted in good points for further improvement on issues such as complaint and feedback mechanisms, avoiding unintended negative effects, managing risks, environmental impact, and information-sharing with communities.

Financial compliance

Help a Child complies with various requirements imposed upon us by the tax authorities in the Netherlands and in other countries where we have registered offices. In the Netherlands, we are a designated Public Benefit Organization (ANBI) for tax purposes, we are accredited as a charity (Erkend Goed Doel) by the national fundraising regulator CBF, and we observe the accounting principles for charities (RJ650). Help a Child has various policies and procedures in place to manage its finances. These include an anti-fraud and anti-corruption policy (part of our Integrity Policy), a procurement policy, and a finance manual. The financial statements of each office are audited independently on an annual basis.

Quality Management System

Help a Child has a Quality Management System (QMS) which describes the procedures, responsibilities, and templates used in the entire Help a Child organization. In the second half of 2023, Help a Child established a quality policy which outlines the purpose and scope of our QMS. We also set up a database of points for improvement which we identify in, for example, external and internal audits, or internal consultations. This database is regularly updated and provides reports on outstanding points for improvement.

Our QMS is both ISO9001:2015 and Partos 9001:2015 compliant. Help a Child performed internal audits in 2023 and the management team reviewed the QMS to evaluate the design and execution of this system. An external auditor also assessed our QMS. This resulted in a new certificate confirming that our QMS complies with ISO9001:2015 and Partos 9001:2015 in December 2023.



Community-Based Complaints and Feedback Mechanism

Part of our quality focus within the Core Humanitarian Standard assessment is to strengthen participation and ownership of project participants. A special focus for Help a Child was the creation of accessible channels that allow community members to share feedback and complaints. This has resulted in a Community-Based Complaints and Feedback Mechanism (CBCFM) Guide to help implementing partners set up or improve their feedback mechanisms. Help a Child maintains a global database for all feedback in one place for learning and analyses at global, country, and project level. See further Communication with stakeholders – Project participants.

Monitoring and auditing

In 2022, Help a Child developed a new, integrated audit tool that allows us to audit implementing partners on all quality criteria at once, including those for the CHS and Keeping Children Safe. These monitoring and audit tools were applied in 2023 and have resulted in lessons learnt that are helping us to further improve the processes and tools in 2024. Lessons learnt from individual monitoring and audits are followed up by country offices and implementing partners. In 2023, our partners in Malawi, Rwanda, and South Sudan were audited by our auditing teams.

Communication with stakeholders

Project participants

In 2021, Help a Child set up a global feedback and complaints database (CBCFM). We maintain a database for all complaints and feedback in one place for learning and analyses at global, country, and project level. In 2021, complaints and feedback from five countries were registered. In 2022, we rolled out the database to eight countries: Burundi, DRC, Kenya, Malawi, Rwanda, South Sudan, Uganda, and Somalia, which is still the case for 2023. India will follow in 2024.

The database is an important source of information for the continuous improvement of our programmes and processes. On several occasions in 2023, our own staff and partners were trained to enter data correctly and also to pay more attention to proper and timely follow-up of complaints and feedback. At least twice a year, the database is discussed by the Management Team and also by the Integrity Leadership Team.

Feedback and complaints received	2023	2022
Request for information	88	34
Request for assistance	211	102
Minor programmatic complaint	121	51
Major programmatic complaint	47	46
Breach of integrity policy *)	21	3
General feedback/other	144	59
Positive feedback	437	221
Total	1,069	516

More project participants are using the feedback and complaints system, which we very much welcome. As a result, the total number of feedback and complaint notifications increased in 2023 compared to 2022. Looking at the feedback and complaints received in 2023, the majority of notifications are in the positive feedback, request for assistance, and general feedback/other categories.

*) With exception of two cases, the breaches of integrity policy in 2023 all related to one community facilitator. The investigation of the cases resulted in termination of the employment of the community facilitator.

Implementing partners

Our country teams are in contact with our implementing partners throughout the year, through training courses, project monitoring visits, and reflection meetings. When compiling strategic country plans and annual plans, we explicitly invite our partners to be part of the development process. Help a Child also maintains a [partner portal](#), where all documentation needed by implementing partners is shared. In 2023, the CEO visited offices and implementing partners to discuss our relationship in India, Burundi, Rwanda, South Sudan, and Kenya.

Institutional donors and alliance partners

Help a Child keeps in touch with institutional donors and alliance partners through country platforms, lobbying, and advocacy activities, expertise and learning platforms, conferences, and one-on-one meetings. In the corporate impact report and annual report, we account for our work at the global level. Programme-specific reports and updates are also provided, based on donor requirements and as agreed with them. When visiting country offices, the CEO and staff members of the global office meet local institutional donors and alliance partners as well.

Fundraising policy in the Netherlands

Help a Child has two distinct private fundraising models.

1. Sponsorship as a private funding model has been operational since Help a Child was founded in 1968. Its main characteristic is that a private donor supports a child or family elsewhere in the world. Help a Child applies the ambassador concept: a child or family is linked to one private sponsor through correspondence and pictures, whilst the contribution made by the sponsor benefits the entire project.
2. In 2022, Help a Child added a second funding model for private donors, called the Emergency Fund. Private sponsors give one-off or structural support and in return receive frequent updates and are informed through social media, mailings, and reports. In 2022, we raised funds for a project in the DRC. In 2023, we also started raising funds for a project in South Sudan, the implementation of which will start in 2024.

We use the following means to find new sponsors and donors.

- Lead and awareness campaigns
- Advertising (online and offline)
- Telemarketing
- Propositions for church, school, and business markets
- Events

Constituency: private sponsors and donors

We use various means to stay in touch with our sponsors and donors. Our communication channels are our monthly newsletters, direct mailings (five times a year), our twice-yearly magazine *OmArmen*, and social media (three times a week). Sponsors under the community ambassador model receive our partner newsletter with success stories and updates from the project once a year. They also receive a personal message from the child or family ambassador and an updated picture. Through interviews with families who support our work, we learnt that the sustainable approach of our Child-Centred Community Development programme is an important reason why people choose to support Help a Child.

Through two lead campaigns, several (social) media campaigns, radio and television interviews, and our own magazine *OmArmen*, we reached new sponsors

and informed the Dutch public. We also called for justice for children in need by sharing their stories through blogs and videos.

Feedback and complaints

In contacts with our private sponsors and donors, we received the following feedback and complaints in 2023.

Category	2023	2022
Minor	10	19
Mid-level	15	28
Serious	27	12
Total	52	59

We take complaints very seriously. Every complaint we receive is handled within fourteen days and shared with the team for learning and improvement purposes. In 2023, we increased the sponsorship contribution. This increase presented a major administrative challenge and, unfortunately, mistakes were made. We received quite a number of complaints about it. As a result, the number of serious complaints increased significantly compared to 2022. We also received a number of complaints about our telemarketing. Due to errors in the registration process, calls were made to a number of people who should not have received them. In 2024, we will implement a new Customer Relationship Management system that will, amongst other things, allow us to automate recurring donations and by doing so prevent errors. We aim for fewer complaints and an increased level of customer satisfaction.

Constituency: churches

The main communication channel for churches is our Account Manager, Churches. Our Account Manager, Churches, left the organization in early 2023, and we were able to fill the vacancy in the autumn of 2023. One awareness visit took place; a group of sixteen deacons from various Dutch churches joined us on a church trip to Rwanda. In cooperation with World Servants, a total of four trips – two to Rwanda and two to Uganda – were organized to involve youth members of churches in the Netherlands in community-led construction projects to create early childhood development centres.

We are also in touch with churches through specific events, such as themed worship services and Christian concerts.

Constituency: businesses

Our Account Manager, Business Relations, meets our business partners throughout the year. In addition,

we send out a business-oriented email newsletter at least twice a year and organize a network event once a year. In 2023, this attracted five entrepreneurs. Our specific funding model for this constituency is entitled Growth Partners. In 2023, we visited the Growth Partner programme, largely financed by our business network in Bomet, Kenya. In this relatively new programme, thirteen Growth Partners met people who had just started to improve their livelihood. The Growth Partners were impressed by the results of Integrated Farm Planning (PIP). At the end of 2023, Help a Child had 52 registered Growth Partners. 64 companies support a total of 157 sponsor children.

Constituency: schools and young people

More than six thousand children aged between four and twelve, from almost forty Dutch schools, participated in our annual fundraising drive during the Christian Children's Books Month 2023. Not only were the children themselves informed about the work of Help a Child, so were their teachers, parents, and families. The children raised money for a safe home for children in Rwanda. New this year was a collaboration with students from Viaa Christian University of Applied Sciences, the Netherlands, who developed the teaching materials for this campaign. The campaign raised more than € 81,000. In this activity, we work with BCB, an organization representing the Christian publishing industry.

Staff

We use various methods to ensure that our staff are informed, engaged, and inspired. All our offices start each week with a session at every location to share news and prayer points. Once a month, we celebrate achievements and present relevant developments for the organization. Once a quarter, Help a Child the Netherlands organizes a team day. And at least twice a year we hold a global team day to discuss themes and developments relevant to our staff worldwide. In addition, several country offices arranged teambuilding days in 2023. In early December, we organized an international Christmas celebration with the entire organization online.

Staff representatives in the Netherlands meet with the CEO once a quarter to discuss personnel matters. The CEO also aims to visit the country offices at least once a year. In 2022, we introduced a new performance methodology at all our offices, the so-called 'personal development plan'. Instead of staff appraisals, we now focus on personal development whilst inviting colleagues to reflect on their performance through 360-degree feedback sessions.

Volunteers

In 2023, we opened our sixth charity shop in the Netherlands. These outlets are located in different parts of the country and are staffed by more than 400 volunteers in total. Once a quarter, we publish a newsletter to inform both volunteers and staff of what is happening at Help a Child and our shops.

Other volunteers support us in our day-to-day activities at the office. And another group is available on call to provide practical assistance with special actions and campaigns.

Corporate social responsibility

Environmental

In 2023, Help a Child in the Netherlands made two important decisions that benefited our organizational CO2 footprint. First, we moved our office to a location close to the railway station of Zwolle. This encourages our employees to travel by public transport, but this office also has an A energy label and is much more energy-efficient, which helps us to reduce carbon emissions. Secondly, we introduced a new travel policy for our staff in the Netherlands which provides additional benefits to staff travelling by public transport. The location of the new office close to the railway station in combination with this new travel policy had a very positive effect on our commuting travel behaviour.

A recent survey amongst our staff shows that 81% of our staff commute by public transport, bicycle, or on foot. 56% stated that they hardly used public transport before but are now using it; 20% said they increased their use of public transport. And 80% stated that they were influenced in their decision by the new travel policy and/or the move to the new building. We will use our CO2 emissions in 2023 as a baseline and monitor our progress in the coming years using this baseline as the benchmark.

Also in our CHS audit in 2023, a lot of attention was paid to environmental issues. To quote from the report: 'Climate-smart agriculture has been mainstreamed in food security and livelihood activities. However, Help a Child does not systematically consider the environmental impact of its programme activities and little progress has been made in reducing the impact of offices, travel, and operations.' To have a more systematic approach to environmental issues, we have commissioned an environmental impact report for

all our project locations, which will result in follow-up actions in 2024.

Social

Our impact report (please visit helpachild.org/our-impact/) is a testimony of our drive to the social circumstances of the children and families we support. Furthermore, the fact that we had a vacancy for half a year for the HR manager position did not help us in the area of staff care. Fortunately, we were able to recruit an HR manager in August and we decided to strengthen this position by adding an HR officer. We reviewed all non-Dutch salary levels by benchmarking them against the Birches report, a benchmark of many other NGOs working in the same country. In this way, we want to ensure that we have good compensation packages for our staff.

We strive for a modest but adequate compensation system for our staff, as we are very much aware that our salaries are mostly paid by contributions of private individuals in our constituency. Specifically, this means that our CEO is compensated on the basis of 80% of our sector guidelines. Our salary scales in the project countries are based on the Birches benchmark average minus 10%.

Staff representatives in the Netherlands were professionally trained in 2023 and this has resulted in even better discussions with the CEO. The aforementioned office move resulted generally in a better working environment, as 82% of staff concurred

with the following statement: 'The new office is really an improvement, I don't want to go back to the old office.'

Governance

We strive to be transparent in our dealings and to learn from our mistakes. We encourage this in many evaluations which are built into our PDCA cycle. In addition to the global office, all our country offices are audited externally each year. We also perform internal audits at our implementing partners ourselves. In 2023, our partners in Malawi, Rwanda, and South Sudan were audited by our auditing teams.

We also invest in feedback mechanisms. Again, to quote the CHS auditor: 'Help a Child has established a culture in which complaints are welcomed and, when made, they are taken seriously and addressed according to established policies and processes. Systems and processes for reporting breaches in the Integrity Policy are well known by staff and partners.' We invest a lot of effort in our Community-Based Complaints and Feedback Mechanism for our beneficiaries, but we do realize we are not there yet and will continue to improve our mechanism in 2024.

Expectations for 2024

Theme: finalizing results on more impact for more children

In this final year of our 2021-2024 strategic planning period, we want to give a last push to achieving our



goals for this strategic planning period. In 2021, we set out to achieve results by focusing on these three main pillars:

- more quality and impact
- strategic innovation and upscaling
- strong positioning and collaboration for more resources.

In this fourth year, we want to reap the benefits with more impact for more children based on our efforts in the first three years. At the June 2023 SCM meeting in Kolkata, India, we reviewed our strategic policy and discussed what we still want to achieve in 2024 to feel satisfied with the results of the 2021-2024 strategic planning period. We came up with the following three main issues:

1. Structural attention to climate change in all our project locations

- We will identify a research partner in 2023 and commission a quick scan in each project location. This quick scan should look at the main three to five climate change threats to these communities. But it should also identify opportunities to sensitize the communities about their contribution to reducing the risk of climate change.
- Based on the quick scan, we will develop a plan of action to implement in 2024 in a concerted effort from the country offices, partners, and the global office.
- We want to identify clear indicators for progress on this issue, with at least one indicator that can be used across all project locations.
- We will set a target for what we want to achieve in each project by the end of 2024.

2. First results on the upscaling of Parenting and ECD centres

- First results on the upscaling of Parenting and ECD centres.
- We want to finish the upscaling plans for both concepts before the end of 2023.
- We want to see at least ten proposals per subject submitted in 2024, of which 25% will be approved before the end of 2024.

3. Structural attention to partner capacity-building in all countries

- We will develop a plan that supports structural attention to partner capacity-building.
- Part of that is the design of a CHS-based improvement approach to partners' capacity-building. This approach is preceded by an Organizational Capacity Assessment (OCA) of each partner that identifies where they are and what their

needs are. Annual improvement commitments of partners should be part of the process.

- We will organize a platform for CEOs of our partners to interact with us on general strategic issues and on Help a Child-relevant strategic issues.

In addition to the above-mentioned priorities for the whole organization, we also have a number of other important topics to address:

Strategic planning for 2025 and beyond

In February 2024, we will have a kick-off of the new strategic plan for 2025 and beyond. We want first – together with the Supervisory Board – to prepare a course document for the coming ten years and will then use this in developing our 2025-2028 strategy document. We plan to have the strategic plan completed by June 2024 so that it can provide guidance for the 2025 annual plans.

Organizational restructuring

In recent years, the organization has been experiencing growing pains. Although it will not solve all our growing pain problems, we feel that restructuring parts of the organization will help solve some important issues. This restructuring mainly concerns the way we manage and monitor our multiannual programmes and projects and it aims to adjust the positioning of some of the functions at the global office that were not always logically placed.

Strategic cooperation

Strategic cooperation remains an important goal for Help A Child for the coming years. We will continue to explore opportunities to achieve strategic cooperation with like-minded and complementary organizations.

Financial developments in 2024

We foresee the following developments in 2024:

- Our budgeted income from government subsidies will grow significantly in 2024. In 2023, we were selected as the lead for the South Sudan Joint Response 2024-2026, funded by the Dutch Relief Alliance. As the lead, we will receive funding from the DRA for all members of the alliance in South Sudan.
- We also expect that our portfolio of other institutional donors will grow in 2024, as we identified and responded to a significant number of promising leads..
- We expect a surplus of € 200,000, caused by the sale of our office in the Netherlands, which will be added to the continuity reserve.

For further details, please have a look at the Appendix Annual budget 2024.

Financial statements

Balance sheet

AS AT 31 DECEMBER, 2023 (after appropriation of result)

ASSETS	31-12-2023		31-12-2022	
	€	€	€	€
Intangible fixed assets		108,946		102,831
Tangible fixed assets		722,933		656,105
Financial fixed assets		587,516		319,423
Receivables and accrued items				
Receivable raised income	1,507,782		939,314	
Prepayments to partners	241,489		143,680	
Other receivables and accrued items	93,908		49,912	
		1,843,179		1,132,905
Cash and cash equivalents		2,459,830		3,439,137
		5,722,404		5,650,401
LIABILITIES				
	€	€	€	€
Reserves and funds				
Continuity reserve		2,025,433		1,787,822
Special-purpose reserves		150,555		510,576
Special-purpose funds		1,730,684		1,577,087
		3,906,671		3,875,485
Long-term liabilities				
Prepayments		-		4,000
Short-term liabilities				
Accounts payable	311,563		328,062	
Subsidies and income received in advance	266,022		352,467	
Amounts payable in respect of programmes	595,193		609,507	
Other liabilities and accrued items	642,955		480,880	
		1,815,733		1,770,916
		5,722,404		5,650,401

Statement of income and expenditure

	2023		Budget 2023		2022	
	€	€	€	€	€	€
INCOME						
Raised income						
Income from individuals	6,903,783		7,145,000		6,735,760	
Income from businesses	590,616		694,000		719,272	
Income from government subsidies	5,341,392		5,000,000		5,204,645	
Income from related non-profit organizations	229,187		350,000		248,269	
Income from other non-profit organizations	1,742,774		2,096,000		1,897,875	
	14,807,751		15,285,000		14,805,821	
Income from supplied products and services	5,538		5,000		6,194	
Other income	21,030		-		28,934	
	14,834,320		15,290,000		14,840,949	
EXPENDITURE						
Expenditure on objectives						
Child Development & Protection	5,298,474		4,718,372		4,572,295	
Youth & Work	1,190,714		1,190,323		1,179,597	
Community Resilience	1,782,446		2,518,891		2,676,210	
Food Security and Livelihoods	1,875,451		2,515,957		2,089,506	
Health, WASH and Nutrition	2,066,294		2,133,710		2,098,686	
Information and awareness	543,482		494,328		417,342	
	12,756,861		13,571,581		13,033,636	
Costs of raising income	1,391,641		1,594,070		1,345,577	
Management and administration costs	664,538		795,480		745,388	
	14,813,039		15,961,131		15,124,601	
Balance before financial income and expenses	21,280		-671,131		-283,652	
Net financial income and expenses	47,018		-		-8,873	
Net income and expenses	68,299		-671,131		-292,525	
Surplus/shortfall added to/withdrawn from						
- Continuity reserve	27,351		-201,131		-144,188	
- Special-purpose reserves	-112,649		-		-99,980	
- Special-purpose funds	153,597		-470,000		-48,357	
	68,299		-671,131		-292,525	

Cash flow statement

	2023		2022	
	€	€	€	€
CASH FLOW FROM OPERATING ACTIVITIES				
Net income and expenses		68,299		-292,525
Costs of depreciation/amortization	154,734		136,515	
Movements in receivables	-710,274		547,467	
Movements in long-term liabilities	-4,000		-4,000	
Movements in short-term liabilities	44,817		-342,910	
		-514,723		337,072
		-446,424		44,547
CASH FLOW FROM INVESTING ACTIVITIES				
Investments in intangible fixed assets	-34,761		-56,250	
Investments in tangible fixed assets	-220,970		-114,044	
Movements in financial fixed assets	-268,094		-92,042	
Fixed assets currency differences	28,055		338	
		-495,769		-261,998
Net cash flow before currency and conversion differences				
		-942,194		-217,451
Currency and conversion differences		-37,113		-58,805
Increase (+)/decrease(-) in liquid assets		-979,306		-276,256
Cash and cash equivalents as at January 1		3,439,137		3,715,393
Cash and cash equivalents as at December 31		2,459,830		3,439,137

Cash and cash equivalents decreased by almost € 1 million. The main reason for this is the increased amount of receivables in 2023. A number of institutional donors disbursed their funds rather late which led to a relatively high amount of prefunding by Help a Child. In addition, Help a Child increased its fixed assets, including by granting a bridging loan to the foundation managing the charity shops.

The principal incoming cash flows consist of:

- Sponsorship and other donations from individuals, companies, churches, schools, and foundations;
- Subsidies from governments;
- Income from charity shops.

Outgoing cash flows consist mainly of payments for the programmes in Africa and India, both directly to the implementing partner organizations and through the Help a Child country offices.

The outgoing cash flows also include payments for the office and operations of the global office.

Notes to the financial statements 2023

GENERAL

Main activities

Stichting Red een Kind (in English: Help a Child) is a foundation (Chamber of Commerce no. 41022454) having its registered office in Zwolle, the Netherlands. Our activities consist of supporting children in developing countries who have little or no chance of a decent and dignified existence.

Applied standards

The consolidated financial statements have been prepared in accordance with Guideline 650 for Fundraising Organizations. The financial statements were drawn up on June 24, 2024. Small rounding differences (below € 1) may arise as a result of additions of amounts.

Consolidation

The financial statements comprise the financial information of Help a Child in the Netherlands and its offices in Africa over which Help a Child has material control, namely:

Name	Office	Country
Help a Child Africa (HACA)	Nairobi	Kenya
Help a Child Burundi	Bujumbura	Burundi
Help a Child Malawi	Lilongwe	Malawi
Help a Child Rwanda	Kigali	Rwanda
Help a Child Democratic Republic of the Congo	Goma	Democratic Republic of the Congo
Help a Child South Sudan	Juba	South Sudan

Due to our decentralization strategy, the aforementioned foreign offices are growing in significance.

There are no differences in the accounting policies and principles for the determination of the result between the Help a Child offices in Africa and those of Help a Child internationally.

Investment policy

The management of our reserves is based as far as possible on the principles described in the Financial Management Guidance ('Handreiking Verantwoord Financieel Beheer') of the Dutch sector organization for charities 'Goede Doelen Nederland'. Temporary surpluses of liquid assets are placed in

savings accounts at major banks. Through the Partos partnership, we monitor and challenge these banks with regard to the sustainable management of the entrusted funds. Part of the assets are placed with Triodos Bank, while the other banks and notably ABN AMRO Bank have also adopted a considerably more sustainable profile.

GENERAL PRINCIPLES

Unless stated otherwise, the assets and liabilities are recognized at cost of acquisition or manufacture or fair value. If no specific accounting principle is given, valuation is at cost of acquisition. Income and expenses are accounted for in the year to which they relate. This principle has been added under 'Principles for the determination of the result'. All amounts are in euros unless stated otherwise.

Use of estimates

The preparation of the financial statements requires the Board of Directors to make judgments, estimates and assumptions which influence the application of policies and the reported values of assets, liabilities, income, and expenses. Actual results may differ from these estimates. Estimates and the underlying assumptions are assessed regularly. Whenever an estimate is revised, the revised estimate is stated in the period in which the revision was made and in future periods for which the revision has consequences.

Currency translation policies

Transactions in foreign currencies are valued at the exchange rate applicable on the transaction date. Cash and cash equivalents, receivables, and liabilities in foreign currencies are converted at the exchange rate on the balance sheet date. Differences arising from exchange rate movements are included in the 'Statement of income and expenditure' and allocated to the expenditures to which they relate.

Cash flow statement

The cash flow statement has been prepared on the basis of the indirect method.

POLICIES FOR THE VALUATION OF ASSETS AND LIABILITIES

Intangible fixed assets

Intangible fixed assets are stated at cost less amortization. Purchases made during the reporting year are amortized pro rata over time.

Amortization is calculated on the basis of a percentage of the cost, according to the straight-line method over the economic life. We apply amortization periods of three to five years for capitalized intangible fixed assets.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. The cost of subsidized investments is reduced by the amount of the awarded subsidy. Investments during the reporting year are depreciated pro rata over time. Land is not depreciated. We calculate depreciation on the basis of a percentage of the cost in accordance with the straight-line method over the economic life.

We apply the following depreciation periods:

- | | |
|-------------------------------------|-----------|
| • Buildings | 30 years |
| • Renovations and major maintenance | 10 years |
| • Office fittings and fixtures | 5 years |
| • Means of transport | 5 years |
| • Equipment | 3-5 years |

For tangible fixed assets the component approach is applied, meaning that the depreciation terms for tangible fixed assets are determined for each separate component, specifically with regard to buildings and renovations and major maintenance.

Financial fixed assets

Other securities are stated at cost. Receivables and accrued items are initially recognized at fair value and subsequently at amortized cost less any provisions deemed necessary.

Impairments

Fixed assets must be assessed for impairments if we have reason to suspect that the market value is lower than the carrying value. If the carrying value of an asset is higher than the estimated market value, impairments are stated for the difference between the carrying value and the realizable value.

There were no grounds to recognize an impairment in 2023.

Receivables and accrued items

Receivables and accrued income are initially stated at fair value and subsequently at amortized cost less any provisions deemed necessary.

Reserves

We distinguish between reserves and funds. In the case of reserves, the Board of Directors determines the purpose for which the available income is used.

Continuity reserve

The continuity reserve is designed to cover financial risks in order to ensure that the continuity of work is not put at risk by sudden unforeseen events.

Help a Child adheres to the Financial Management Guidance of Goede Doelen Nederland (sector organization for the Dutch charitable sector), which states that the continuity reserve should be designed to cover the financial risks of the organization and to ensure that future financial obligations can be honoured.

In 2023, Help a Child conducted a risk analysis in line with the above-mentioned guidance and calculated the preferred size of the continuity reserve. The risks included in the analysis and calculations referred to risks such as exchange rate volatility, loss of private income, and unforeseen and excessive expenditure. The calculated preferred size of the continuity reserve is explained in more detail in the notes to the balance sheet.

Special-purpose reserves

Special purpose reserves are received income that the Board of Directors has earmarked for a specific purpose.

Other reserves

We do not form reserves without a predetermined purpose. Any surpluses that occur from time to time are added to the 'other reserves'.

The Board of Directors ensures that any other reserves are spent on the objective within a reasonable period of time.

Funds: special-purpose funds

In the case of special purpose funds, our donors designate the purpose for which the income must be spent.

Liabilities

Unless stated otherwise, liabilities are recognized at fair value and subsequently at amortized cost.

Amounts payable in respect of programmes

We recognize a liability in respect of programmes if an amount has been contractually allocated and the project has a timeline of twelve months or shorter. Liabilities in respect of projects with a timeline longer than twelve months are allocated pro rata to the reporting year to which they relate. If a grant is withdrawn, the liability is released. This can happen, for instance, if a partner organization proves unable to implement the programme as agreed or if fewer activities are necessary than originally anticipated.

POLICIES FOR THE DETERMINATION OF THE RESULT

All revenues are stated gross under income, unless stated otherwise.

Costs necessary to realize certain income items are stated as expenses in the 'Statement of income and expenditure'.

Raised income

Income from sponsorships, donations, and gifts is recognized in the year of receipt. Income which will be received in a subsequent financial year, but which has been specifically designated by donors for the reporting year, is recognized as income for the reporting year.

Income from charity funds and third parties is recognized in the year in which the donation has been committed unconditionally.

Bequests

Bequests are stated in the financial year in which we can reliably determine the amount involved.

Provisional advance payments are stated as 'Income from bequests' in the financial year of receipt, insofar as these have not already been recognized in a previous financial year.

Government subsidies

Income from government subsidies exclusively comprises subsidies obtained from a government, including the European Union or comparable international organizations, government institutions, and public law organizations.

If the subsidy conditions require the repayment of any unexpended monies, the amount is only recognized as subsidy income upon the actual allocation of the monies to expenditures on the subsidized project or programme that meet the subsidy conditions. If a subsidy is obtained without repayment obligation, Help a Child recognizes an income item in the year of award.

Expenditure

To give our stakeholders insight into the size and composition of Help a Child's expenses, the notes include an itemization of expenses under 'Expense breakdown by purpose' in accordance with Guideline 650 for Fundraising Organizations.

Expenditure on objectives

Expenditure on objectives comprises the amounts allocated in and for the reporting year to the programmes that are carried out to realize our

objectives and the implementation costs attributable to the same year. Any allocated amounts not yet disbursed in the reporting year are stated in the balance sheet as 'Amounts payable in respect of programmes'.

In the event that a third party does not spend the complete allocated amount in the financial year, Help a Child will decide on the destination of the actual balance of this allocated amount in the next financial year and will in principle not net this balance with the expenditures accounted for in the financial year.

Commitments to third parties which are funded by subsidies from governments are based on the actual expenses incurred by these third parties.

Costs of raising income

All costs of activities we undertake to encourage people to give money for one or more of our objectives are designated as 'Costs of raising income'. These therefore include publicity and communication costs, unless these costs were incurred for awareness-raising activities.

Activities regularly involve a combination of awareness-raising and fundraising. In these cases, the portion of costs relating to awareness-raising activities is allocated as accurately as possible.

Management and administration costs

Management and administration costs are costs incurred for internal management and administration that are not attributed to a specific objective or income generation.

Pension expenses

Help a Child in the Netherlands participates in the sector pension scheme operated by Pensioenfondsen Zorg & Welzijn. As Help a Child has no obligations, for example in the event of a pension fund deficit, we only charge the contribution payable for the financial year to the result. Contributions payable or paid in advance at year-end are stated as accrued items under liabilities or assets. The funding ratio of Pensioenfondsen Zorg & Welzijn was 112.0% at the end of December 2023 (111.6% at the end of 2022).

NOTES TO THE BALANCE SHEET

INTANGIBLE FIXED ASSETS	Software	Software under development	Total
As at January 1, 2023	€	€	€
Acquisition costs	319,269	18,233	337,502
Accumulated amortization	-234,671	-	-234,671
Book value	84,598	18,233	102,831
Movements in 2023			
Investments	-	34,761	34,761
Amortization	-28,646	-	-28,646
Total movements	-28,646	34,761	6,115
As at December 31, 2023			
Acquisition costs	314,261	52,994	367,255
Accumulated amortization	-258,309	-	-258,309
Book value	55,952	52,994	108,946

The intangible fixed assets refer to software, mainly to Pluriform and ProjectConnect. These investments were made in recent years to automate the processing of sponsoring, fundraising, accounting and project management. In 2023 Help a Child decided to migrate its CRM to Salesforce in 2024, which means the Pluriform investments relating to CRM will be divested in 2024. As these investments were already fully amortized, this will

not lead to a book loss.

These intangible fixed assets are all used for Help a Child's operations.

In 2024 we will consider migration to another software solution for accounting and project management.

The investment in software under development relates entirely to Salesforce CRM.

TANGIBLE FIXED ASSETS	Land and buildings	Office fixtures and fittings	Means of transport	Equipment	Total
As at January 1, 2023	€	€	€	€	€
Acquisition costs	1,041,897	184,844	258,147	231,234	1,716,122
Accumulated depreciation	-611,249	-164,786	-132,507	-151,476	-1,060,017
Book value	430,649	20,059	125,640	79,758	656,105
Movements in 2023					
Investments	-	120,851	-	110,690	231,540
Depreciation	-19,258	-10,244	-51,452	-45,134	-126,088
Divestment acquisition costs	-	-134,460	-	-45,782	-180,242
Divestment accumulated depreciation	-	134,427	-	35,245	169,672
Currency differences	-	-4,081	-13,889	-10,086	-28,055
Total movements	-19,258	106,492	-65,340	44,934	66,827
As at December 31, 2023					
Acquisition costs	1,041,897	167,154	244,258	286,056	1,739,365
Accumulated depreciation	-630,507	-40,603	-183,959	-161,364	-1,016,432
Book value	411,391	126,551	60,299	124,692	722,933

The WOZ (property tax) value of the two premises included in 'Land and buildings' was set at € 915,000 as at January 1, 2024.

All tangible fixed assets are used for Help a Child's operations with the exception of the residential house which was part of a bequest. This house is intended to be let until the current tenant terminates the rental agreement and it qualifies as an investment. The book value of the house is € 125,016 as at December 31, 2023.

In 2023 Help a Child moved its office in the Netherlands to another location. At the end of 2023 the old office building was still included under Tangible fixed assets with a book value of € 286,375. In August 2023 the office building was sold; the formal transaction took place on February 1, 2024 and will be reported in the 2024 financial statements.

FINANCIAL FIXED ASSETS

Other receivables	31-12-2023	31-12-2022
	€	€
Loan to microfinance institutes	145,739	140,263
Loan to Stichting KLIMREK	328,500	86,250
Property from bequest with usufruct	104,880	92,910
Deposit for office rental	8,398	-
	587,516	319,423

Loan to microfinance institutes

The loan to microfinance institutes refers to a loan facility provided to three microfinance institutes in Rwanda, Malawi, and Uganda. The objective of this facility is to enable beneficiaries in the programmes of our partner organizations to receive a microfinance loan for their farm or business.

With the loan, Help a Child provides the microfinance institutes with liquidity under this facility. If beneficiaries fail to repay their microfinance loan to the microfinance institute, Help a Child will cover this default.

The loan to the microfinance institutes will probably not be repaid in full at the end date of the loan agreement. Defaults will be covered by the 'Revolving fund', a special purpose fund.

The facility in Malawi ends on February 28, 2024 and originally amounted to 47.7 million Malawian kwachas; an additional amount of 25 million Malawian kwachas was committed to the facility in 2023. The book value at the end of 2023 amounts to € 31,860; in 2023 an amount

of € 2,743 was written off due to defaults. Due to the weak Malawian kwacha, the loan was written down as a result of an exchange rate loss of € 26,327.

The facility in Rwanda ended on December 31, 2022 and was renewed until December 31, 2024. The facility originally amounted to 46 million Rwandan francs; an additional amount of 25 million Rwandan francs was committed to the facility in 2023. The book value at the end of 2023 amounts to € 46,590; in 2023 an amount of € 2,038 was written off due to defaults. Due to the weak Rwandan francs the loan was written down as a result of an exchange rate loss of € 10,336.

The facility in Uganda ends on April 30, 2024 and originally amounted to 280.8 million Ugandan shillings. The book value at the end of 2023 amounts to € 70,368; the facility has so far served only a very limited number of beneficiaries. We are considering to terminating the agreement with the existing institute and moving the funds to another institution. In 2023, no amounts were written off due to defaults.

The microfinance institutes did not provide any guarantees.

The movements in the loans to microfinance institutes were as follows:

	2023	2022
	€	€
Balance as at January 1	140,263	79,545
Loans provided for microfinance institutes in financial year	50,000	70,200
Depreciation due to exchange rate results	-39,743	-5,493
Depreciation due to defaults in financial year	-4,781	-3,989
Balance as at December 31	145,739	140,263

Loan to Stichting KLIMREK

The loan to Stichting KLIMREK concerns an interest-free loan which was initially provided in 2018. The loan is intended as start-up capital for the Help a Child charity shops that were set up from 2018 in several locations in the Netherlands.

In 2023, Stichting KLIMREK requested change to the arrangement as it was developing a new strategy up to 2030. In addition to the new strategy, it requested a separate arrangement for the shop in Groningen to invest in moving and restructuring the shop.

We agreed that Help a Child and Stichting KLIMREK

would first work on a futureproof governance structure between the two organizations before signing a new loan agreement up to 2030. To enable Stichting KLIMREK to continue with the start-up of new shops, Help a Child provided Stichting KLIMREK with a bridging loan of € 216,000 to cover the investment in the Groningen shop on top of the existing loan agreement. This loan agreement matures on June 30, 2034. An amount of € 24,000 will be repaid in 2024 and can be regarded as a short-term receivable.

Within the existing agreement for each individual shop KLIMREK will receive a loan of a maximum of € 30,000 to be repaid over four years. The total loan amount will not exceed € 200,000.

The current loan agreement matures on December 31, 2025.

An amount of € 65,250 will be repaid in 2024 and can be regarded as a short-term receivable.

The movements in the loans to KLIMREK were as follows:

	2023	2022
	€	€
Balance as at January 1	86,250	63,750
Start-up capital for new shops	60,000	52,500
Bridging loan for Groningen shop	216,000	-
Repayments	-33,750	-30,000
Balance as at December 31	328,500	86,250

Property from bequest with usufruct

The property from a bequest with usufruct arose from a bequest which allowed an individual person to have the usufruct of and reside in the property that was part of the bequest. The receivable was valued on the basis of the taxable value of the usufruct.

Deposit for office rental

In 2023, Help a Child rented a new office location in Zwolle, the Netherlands. The landlord received a deposit of € 8,398, which will be repaid when the rental agreement ends.

RECEIVABLES AND ACCRUED ITEMS

Unless otherwise stated, the receivables fall due within one year.

Receivable raised income	31-12-2023	31-12-2022
	€	€
Receivable from bequests	395,848	463,748
Receivable income from third parties and foundations	314,175	391,281
Receivable government subsidies	797,756	31,489
Other receivable raised income	3	52,796
	1,507,782	939,314

The funding of the Acute Response programme in Somalia will be completely disbursed in 2024 which leads to a receivable of € 480,000 at the end of 2023. Other donors such as the World Food Programme, USAID, and UNICEF also need to disburse part of their 2023 subsidy in 2024.

Prepayments to partners	31-12-2023	31-12-2022
	€	€
Prepayments to implementing partners	241,489	143,680
	241,489	143,680

Help a Child pays its implementing partners in advance on a quarterly basis. Some partner organizations did not spend the total amount we disbursed to them. These balances have been carried forward to 2024 and are shown as prepayments in the balance sheet.

Other receivables and accrued items	31-12-2023	31-12-2022
	€	€
Payments in advance	66,481	34,473
Other receivables	27,428	15,439
	93,908	49,912

CASH AND CASH EQUIVALENTS

	31-12-2023	31-12-2022
	€	€
Bank accounts of Help a Child in the Netherlands	637,825	1,397,324
Bank accounts of Help a Child country offices	743,994	487,598
Savings accounts of Help a Child in the Netherlands	1,056,044	1,516,743
Cash in hand	21,967	37,472
	2,459,830	3,439,137

An explanation of the movements in the cash and cash equivalents in 2023 can be found in the notes to the cash flow statement.

The cash and cash equivalents are at the free disposal of Help a Child and the Help a Child country offices.

RESERVES AND FUNDS

Reserves	Continuity reserve	Special-purpose reserves					Total
		Disaster response	Disability	Kids@Risk	Innovation	Exchange rate risks	
	€	€	€	€	€	€	€
As at January 1, 2023	1,787,822	71,088	12,000	114,853	120,000	192,635	2,298,398
Movements in 2023							
Allocation of net income and expenses	27,351	-62,003	-	-	-50,646	-	-85,298
Other movements	210,260	30,222	-	-84,959	-	-192,635	-37,112
Total movements	237,611	-31,781	-	-84,959	-50,646	-192,635	-122,410
As at December 31, 2023	2,025,433	39,307	12,000	29,894	69,354	-	2,175,987

	31-12-2023	31-12-2022
	€	€
Continuity reserve	2,025,433	1,787,822

Our continuity reserve increased to € 2.03 million at year-end 2023.

Based on the 2024 budget and an analysis of the major financial risks of Help a Child the preferred size of the continuity reserve was calculated at € 2,929,000. The current size of the continuity reserve is 69% of the preferred size.

	31-12-2023	31-12-2022
	€	€
Special-purpose reserve - Disaster response	39,307	71,088

The disaster response reserve is a special purpose reserve to meet the initial costs of disaster response

programmes.

Since 2022, we have used this reserve to fund emergency projects in our programme areas which require a rapid response.

In 2023, we funded two projects in the DRC from this reserve.

Remaining balances from emergency relief campaigns are added to the reserve.

	31-12-2023	31-12-2022
	€	€
Special-purpose reserve - Disability	12,000	12,000

We set aside an amount in order to have the means to devote specific attention to disabled children in our programme areas and provide them with physical resources. We did not use this reserve in 2023.

	31-12-2023	31-12-2022
	€	€
Special-purpose reserve		
- Kids@Risk	29,894	114,853

In 2018, the Board of Directors decided to form a special purpose reserve for 'Kids@ Risk'. This reserve is specifically intended to support children in unsafe countries and to kick-start the first Kids@Risk project in DRC as income from the 'Emergency Fund' campaigns grows gradually and would not provide sufficient funds to cover the entire budget of the project.

We expect the remaining amount to be spent in 2024, after which the Kids@Risk project will have to be funded entirely from our 'Emergency Fund' campaigns.

	31-12-2023	31-12-2022
	€	€
Special-purpose reserve		
- Innovation	69,354	120,000

In our strategic plan we have a strong focus on building on our expertise in innovation and aim to continuously identify, pilot and implement innovative approaches and products in our programmes. At the end of 2021, the Board of Directors formed a reserve of €120,000 for innovation which is used to invest as seed funding for innovative ideas. In 2023, this reserve was used partly to invest in three innovative projects in Kenya and Uganda.

Funds	Special-purpose funds		Total
	Disaster response	Other special-purpose funds	
	€	€	€
As at January 1, 2023	40,398	1,536,689	1,577,087
Net movements in 2023	7,728	145,869	153,597
As at December 31, 2023	48,126	1,682,558	1,730,684

Special-purpose fund - Disaster response	As at January 1, 2023	Donations 2023	Expenses 2023	Reallocation	As at December 31, 2023
	€	€	€	€	€
Emergency response for Syria earthquake	-	208,119	179,966	18,823	46,976
Emergency Fund	3,411	171,859	259,080	84,959	1,150
Other disaster response	36,987	12,058	-	-49,045	-
Total	40,398	392,036	439,045	54,737	48,126

	€	€
Special-purpose reserve		
- Exchange rate risks	-	192,635

In 2022, we decided to form an exchange rate risks reserve to cushion the effect of the volatility of local currencies.

When analysing our financial risks to calculate the preferred size of our continuity reserve, we decided to include this volatility under these financial risks.

Hence at the end of 2023, the balance of this special purpose reserve was moved to the continuity reserve.

The special purpose fund for disaster response consists of income for specific disaster response projects that has not been spent by the end of the year. In 2023, Help a Child received more than € 208,000 for the crisis in Ukraine. We were able to commit funds to our fellow NGO Dorcas to implement an emergency relief project in Syria in 2023.

The income from the 'Emergency Fund' increased to almost € 172,000 in 2023; this was not sufficient to cover the total costs of the Kids@Risk project in the DRC. The variance between income and expenses of this project was covered by the 'Kids@Risk' special purpose fund.

Other special-purpose funds	As at January 1, 2023	Net movement 2023	As at December 31, 2023
	€	€	€
Burundi	-	-109,517	-109,517
Malawi	121,181	124,376	245,557
Rwanda	98,088	124,618	222,705
South Sudan	51,249	-96,249	-45,000
India	833,999	91,840	925,839
DRC	67,778	-67,778	-
Kenya	-93,147	21,438	-71,709
Uganda	124,732	-40,818	83,915
Challenge funds	7,940	-7,940	-
Revolving fund	210,069	-46,515	163,555
Fund advertisements and collections	9,350	46,976	56,326
Development of recycling shops	11,705	-11,705	-
Disability	92,182	114,700	206,883
Early childhood development	-	4,005	4,005
Vocational training	1,562	-1,562	-
	1,536,689	145,869	1,682,558

In recent years, we have had low expenditure levels in India, resulting in a large balance in the special purpose funds for India. In 2023, we reorganized our programme in India and managed to accelerate the implementation of our activities in the country. As this acceleration took place in the course of 2023, we did not reach the point of spending the remaining balances of the special purpose funds for India.

In 2022, we spent substantial amounts in the newly established programmes in Kenya. In 2023, we received income for these programmes to partly compensate for the expenditure related to the start of these programmes. The same happened to our

newly established programmes in Burundi. In these programmes too, we expect this negative balance to decrease in 2024, as sponsorship for these programmes is set to expand soon.

Finally, in South Sudan we started a project funded by UNICEF which required us to make a contribution; for this project we received funding of € 45,000 in early 2024 which will offset the negative balance of the special purpose fund for South Sudan.

LONG-TERM LIABILITIES

Prepayments	31-12-2023	31-12-2022
	€	€
Prepaid donations	-	4,000

In 2019, Help a Child received an amount of € 20,000 from a donor which can be released in favour of Help a Child over a five-year period; this annual donation amounts to € 4,000.

The final instalment of € 4,000 will be released in 2024 and has been recognized under accrued items in short-term liabilities.

SHORT-TERM LIABILITIES

Short-term liabilities are expected to be settled within one year.

	31-12-2023	31-12-2022
	€	€
Accounts payable	311,563	328,062

The accounts payable refer to invoices payable to our creditors.

Subsidies and income received in advance

Subsidies received in advance concern subsidies that have already been received but cannot yet be recognized as income for the financial year.

The balances at the end of the financial year were as follows:

	31-12-2023	31-12-2022
	€	€
DRA - subsidies received in advance	-	228,293
Other subsidies received in advance	266,022	-
Income from foundations received in advance	-	124,174
	266,022	352,467

	31-12-2023	31-12-2022
	€	€
Amounts payable in respect of programmes	595,193	609,507

The 'Amounts payable in respect of programmes' concern commitments that have already been allocated, but not yet disbursed, to partner organizations and are expected to be disbursed to partner organizations in 2024.

Other liabilities and accrued items	31-12-2023	31-12-2022
	€	€
Taxes and social security contributions	239,178	262,169
Personnel costs	209,487	181,848
Other liabilities	167,985	8,743
Accrued items	26,305	28,119
	642,955	480,880

The liabilities relating to personnel costs include the reserve for holiday allowances, holiday entitlements and amounts payable to employees.

The other liabilities relate to various expenses that are still payable. The increase in the other liabilities is mainly caused by payables due to investments in our new office location and Salesforce CRM at the end of 2023.

Off-balance sheet items

Cooperation with partners

We aim to maintain long-lasting relationships with partner organizations and enter into annual programme agreements with them.

At the end of 2023, the annual partner commitments with our partner organizations for 2023 and beyond were not formally implemented. However, on the basis of long-term programmes, we have entered into a commitment totalling approximately € 5.9 million for 2024. As not all conditions required to formally commit the grant were met, these grants are not stated in the balance sheet and expenditures for 2023. The formal commitment to the partner organization will be submitted in early 2024 and will therefore be accounted for in 2024.

Programmes funded by institutional donors

We have entered into contracts for the implementation of long-term programmes with the Dutch Relief Alliance.

Help a Child receives contributions from the Dutch Relief Alliance for Joint Response programmes; in 2023, contributions were received for Joint Response programmes in the DRC, South Sudan, and Somalia for a period of two years (2022 and 2023).

In our financial statements we have only reflected the grants contributing to 2023 programmes.

In addition, Help a Child received a grant for an Acute Response programme in Somalia running from December 2023 until May 2024; this grant is partly reflected in 2023, with the remainder to be included in the 2024 financial statements.

The DRA funds are committed to a lead organization that commits sub-grants to the programmes of Help a Child.

For the period from 2024 to 2026, the DRA has committed funds for new programmes in South Sudan, the DRC and Somalia. The total commitment for these three years for the programmes implemented by Help a Child amounts to € 12.6 million.

In South Sudan, Help a Child will also act as the lead of the DRA consortium, which means an additional € 19.8 million is contracted between DRA and Help a Child for managing the South Sudan consortium and contracting the other DRA members who are part of the South Sudan consortium.

The contracted amounts will only be reflected as income in the financial statements of Help a Child once Help a Child has complied with all contract conditions as laid down in the agreement between the lead organization and Help a Child.

Rental agreement for house

As the beneficiary of a bequest in 2018, Help a Child received a residential house. This house was rented to a private person.

Help a Child continued the rental agreement in 2019. This agreement does not have an end date.

The annual rental income for Help a Child amounts to € 6,499.

Rental agreement for office in the Netherlands

Since August 1, 2023, Help a Child has rented an office at Koggelaan 21 in Zwolle, the Netherlands. The rental agreement expires on October 31, 2028. The annual rent amounts to € 88,944 in 2024.



Notes to the statement of income and expenditure

INCOME

Income from individuals	2023	budget 2023	2022
	€	€	€
Sponsorship	4,073,439	4,135,000	4,040,706
Donations for disaster response	94,433	69,000	268,913
Bequests	541,548	550,000	498,918
Other donations	2,194,363	2,391,000	1,927,223
	6,903,783	7,145,000	6,735,760

Income from businesses	2023	budget 2023	2022
	€	€	€
Sponsorship	63,491	43,000	75,421
Donations for disaster response	4,260	16,000	30,150
Other donations	522,865	635,000	613,701
	590,616	694,000	719,272

Overall, Help a Child received less income from individuals than budgeted for 2023. The main reason is that our sponsorship increase was delayed for several months in 2023 due to capacity challenges and the fact that the budget for other donations was very ambitious. Compared to 2022, we still had significant growth in income from individuals, even though the donations for disaster response in 2023 (mainly related to Syria) were € 174,000 lower than those in 2022 (mainly related to Ukraine).

Income from government subsidies	2023	budget 2023	2022
	€	€	€
Dutch Relief Alliance - Joint Response South Sudan	1,214,865	753,000	881,741
Dutch Relief Alliance - Joint Response Democratic Republic of the Congo	1,083,813	900,000	1,225,755
Dutch Relief Alliance - Joint Response Somalia	1,498,059	1,251,000	1,481,891
Dutch Relief Alliance - innovation projects	-	-	318,860
Dutch Relief Alliance - Acute Response Somalia	453,018	-	-
EU - Pride! South Sudan	41,070	76,000	135,763
International Organization for Migration - Burundi	-	-	249,074
UNHCR/World Food Programme - Burundi	386,846	600,000	558,228
UNICEF/UNWOMEN Rwanda	107,226	-	111,016
UNICEF - South Sudan	95,632	-	-
UNDP - South Sudan	-	-	25,150
UNICEF - Democratic Republic of the Congo	29,727	-	-
USAID - Democratic Republic of the Congo	431,136	407,000	219,006
Other income from government subsidies	-	1,013,000	-1,839
	5,341,392	5,000,000	5,204,645

In 2023, income from government subsidies exceeded the 2023 budget and 2022 actuals. This was mainly due to top-up funding from the Dutch Relief Alliance and the Acute Response in Somalia funded by DRA.

In 2023, income from subsidies from UN agencies decreased by more than € 300,000. This was mainly due to the fact that our programme in Burundi received less funding from IOM, WFP, and UNHCR.

Income from related non-profit organizations	2023	budget 2023	2022
	€	€	€
Income from KLIMREK charity shops	229,187	350,000	248,269
	229,187	350,000	248,269

The income in 2023 was lower than the 2023 budget and 2022 income. Although the total sales of the charity shops increased and exceeded expectations in 2023, the investments and running expenses were much higher than budgeted, causing the net income made available for Help a Child to be lower by the end of 2023.

Income from other non-profit organizations	2023	budget 2023	2022
	€	€	€
Sponsorship from churches	226,804	222,000	225,032
Sponsorship from foundations	107,271	86,000	94,708
Donations for disaster response from churches	106,016	10,000	129,064
Donations for disaster response from foundations	45,468	5,000	25,305
Other donations from churches	358,668	280,000	224,823
Other donations from foundations	898,546	1,493,000	1,198,942
	1,742,774	2,096,000	1,897,875

Income from supplied products and services	2023	budget 2023	2022
	€	€	€
Net income from house and office rental	5,538	5,000	6,194
	5,538	5,000	6,194

Other income	2023	budget 2023	2022
	€	€	€
Sales of assets	16,607	-	25,648
Other income	4,423	-	3,285
	21,030	-	28,934

EXPENDITURE

	Expenditure on objectives						Subtotal
	Child Development & Protection	Youth & Work	Com-munity Resilience	Food Se-curity and Livelihoods	Health, WASH, and Nutrition	Informa-tion and awareness	
	€	€	€	€	€	€	€
Programme expenses - third parties	2,132,537	556,633	787,739	682,393	1,713,197	-	5,872,499
Programme expenses - own expenses	2,353,439	358,789	643,795	991,593	228,168	-	4,575,785
	4,485,976	915,422	1,431,534	1,673,986	1,941,366	-	10,448,284
Communication expenses	-	-	-	-	-	231,930	231,930
Staff expenses	650,379	219,823	280,437	161,743	101,092	255,797	1,669,272
Travel and lodging expenses	14,460	4,947	6,286	3,543	2,126	4,973	36,334
Vehicle expenses	-	-	-	-	-	-	-
Housing expenses	15,507	5,306	6,741	3,799	2,280	5,333	38,966
Office and network expenses	71,292	24,393	30,992	17,468	10,482	24,518	179,145
General expenses	40,826	13,969	17,748	10,003	6,003	14,041	102,589
Depreciation	20,034	6,855	8,709	4,909	2,946	6,890	50,342
	812,498	275,292	350,912	201,465	124,928	543,482	2,308,577
Total	5,298,474	1,190,714	1,782,446	1,875,451	2,066,294	543,482	12,756,861

	Subtotal	Costs of raising income	Management and administra-tion costs	Total expenses 2023	Total budget 2023	Total expenses 2022
Programme expenses - third parties	5,872,499	-	-	5,872,499	6,213,813	6,192,156
Programme expenses - own expenses	4,575,785	-	-	4,575,785	5,069,202	4,572,984
	10,448,284	-	-	10,448,284	11,283,015	10,765,139
Communication expenses	231,930	489,749	-	721,679	737,462	653,663
Staff expenses	1,669,272	721,303	533,966	2,924,540	3,177,347	2,953,983
Travel and lodging expenses	36,334	20,397	17,344	74,075	71,708	110,717
Vehicle expenses	-	5,070	6,734	11,804	12,500	15,412
Housing expenses	38,966	25,688	23,665	88,319	76,400	66,384
Office and network expenses	179,145	67,010	40,944	287,098	347,952	324,791
General expenses	102,589	40,696	26,531	169,815	166,729	139,281
Depreciation	50,342	21,728	15,356	87,425	88,019	95,230
	2,308,577	1,391,641	664,538	4,364,756	4,678,116	4,359,462
Total	12,756,861	1,391,641	664,538	14,813,039	15,961,131	15,124,601

Allocation of costs

Operational costs are allocated to the purposes according to the following principles:

- Communication expenses are allocated to 'Information and awareness' and to 'Raising income' in proportion to the estimated percentage that these costs contribute to either 'Information and awareness' or 'Raising income'.
- Staff expenses (excluding costs for direct programme staff in our country offices) are allocated in proportion to the time expenditure of these staff taking into account the relative expenses of each individual staff member.
- Travel and lodging expenses, vehicle expenses, housing expenses, office and network expenses, general expenses, and depreciation are allocated in the same proportion as the staff expenses without taking into account the relative expenses of individual staff.

Ratio of costs of raising income

Help a Child spent € 1,391,641 on raising income in 2023. As a result, the ratio of costs of raising income as a percentage of total raised income amounted to 9.4% in 2023; a ratio of 10.4% was budgeted for 2023 and the actual ratio in 2022 amounted to 9.1%.

Number of FTEs and allocation

The table below shows the FTE breakdown by department and its distribution across objectives, raising income, and management and administration:

DEPARTMENT	Objectives	Raising income	Management and administration	Total	Total FTE 2023	Total FTE 2022
Board of Directors	40.0%	10.0%	50.0%	100.0%	0.9	0.9
Fundraising & communication	45.0%	55.0%	0.0%	100.0%	9.4	8.8
Institutional fundraising	55.0%	40.0%	5.0%	100.0%	3.7	3.0
Sponsorship	90.0%	0.0%	10.0%	100.0%	5.6	4.9
Expertise & programme support	90.0%	7.5%	2.5%	100.0%	6.6	8.6
Other staff	47.5%	10.0%	42.5%	100.0%	8.0	10.1
Total for the Netherlands					34.2	36.2
Country directors	60.0%	25.0%	15.0%	100.0%	5.0	5.9
Sponsorship	90.0%	0.0%	10.0%	100.0%	3.8	3.8
Programme staff and experts	100.0%	0.0%	0.0%	100.0%	83.9	83.6
Other staff	47.5%	10.0%	42.5%	100.0%	10.0	11.0
Total country *)					102.7	104.3
Total FTE					137.0	140.5

*) Country offices include those offices that are consolidated in the financial statements. Hence they exclude the staff of our organization in India.

Expenditure on objectives

Expenditures on objectives were € 1.1 million lower compared to the 2023 budget and also lower compared to the actual figures for 2022. We planned to accelerate our India programme in 2023 but only partly succeeded; we were able to transition our office and governance of the projects, but not as soon as we had planned. As a result, we started to accelerate only in the second half of 2023. Hence our expenditure in India lagged behind the budget, but we are pleased that we were able to restart the programme.

On the other hand, we also faced volatile local currencies, which led to lower expenditure particularly in Kenya, Rwanda, Burundi, and Malawi.

In the first half of 2023, we had a number of vacant positions at the global office. This resulted in underspending on staff expenses. Our housing expenses in the Netherlands slightly exceeded the budget due to our office relocation.

Our office running expenses were slightly lower than budgeted. We budgeted for a number of IT projects, but because of the amount involved we decided to classify the Salesforce CRM investment as an intangible fixed asset rather than expenditure.

Expenditure on objectives - programmes

Help a Child works in several countries on both development and disaster response. The following table shows the expenditures in 2023 on the different themes in the countries in which Help a Child works.

	Child Development & Protection	Youth & Work	Community Resilience	Food Security and Livelihoods	Health, WASH, and Nutrition	Total 2023	Total 2022
	€	€	€	€	€	€	€
Development							
Kenya	300,177	151,439	163,641	53,651	-	668,907	1,034,691
Malawi	368,444	182,926	152,518	50,004	-658	753,234	757,355
Rwanda	634,100	258,168	266,370	94,658	-	1,253,295	1,753,973
Burundi	452,421	228,246	246,636	80,862	-	1,008,164	870,658
India	338,429	115,247	166,044	27,219	111,823	758,763	329,701
Uganda	425,437	231,302	217,810	71,652	-	946,201	920,443
	2,519,007	1,167,328	1,213,018	378,046	111,166	5,388,564	5,666,820
Disaster response							
Burundi	-	-	64,915	411,335	-	476,250	1,241,262
Democratic Republic of the Congo	1,449,940	-	317,217	311,635	275,666	2,354,459	2,018,926
South Sudan	995,193	23,386	38,422	629,121	45,689	1,731,812	1,625,310
Somalia	334,334	-	148,875	-	1,532,777	2,015,986	1,526,735
India	-	-	-	48,560	17,878	66,438	31,280
Ukraine	-	-	-	-	-	-	463,289
Syria	-	-	-	96,754	83,117	179,871	-
Other countries	-	-	-	-	-	-	42,671
	2,779,467	23,386	569,428	1,497,405	1,955,128	6,824,815	6,949,473
Total expenditures on objectives - programme	5,298,474	1,190,714	1,782,446	1,875,451	2,066,294	12,213,379	12,616,294

Control over expenditures

Help a Child controls operational risks by devoting a great deal of attention to the quality of the internal organization and internal controls.

In recent years, we have implemented organizational changes, giving the country offices in Burundi, the Democratic Republic of the Congo, Kenya, Malawi, Rwanda, and South Sudan a clear mandate to oversee the quality of the programmes and to control their expenditures. Help a Child in the Netherlands monitors the quality of the supervision in the countries.

Operations in the countries where there is no country office are supervised directly from Help a Child the Netherlands.

In India, we formed a Programme Management Unit that plays a central role in the supervision of the projects in India.

Each partner and country office is audited by Help a Child's internal audit team once every three years and annually by external auditors. In addition, each partner must have its financial statements audited by an external auditor. The country offices provide direct support to partners where necessary in order to ensure that they are able to meet the requirements of back donors. For programmes in the countries without country offices, we have coordinators in the Netherlands to handle the contracting with partners and to oversee compliance with contract conditions and specific donor requirements.

Programme expenses - third parties	2023	budget 2023	2022
	€	€	€
Implementing partners India	587,412	1,162,462	297,442
Implementing partners Kenya	384,155	505,000	502,220
Implementing partners Rwanda	537,217	590,000	952,235
Implementing partners Malawi	405,038	405,000	386,937
Implementing partners Burundi	456,979	550,000	511,819
Implementing partners Uganda	558,906	897,032	724,192
Implementing partners Democratic Republic of the Congo	435,325	400,000	590,224
Implementing partners South Sudan	494,181	330,000	396,881
Implementing partners Somalia	1,849,303	1,215,819	1,386,916
Implementing partners Syria	163,983	-	-
Implementing partners Ukraine	-	-	374,380
Implementing partners others	-	158,500	68,910
	5,872,499	6,213,813	6,192,156

Programme expenses - own expenses	2023	budget 2023	2022
	€	€	€
Own expenses Kenya	338,012	293,822	324,413
Own expenses Rwanda	463,815	1,005,223	492,575
Own expenses Malawi	186,751	350,696	216,755
Own expenses Burundi	742,232	907,912	1,246,385
Own expenses Democratic Republic of the Congo	1,483,863	1,464,906	1,112,085
Own expenses South Sudan	931,653	835,869	939,621
Other own programme expenses Help a Child	429,459	210,774	241,150
	4,575,785	5,069,202	4,572,984



Communication expenses	2023	budget 2023	2022
	€	€	€
Sponsorship management	41,808	82,000	32,564
Private fundraising	325,642	240,000	358,780
Disaster response and emergency fund campaigns	28,943	52,500	40,058
Relationship management	40,072	71,000	68,419
Communication with constituency	179,783	175,032	79,565
Online communication and fundraising	14,559	11,000	28,824
Events	495	29,500	18,091
Charity shops	3,786	5,000	-
Other expenses	86,591	76,430	27,362
	721,679	742,462	653,663

Throughout 2023 it was decided to shift budget lines. With a relatively new team we also made

other priorities in the course of the year. In total, the expenditures were slightly lower than budgeted.

Staff expenses	2023	budget 2023	2022
	€	€	€
Salary expenses for staff in the Netherlands *)	1,817,309	2,094,630	1,827,795
Social charges for staff in the Netherlands	316,845	344,170	324,841
Pension contributions for staff in the Netherlands	172,710	279,508	187,053
Other staff expenses in the Netherlands	421,325	199,038	346,034
Staff expenses the Netherlands	2,728,189	2,917,347	2,685,722
Staff expenses Kenya	180,681	158,323	191,979
Staff expenses Rwanda	234,810	133,377	250,007
Staff expenses Malawi	125,662	119,690	148,314
Staff expenses Burundi	230,169	233,861	270,421
Staff expenses Democratic Republic of the Congo	532,325	477,992	345,915
Staff expenses South Sudan	415,463	356,873	451,758
Staff expenses country offices	1,719,111	1,480,116	1,658,394
Total staff expenses (gross)	4,447,300	4,397,463	4,344,116
Programme staff directly allocated to implementation expenses**)	-1,522,759	-1,220,116	-1,390,133
Total staff expenses (net)	2,924,540	3,177,347	2,953,983

In the first half of 2023, we had a number of vacant positions at the global office. This resulted in underspending of staff expenses in the Netherlands. The staff expenses in Rwanda were not budgeted well, which resulted in an overspending. In DRC and South Sudan our programmes expanded in 2023, which resulted in higher staff expenses.

*) Salary expenses of staff in the Netherlands include gross salary, holiday allowance, 13th month allowance and gratuity expenses. Compensation from the insurance company for sick leave or from a benefits

agency for maternity leave is deducted from these expenses.

**) The staff expenses only include expenses of operational staff of Help a Child. This includes all staff based in the Netherlands; in the case of country offices, the staff expenses include 40% of those of the country programme director, 52.5% of those of local finance and operational staff and 10% of those of local sponsorship coordinators. The remaining staff expenses in the country offices are considered to be programme expenses and are included under 'Programme expenses - own expenses'.

Remuneration of Help a Child employees

The salaries of Help a Child employees in the Netherlands are based on the Collective Labour Agreement for Welfare & Social Services.

We are also grateful to have the services of volunteers (one of whom was a permanent office volunteer as at December 31, 2023).

The conditions of employment in the country offices are largely based on the conditions of employment for comparable non-governmental organizations in the relevant countries. Help a Child bases the salaries on the average for comparable organizations less 10%.

Remuneration of Board of Directors

The Supervisory Board adopted the remuneration policy for the Board of Directors, including the level of remuneration and other remuneration components. This policy is updated from time to time. The last evaluation was on November 27, 2017.

Help a Child adheres to the Directors' Remuneration Regulation for Charitable Organizations of Goede Doelen Nederland (sector organization for the Dutch charitable sector; see www.goededoelennederland.nl). Based on criteria for assessing the scope and responsibility of the position, the regulation sets a maximum for the annual income. The Supervisory Board has assessed the position of the CEO. This led to a 'BSD' score of 435 points with a maximum annual income of € 134,620 (for full-time employment, latest update as at April 1, 2023).

Help a Child has decided to cap this remuneration at 80% of the maximum annual income based on the BSD score (€ 107,696 for 1 FTE).

The remuneration of the director of Help a Child was as follows in 2023:

Name	A.M. Schuttinga
Position	CEO
Employment details	
Nature (term)	indefinite
Hours	32
Contract	Part-time (88.9%)
Period	1/1-31/12

Remuneration	2023	
	€	€
Gross salary	79,919	
Holiday allowance	6,375	
13th month allowance	7,283	
Total annual income		93,577
Taxable reimbursements	412	
Pension expenses (employer's share)	10,639	
		11,051
Total remuneration of Board of Directors 2023 (incl. employer's costs)		104,628

Remuneration	2022	
Total remuneration of Board of Directors 2022 (incl. employer's costs)		€ 102,252

In 2023, the full-time equivalent of the actual annual income of CEO Andries Schuttinga was € 105,274, based on one FTE. This remuneration is within the maximum set by the Supervisory Board (€ 107,696) and well within the maximum agreed within the sector.

The annual income, taxed benefits, employer's pension contribution, pension compensation, and any other forms of deferred remuneration also remained well within the maximum amount of € 178,309 per annum as set in the regulation.

Moreover, the taxed benefits, employer's pension contribution, and the other deferred benefits were in reasonable proportion to the annual income.

Notes

- The taxable reimbursement is the mileage allowance for business travel insofar as this must be taxed according to the tax regulations.
- The pension expense is the employer's share of the contribution payable to the pension fund.
- The CEO has no remunerated positions outside Help a Child.

Remuneration of Supervisory Board

Members of our Supervisory Board receive no remuneration. In 2023, they received reimbursements for expenses amounting to € 374 (2022: € 449), concerning mileage allowances.

No loans, advances, and/or guarantees were extended to members of the Supervisory Board or the CEO.

Financial income and expenses	2023	budget 2023	2022
	€	€	€
Financial income			
Interest income	18,083	-	3,748
Exchange rate differences	28,935	-	-
	47,018	-	3,748
Financial expenses			
Negative interest	-	-	7,328
Exchange rate differences	-	-	5,293
	-	-	12,622
Net financial income and expenses	47,018	-	-8,873

Exchange rate differences are an important risk factor in the financing of programmes. We receive donations and sponsor contributions mostly in euros, while the programme expenditures are in different currencies.

Help a Child allows partner contracts to be signed in local currencies with partners implementing community programmes. In the chain of partner organizations, we believe Help a Child is in a much better position to bear the risks of exchange rate fluctuations, as most of our implementing partner organizations have less means and financial capacity to manage the risks of exchange rate fluctuations.

Related parties

The accounting guidelines for annual reports include specific requirements for organizations that cooperate on a structural basis. The reason for this is that related parties can enter into certain transactions which affect the financial position and results as well as the current and future opportunities and risks of the parties concerned.

In previous years, we treated our sister organization Help a Child of India as a related party. We largely finance the activities of this organization. Events at this party can have a direct impact on the balance of income and expenses and thus also on the financial position of Help a Child.





Other information

INDEPENDENT AUDITOR'S REPORT

To: the supervisory board and the management of Stichting Red een Kind.

A. Report on the audit of the financial statements 2023 included in the annual report.

Our opinion

We have audited the financial statements 2023 of Stichting Red een Kind based in Zwolle, the Netherlands.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting Red een Kind at 31 December 2023 and of its result for 2023 in accordance with the 'RJ-Richtlijn 650 Fondsenwervende organisaties' (Guideline for annual reporting 650 'Fundraising Organizations') of the Dutch Accounting Standards Board).

The financial statements comprise:

1. the balance sheet as at 31 December 2023;
2. the statement of income and expenditure for 2023; and
3. the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our opinion

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

We are independent of Stichting Red een Kind in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

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

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

The other information consists of:

- the Director's report;
- other information.

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

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

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

Management is responsible for the preparation of the other information, including the Management Board's report in accordance with Guideline for annual reporting 'RJ-Richtlijn 650 Fondsenwervende organisaties' (Guideline for annual reporting 650 'Fundraising Organizations').

C. Description of responsibilities regarding the financial statements

Responsibilities of the supervisory board and the management for the financial statements.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting 'RJ-Richtlijn 650 Fondsenwervende organisaties' (Guideline for annual reporting 650 'Fundraising Organizations'). 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, management is responsible for assessing the organization's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the organization's ability to continue as a going concern in the financial statements.

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

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement 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 financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a organization to cease to continue as a going concern.
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

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

Amsterdam, 25 June 2024

Dubois & Co. Registeraccountants

M. Belkadi RA

Appendix

ANNUAL BUDGET 2024

	actual 2023	actual 2023 – new allocation	budget 2024 – new allocation
	€	€	€
INCOME			
Raised income			
Income from individuals	6,903,783	6,903,783	7,360,000
Income from businesses	590,616	590,616	874,000
Income from government subsidies	5,341,392	5,341,392	13,350,000
Income from related non-profit organizations	229,187	229,187	450,000
Income from other non-profit organizations	1,742,774	1,742,774	1,716,000
	14,807,751	14,807,751	23,750,000
Income from supplied products and services	5,538	5,538	5,000
Other income	21,030	21,030	240,000
	14,834,320	14,834,320	23,995,000
EXPENDITURE			
Expenditure on objectives			
Child Development & Protection	5,298,474	5,078,839	5,802,830
Youth & Work	1,190,714	1,141,356	970,989
Community Resilience	1,782,446	1,708,560	2,983,797
Food Security and Livelihoods	1,875,451	1,797,709	5,183,991
Health, WASH and Nutrition	2,066,294	1,980,641	5,503,461
Information and awareness	543,482	850,623	915,376
	12,756,861	12,557,727	21,360,444
Costs of raising income	1,391,641	1,515,826	1,666,004
Management and administration costs	664,538	739,486	766,272
	14,813,039	14,813,039	23,792,720
Balance before financial income and expenses	21,280	21,280	202,280
Net financial income and expenses	47,018	47,018	40,000
Net income and expenses	68,299	68,299	242,280
Surplus/shortfall added to/withdrawn from			
- Continuity reserve	27,351	27,351	242,280
- Special-purpose reserves	-112,649	-112,649	-
- Special-purpose funds	153,597	153,597	-
	68,299	68,299	242,280

The multi-annual budget 2021-2024 of Help a Child was approved by the Supervisory Board in the course of 2020. For the remaining year of this strategic period (2024) the budget was updated late 2023 and approved by the Supervisory Board on November 27, 2023.

In the course of 2024 the multi-annual budget 2025-2028 will be determined and published on the website of Help a Child. At the time of writing of the annual report 2023 this budget is not yet available.

In 2024 Help a Child will realize a significant growth in income, especially from government subsidies. Major reason for this growth is related to our lead position in the Joint Response programme in South Sudan for 2024 until 2026.

As a result in 2024 more than € 6 million will be received as government subsidy in 2024 which is supposed to immediately be contracted with DRA members operating in South Sudan.

Also with other donors like UNICEF, USAID and EU we expect significant growth of government subsidies in 2024.

On other channels of income we expect modest growth in 2024 as for example our increase of individual sponsorship contributions will give a boost to the income from sponsors. The number of charity shops are still growing which will also result in increased income from this resource.

Our office in Zwolle will be sold in the first months of 2024, which will result in a profit of € 240,000. This income will be added to the continuity reserve by the end of 2024.

At the end of 2023, we decided to change our allocation methodology of expenses to our objectives, raising income and management and administration. This new methodology is used for the approved 2024 budget and will be further explained in the annual report 2024.

As the comparative figures will be adjusted in the annual report 2024, we already included a column in this appendix to reflect the impact of our new allocation methodology on the actual figures of 2023.

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'Help a Child' is the international name for Red een Kind, an NGO registered in the Netherlands with affiliates in Africa and India.

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