

ANNUAL REPORT 2017

IMPACT



Help  a
CHILD
50 YEARS OF IMPACT
since 1968



**HELP A CHILD PROVIDES A FUTURE FOR
CHILDREN IN NEED, THEIR FAMILY, AND
THEIR ENTIRE COMMUNITY.**



Contents

Impact	5
2017 in brief – a summary	6
1. Our mission, vision and strategy	8
1.1 Who we are and what we want to achieve	9
1.2 How we achieved our objectives in 2017	12
1.3 Policy plan	15
1.4 Our plans for 2018	15
1.5 Strengths and weaknesses, opportunities and threats	16
1.6 Opportunities and risks	17
2. Our programmes	22
2.1 The knowledge we pay forward	23
2.2 How we continuously improve the quality of our programmes	26
2.3 Our project countries	30
* Burundi	32
* Ethiopia	34
* India	36
* Kenya	38
* Malawi	40
* Uganda	42
* Rwanda	44
* Zambia	46
* South Sudan	48
* Democratic Republic of Congo	50
* Middle East	51

3. Meanwhile in the Netherlands	52
3.1 Sponsorship and gifts	53
3.2 Churches, schools, businesses	56
3.3 Awareness and corporate communication	58
3.4 Institutional relationships and funds	59
4. Our organization	62
4.1 Development of our organization	63
4.2 Employees in the Netherlands	64
4.3 A learning organization	65
5. Accountability statement	72
5.1 Management, execution and supervision	73
5.2 Expenditure of our funds	76
5.3 Our relationship with stakeholders	76
5.4 Composition of the supervisory board	78
6. Finance	80
6.1 Introduction	81
6.2 Consolidated financial statements	84
6.3 Separate financial statements	102
6.4 Other information	107
6.5 Appendices	110
Appendices	115
I. Organizational chart	
Help a Child International Office	116
II. Our most important partners	118
III. Partnerships	119



IMPACT

Fifty years of helping children to grow out of poverty. That is the milestone we are looking back on this year. Our review of 2017, as contained in this annual report, is thus broader in scope than usual, spanning no less than 50 years of working with impact.

Impact is more than results alone. But in what sense exactly? Results are the things we count. The activities we carry out with the funds entrusted to us by our supporters: individuals, families, churches, schools, businesses, and foundations. We also receive subsidies from government agencies to conduct our programmes. We account for our results in various ways, including in this annual report. For instance, there are now 2,461 self-help groups and 370 youth groups up and running, and we have helped 169,937 children. These are the results we express in concrete numbers. And they are splendid results too.

However, impact – our ultimate objective – goes a step further. Impact is the sustainable change in the lives of the children and families we help. It is something that can only be measured long after our help on the ground has stopped. In 2017, we started to study this impact. You can read all about the first (promising!) outcomes in this annual report.

2017 was a blessed year – despite a seemingly significant drop in our income. Fortunately, this decline was largely due to accounting reasons: a large subsidy for 2017 was for a major part already recognized as income in 2016. Moreover, over the past years we have built up a reserve which we used in 2017 to invest in the future: by establishing and expanding country offices in four countries, we expect to raise more funds in the future.

With the creation and enlargement of the four country offices in Burundi, Malawi, Kenya, and Rwanda, our organization has become even more international in scope and presence. Alongside these four country offices, we also work closely with our sister organization Help a Child of India, which runs various programmes in India.

The challenges are enormous. We want to become stronger in the acquisition and management of institutional funds. We want to involve our numerous donors even more closely in our work. We want to further increase our knowledge about children, young people, work, groups, and aid in emergency situations. Moreover, we want to have even more impact on the most vulnerable children. At the same time, we know one thing with absolute certainty: everything we do, everything we have been allowed to achieve and everything we have planned for the future is entirely dependent on the blessing of our God and Father in Heaven.

Andries Schuttinga,
CEO



'Impact is the sustainable change in the lives of the children and families we help.'

2017 IN BRIEF

A SUMMARY

In 2017, Help a Child received 8.3 million euros of income and was active in ten countries. We see every child as a unique gift from God. All our programmes are aimed at enabling children to grow out of poverty and connecting them with people in the Netherlands. To achieve this, our community programmes are designed to reach out to children, families and the whole community. Our approach centres on collaborative working in self-help groups, promoting knowledge and skills, linking up with other parties and fostering powers of resilience.

In 2017, we further expanded our country offices in Burundi, Kenya, Malawi, and Rwanda and decentralized many tasks from the Netherlands to these offices. More attention was given to programmes in fragile regions and in emergency situations.

In the Netherlands, almost 20,000 people, 580 churches, 127 schools, 195 businesses and 43 foundations make our work possible. Among their number are about 8,000 sponsors who have contact with a child or family taking part in our programmes. We also received contributions from 17 bequests.

Apart from these contributions from our loyal supporters, we also receive additional funding from government agencies and charitable trusts.

RESULTS 2017

HELP GIVEN TO



169,937
CHILDREN



& 104,279
ADULTS



31,760
helped



119,550
helped



18,627
helped



14,708 **Young adults helped**



89,571 **Adults helped**



2,461 **Self-help groups trained**



342 **Farmer groups trained**



137 **CLAs (self-help umbrella groups)**



847 **Children's Clubs for children aged 7-18**



370 **Youth groups for young adults aged 19-25**

INCOME 2017

€ 8,268,124

Gifts from individuals: € 5,865,146

Gifts from businesses/entrepreneurs: € 503,138

Subsidies from government agencies: € 666,599

Contributions from other non-profit organizations: € 1,227,836

EXPENDITURE ON OBJECTIVES

€ 7,637,729
(92% of income)

1 | OUR MISSION, VISION AND STRATEGY



The best place to grow up is at home, with your family, in your own surroundings. Whereas we used to help children in homes, we now focus on helping children in their own surroundings. The children and the people around them. In whole communities and regions at once, in India and Africa. This is wonderful work, in which we want to involve as many people as possible.

WHAT WE BELIEVE

Every child is a unique gift from God

WHAT WE WANT

A promising future for every child

HOW WE WORK

Children - families - the whole village

1.1 | WHO WE ARE AND WHAT WE WANT TO ACHIEVE

Help a Child is a Christian, international development organization, founded in 1968 in The Netherlands. Help a Child provides a future for children in need, their family, and their entire community. By empowering vulnerable communities, we help them to change their own living conditions and opportunities in a sustainable way.

Help a Child works in areas with a high incidence of poverty or in places where children and families are extra vulnerable due to disasters or (imminent) conflicts. We work together with various Dutch, international and local partners. Help a Child works across India, Kenya, Ethiopia, Zambia, Malawi, Burundi, Rwanda, DRC, Uganda and South Sudan. In cooperation with knowledge organizations, capital funds and institutional donors like DFID and EU Help a Child develops innovative programs, for example about youth & work, mother and child care and the transition of relief help towards sustainable development. Besides that Help a Child is supported by a broad constituency of individual sponsors, churches, foundations, companies, and schools.

HOW WE WANT TO ACHIEVE THIS

The community development programmes that we carry out together with others last seven years on average. To attain the above objective, a big change is required in a short space of time. How do we achieve this?

Our answer to this question is set out in our Theory of Change.

You can read the complete text of our Theory of Change at helpachild.org/approach.

OUR THEORY OF CHANGE IN BRIEF

On the next page, we have visualized our Theory of Change in a diagram. The picture must be read from the inside out: everything is centered on the child. The child is at the heart of our Theory of Change. What gives a child opportunities for the future?

- good health
- good education
- the ability to develop socially and emotionally, and
- a positive self-image and self-confidence and an awareness of the talents that he or she has received from God (the latter two aspects are summed up in 'hope and dignity').

What is necessary to make this a reality? This is shown in the enveloping circle:

- Parents must have sufficient income to look after their family
- Young people must live with self-confidence and be able to find work when they grow older
- The youngest children must get a good start in life, and
- The community economy must be organized along collaborative lines so that it can grow and improve socially and economically.

And finally: how do we go about this? How do we achieve this on a sustainable basis? Our approach is shown on the outer edge:

- **We work in groups**

We see many advantages in working in groups, such as self-help groups and youth groups. First of all, because social isolation is one of the biggest causes of poverty. Learning to work together is of crucial importance. People feel stimulated when working in groups. In a collective setting, they can jointly tap into more knowledge and resources. Also, a group approach makes a seamless fit with the African and Asian way of life. Results achieved in a group are more effective and sustainable.

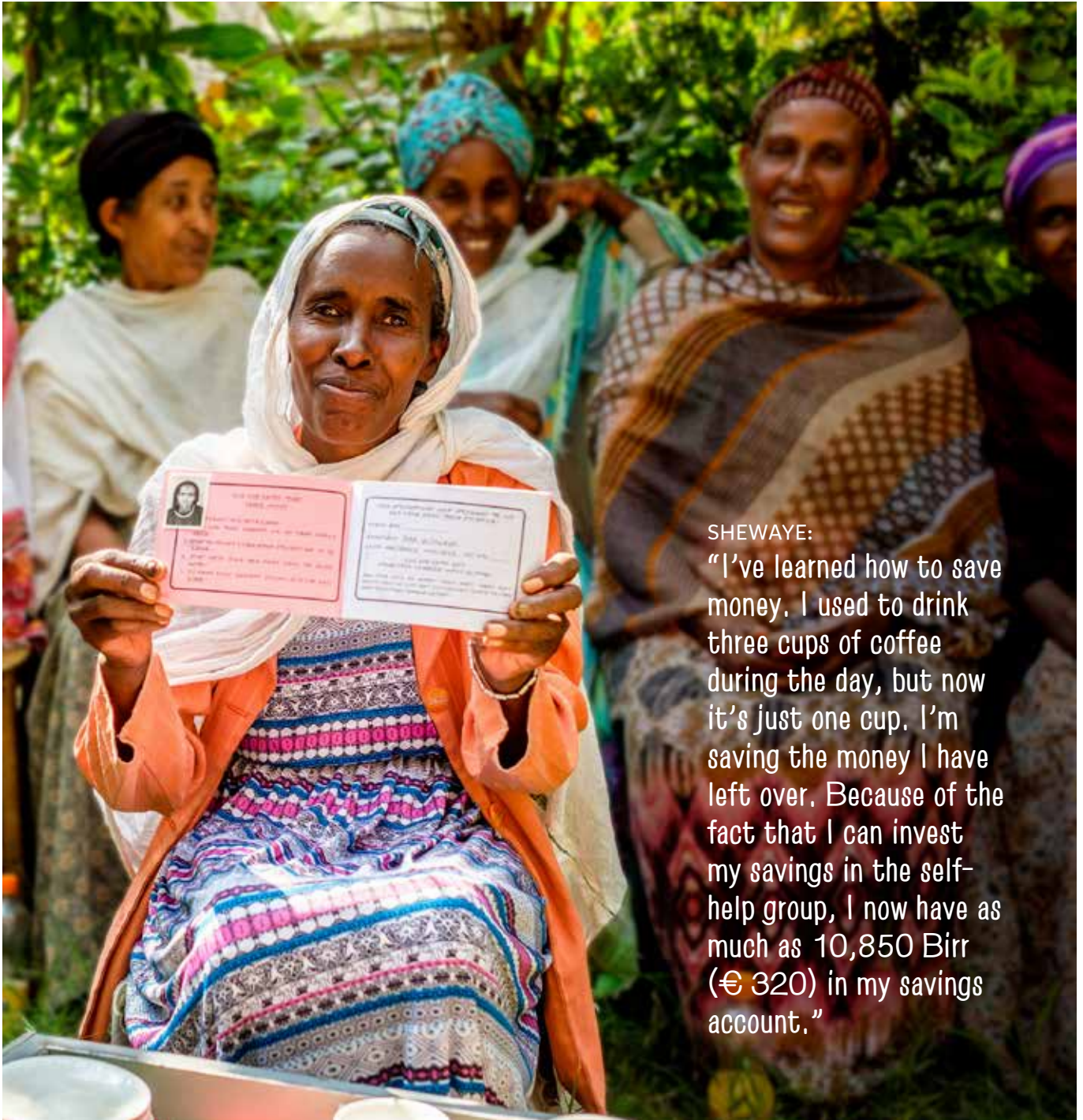
- **We pass on knowledge and skills**

We reinforce our programmes by gathering and sharing knowledge. Our focus is on knowledge and skills relating to 1) Early Child Development, 2) Youth & Work, 3) Working together in groups and 4) Emergency aid in challenging circumstances.

- **We focus on the entire community**

Children, families, and villages are part of a larger context. The government, businesses and many other socio-cultural factors influence this context. Help a Child helps the population to strengthen structures at local, regional and national level. In this way, they can increasingly influence their own lives and grow their communities in a more balanced and sustainable manner.





SHEWAYE:

"I've learned how to save money. I used to drink three cups of coffee during the day, but now it's just one cup. I'm saving the money I have left over. Because of the fact that I can invest my savings in the self-help group, I now have as much as 10,850 Birr (€ 320) in my savings account."

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 all children - regardless of their social, political, religious, ethnic or economic background - to have a life in dignity, with love and with a promising future.

Impact of our strategy

Our work has great impact. We bring about many changes in the communities and families. The results of each project are carefully measured so that these can be made visible. It is extremely motivating to see how, within only a few years, people can overcome poverty and start building a good future for themselves and their communities.

1.2 | HOW WE ACHIEVED OUR OBJECTIVES IN 2017

Based on our Policy Plan 2016 - 2020, we make an annual plan outline for each year. These outlines are then worked out in

detail for each department and region.

The progress of the annual plan is discussed at each scheduled meeting of the Supervisory Board (see Chapter 5). Below you can read our objectives for 2017 and the extent to which we achieved these.

MAIN OBJECTIVES FOR 2017 AND OUR SCORES



Of the 16 main objectives from our 2017 annual plan, 13 were fully achieved, and three were partly achieved.

SCORES ON MAIN OBJECTIVES EXPLAINED

1. INVEST IN A SUSTAINABLE ORGANIZATION OF HIGH QUALITY

1.1. Get our decentralized organization up and running

The recruitment of staff for the country offices in Burundi, Kenya, Malawi, and Rwanda was successfully completed. About fifteen vacancies were filled. Mandates were defined and documented in procedures and manuals. Also, the HR manual for our staff in Africa was completed.

1.2. Apply project-based working within the decentralized structure and within our various roles

Various project groups were set up to bring together expertise from diverse themes, teams, and countries. Projects are being more accurately defined and we are monitoring completion times and results.

1.3. Actively mobilize the decentralized organization for local fundraising and network building

In 2017, we defined our policy and made clear choices regarding both local fundraising and networking. The conditions have thus been created for the successful mobilization of our staff and resources. We hope to reap the benefits starting from 2018.

1.4. Design new child sponsorship models

To develop new charitable giving models, we need to have sufficient expertise in this field. To this end, we engaged a marketing strategist effective from 1 November and then made detailed plans which will be implemented further in 2018.

1.5. Renew our lobbying and awareness policy

In March 2017 we adopted a new lobbying policy. We engaged a lobbyist who immediately took the implementation of this policy in hand, both in our programme countries and in the Netherlands.

2. INVEST IN AND DEEPEN OUR KNOWLEDGE AND QUALITY**2.1. Broad application of our knowledge areas**

One important initiative in this context concerned the appointment of Early Childhood and Youth & Work experts at our country offices. They can give a major quality impulse to our programmes. A University of Tilburg study was carried out for Help a Child to back up our belief in the effectiveness of working in groups with scientific evidence.

2.2. Greater visibility in the selected knowledge profiles

Both in the Netherlands and in the countries where our country offices are located, we organized activities to boost the visibility of our expertise. In Rwanda, for instance, we were involved as a direct partner of the government in the development of the national Early Childhood curriculum.

2.3. Reinforce innovative approaches

By linking up with reputable partners (see 2.6) we can benefit from innovative approaches for integrated community development, developed by Wageningen University.

2.4. Activate our lobbying strategy

Our new lobbyist, together with the thematic experts in the countries where we work and in the Netherlands, mapped out our lobbying strategy. Choices have been made regarding the networks and themes that will be at the heart of our lobbying efforts. These choices clearly signal where our priorities lie and how the lobby must be given shape.

2.5. Adapt Theory of Change choices for application in fragile areas/situations

Partly in connection with our new membership of the Dutch Relief Alliance (see also pages 25 and 59), we have developed a thorough policy for the application of our Theory of Change choices in fragile areas and emergency situations. Our emphasis will be on food security, protection of vulnerable children and women and the provision of education in emergency situations.

2.6. Strengthen our relations with knowledge centres

Both in the Netherlands and in our programme areas, we were able to make further steps towards the strengthening of our relations. These include intensive partnerships with three Universities of Applied Sciences (Windesheim, VIAA, and Driestar), two universities (Utrecht and Wageningen) and AOC Twente.

3. CONNECT WITH STRATEGIC PARTNERS**3.1. Active participation in the PerspActive cooperative**

The participation within PerspActive resulted in three concrete partnership projects; in the Democratic Republic of Congo, in Uganda and around the theme of Youth & Work. In all these projects, proposals were developed for which financing will be proactively acquired in 2018. Also, our lobbyist was extremely active in the PerspActive lobby network. During the Dutch coalition government negotiations, this network lobbied successfully on the theme of Youth & Work.

3.2. Gradual reinforcement of the strategic cooperation with the partner of our choice

In early 2017 we extensively explored the effectiveness of a far-reaching strategic alliance with a partner. We concluded that this alliance did not always produce the envisaged added value. Accordingly, we adjusted our partnership strategy, and we shifted our focus to more flexible strategic alliances that offer better guarantees for the fulfillment of our mandate.

3.3. Positioning in a network of preferred partners

Both the development of PerspActive as a network and our new membership of the Dutch Relief Alliance fit in well with our current partnership policy. Also, we are increasingly able to secure a strong positioning in alliances. In 2017, for instance, we were invited to act as a lead partner within an alliance for six large subsidy applications.

4. INCREASE THE EFFECTIVENESS AND EFFICIENCY OF OUR ORGANIZATION**4.1. Charges fees for our expertise in the programme costs**

We now charge for the expertise we contribute to programmes for institutional donors as well as the programmes that are monitored from the country offices. In 2018, we are going to extend this policy to community programmes in countries without a country office.

4.2. Deploy our own people and resources in the programme countries to identify and monetize fundraising opportunities

Now that the country offices have been set up and staffed, we are also able to identify and monetize local fundraising opportunities. This has been defined as an explicit task of the country offices. In the Netherlands too, programme experts are much more closely involved in fundraising opportunities.



WELL-EDUCATED & READY FOR THE FUTURE

Selvi and Bhavani are part of the Irula tribe in the south of India. Their ethnic group lives mainly from catching snakes and rats. For them, it is the only way of surviving. Girls do not get many opportunities and are discriminated against. Through Help a Child's programme, Bhavani is the first girl in her tribe's history to go to secondary school. Quite an achievement!

SELVI (34):

"I am so proud of you, my daughter! You are the only girl in the village to go to secondary school. Such an inspiration for other girls. You are so strong that I am sure you will achieve what you want!"

BHAVANI (16):

"You are my sweet, caring mother. I feel that you love me through the way in which you talk to me and take care of me when I am sick. You encourage me to learn and to change our situation. You are a good mother."

1.3 | POLICY PLAN

Our Policy Plan 2016-2020 'The Power of Connecting' came into force in 2016. The implementation is now in full swing.

CONNECTING

'The Power of Connecting' sums up the essence of Help a Child. Great sources of strength can be unlocked by creating the right connections with and between our target groups, within the target groups themselves and between them and other parties, both locally and worldwide. This act of connecting lifts people above themselves.

SUSTAINABLE IMPROVEMENT FOR CHILDREN, YOUNG PEOPLE, AND FAMILIES

In every programme we implement, connecting is both the objective and an instrument for further progress. The most important critical success factor is the sustainable improvement of the lives of children, young people, and families. We have deliberately chosen to go down a different road from the individualistic approach. The Help a Child programmes work when we get everyone to connect and join in the communal effort. Moreover, when that connection happens, our programmes do work! Our new policy plan emanates this principle in every respect. The plan can be read on our website: helpachild.org/about-help-a-child/policies-standards/policy-plan-2016-2020.

An evaluation halfway through 2017 led us to conclude that our long-term strategic policy plan still serves as an excellent roadmap for our work, but that some changes in emphasis are in order.

- Instead of staking everything on a single strategic alliance, we want to set our sights on a broader suite of partners.
- We want to intensify our relationship with our supporters by giving them more say in our decisions and by offering new forms of involvement.
- We are going to adjust our charitable giving models based on better insight into the reasons why our sponsors and donors want to give us their support.
- We have decided to make a serious commitment to fragile areas while also exploring our potential to raise funding for economic development.

1.4 | OUR PLANS FOR 2018

The priorities for 2018 are to consolidate our existing policy and explore new avenues.

Based on these priorities, we have defined the following main objectives:

1. COLLABORATION

Rather than pursuing far-reaching strategic cooperation, we will seek to position ourselves as a reliable and high-quality partner strategically. This means that we must rethink our entire partnership strategy, focusing on:

- Positioning in networks
- Success of PerspActive
- Building successful alliances and partnerships
- Underlining the quality of our programmes, e.g., by providing evidence that our approach works

2. FUNDRAISING

Disaster Response

Becoming a member of the Dutch Relief Alliance has given us an excellent opportunity to explore this field of activity in greater depth and incorporate it into our work at Help a Child. To this end, we must:

- position Help a Child as a relevant player in this area
- set up programmes in DRC and South Sudan
- mainstream Disaster Response in our other programmes as well

Explore new and different sources of funding

Alongside disaster response, we want to tap into other important fundraising options by:

- exploring economic development funding with, e.g. a pilot in Rwanda
- stepping up our efforts in the charitable trust market

Private fundraising in the Netherlands

In 2018 we will thoroughly review our revenue model. Based on a motivator survey, we will study the potential of new charitable giving models. However, during the process of reshaping our organization, we will remain 'open for business' and continue our efforts to retain and acquire donors and sponsors, while also continuing to improve our existing approach:

- Develop, test and pilot new charitable giving models
- Develop and implement a loyalty campaign
- Implement stage 2 of the middle donor campaign
- Develop and implement an online marketing strategy
- Interdisciplinary and assertive fundraising

3. SUPPORTER BASE

After a period in which we concentrated on the development of our internal organization, it is now vital to refocus on our roots as a supporter-driven organization. Our organization must be structured to ensure that the opinion of our supporters is taken on board in our decision-making, while also offering a perspective to act to those who wish to be actively involved. This concerns such activities as:

- 50th anniversary of Help a Child
- Start up a charity shop

- Appoint a volunteer coordinator (who is a volunteer him/herself) and develop a volunteer strategy
- Set up test panels or focus groups selected from our supporter base

4. DECENTRALIZATION

The investment in the decentralization should start bearing fruit in 2018 in the form of good visibility, strong presence in networks, interesting alliances, and local fundraising. Internal processes must make an optimal contribution to this:

- Stability and growth of the country offices in Kenya, Rwanda, Burundi, and Malawi
- Appointment of representation in DRC, South Sudan, and Uganda
- Complete and optimize internal support processes for the new organizational structure

1.5 | STRENGTHS AND WEAKNESSES, OPPORTUNITIES AND THREATS

In making plans, we must keep an ear to the ground and be alert to new trends and developments, both within Help a Child and the world around us.

Social unrest is rife in the world around us, and political populism is on the rise in many countries. Citizens are uncertain about their safety and the stability of society. Civil society organizations are concerned about the impact of politics on their work.

In the Netherlands too we see developments that entail risks for our work, such as the negative image of development aid, populist tendencies and growing individualization and secularization.

OUR SWOT ANALYSIS

We regularly take stock of the risks for our work. One tool we use in this connection is a SWOT analysis: an analysis of our strengths and weaknesses as well as opportunities and threats. SWOT stands for Strengths, Weaknesses, Opportunities & Threats.

In 2015 we made a SWOT analysis for Help a Child. This remained largely relevant in 2017 but was updated based on the evaluation of our policy plan 2016-2020 in 2017 (see also section 1.3). The main elements are indicated according to five 'critical success factors':

- Our sponsors and donors (the basis for our fundraising)
- Our child-centered programmes (for which we raise funds)
- Innovative capability (the ability to deal effectively with change)
- Our partner organizations and country offices (which determine our capacity to operate in the various countries)
- Alliances and partnerships (which enable us to increase the scale and scope of our work and organize joint fundraising initiatives).

Based on these five elements, we defined our strengths, weaknesses, opportunities, and threats in the SWOT insofar as applicable.

NOTES TO THE SWOT ANALYSIS

This SWOT analysis provides vital input for our strategy. Here are some general comments:

- Our strengths are highly relevant to the quality of our work and provide a good basis for addressing our weaknesses and withstanding threats.
- The identified weaknesses stem partly from a shortage of funding and partly from our inherent modesty and, hence, fairly low profile. We must project our work and results more visibly and assertively, but without losing our 'down to earth' reputation.
- We will seize the opportunities we see, also to address our weaknesses. A stronger positioning and profile in the programme countries is key to make major steps forwards.
- Two things are important to withstand the identified threats: the continuation of the strong bond with our supporters, partners and donors and our determination to succeed. Also, every choice we make must be very carefully considered.

FROM RISK MANAGEMENT TO VALUE MANAGEMENT

Over the past years, we thoroughly overhauled our risk management system (the measures we take to mitigate possible risks). Instead of focusing exclusively on factors that pose a risk, we now also look at opportunities. That is why we now prefer to speak of value management.

OUR SWOT ANALYSIS FOR 2017

STRENGTHS

- Our sponsors and donors are loyal and committed.
- Our programmes are relevant, focused and effective.
- Our employees are flexible and keen to learn.
- We have committed and strong partner organizations who are determined to succeed.
- Since 2017 we have country offices in four programme countries.
- We are connected with networks that can serve as the basis for flexible alliances.

WEAKNESSES

- Our traditional sponsor and donor base is aging and shrinking.
- The scale of our programmes is too limited in some countries.
- Our innovative capability is not sufficiently visible for third parties.
- The size of the organization both in the Netherlands and in the programme countries is vulnerable.

OPPORTUNITIES

- Our sponsors and donors have an established and recognizable position in society.
- Our integrated programme approach suits diverse themes.
- We are open to 'out of the box' thinking and new approaches.
- Decentralization gives us more opportunities to strengthen the quality and impact of our programmes.
- Decentralization strengthens our ability to tap into local fundraising opportunities and boosts our overall visibility.
- Our membership of the DRA enables us to give more concrete shape to our fragility strategy.

THREATS

- Competition from other organizations seeking support from our sponsors and donors is growing.
- Public attention and available funds are shifting to programmes around conflict zones and refugee situations.
- Our limited scale makes us less interesting for institutional funds which are increasingly looking for economies of scale in projects.
- The authorities in our programme countries are increasingly confining the humanitarian space for aid organizations.

1.6 | OPPORTUNITIES AND RISKS

Based on our SWOT analysis, we scrutinized all key business processes. The opportunities and risks in the short and longer term were summarized in a diagram that is briefly explained below.

Featured at the top of the diagram are the main objectives of Help a Child. Next, we mention the opportunities we see in six key areas. Below this, we look at factors that influence or may influence our work. We have subdivided these into five 'perspectives': aspects of the context (environment) in which

we do our work ('Ecology & Economy,' etc.). For each perspective, we mention a) the people (or groups of people) we deal with (our stakeholders), b) the risks we see in the shorter term (with an estimate of the possible costs) and c) the risks we see in the longer term.

In Chapter 5, section 5.3, we take a closer look at our stakeholders. What do they expect from us and how do we manage these expectations?

OPPORTUNITIES AND RISKS



Our opportunities (per key area)

Fundraising & Awareness	Partner Organizations & Country Offices	Programme funding	Programme development	Knowledge	Creative & Flexible organization
<ul style="list-style-type: none"> Grow our sponsor base Grow our donations from the private sector Grow our income from charitable trusts Grow our income from institutional funds Stable and diversified income/funding for projects Awareness 	<ul style="list-style-type: none"> Focus on networks Focus on strategic support Local fundraising Better local visibility Higher impact thanks to improved programme quality 	<ul style="list-style-type: none"> Build up new sponsor programmes Build up programmes for institutional and charitable funds DRA membership Fundraising ambition of PerspActive 	<ul style="list-style-type: none"> Implementation of Child Protection Policy, Theory of Change, Program Manual, Early Childhood Development, Youth & Work, Disaster Response Knowledge portal Implementation of IATI Evaluation policy Learning Agenda 	<ul style="list-style-type: none"> Focus on Early Childhood Development and Youth & Work, group dynamics PMEL (plan, monitor, evaluate, learn) Gather and share relevant knowledge Develop and share creative and practical tools Role of lobbying to influence policy 	<ul style="list-style-type: none"> Cooperate with other parties in Development Aid sector Flexible layer around the organization

Stakeholders and risks (subdivided into five 'perspectives')

External perspective	Economy / Ecology	Our sponsors & donors / society	Politics / government	Safety/protection	Organization/transparency
Stakeholders	<ul style="list-style-type: none"> Children and communities (Potential) donors Non-traditional stakeholders (businesses) 	<ul style="list-style-type: none"> Sponsors & donors Charitable trusts Institutional donors Competitors in the sector Partners in knowledge (institutes) 	<ul style="list-style-type: none"> Government institutions in NL, Africa and India (regulations) Government institutions (funds) 	<ul style="list-style-type: none"> Employees Children (protection) Partner organizations Security of organization (IT) 	<ul style="list-style-type: none"> Sponsors / donors / governments / institutional donors / IATI community Supervisory Board / Board of Directors / Employees
Potential shorter-term risks (in monetary terms)	<ul style="list-style-type: none"> Erosion of sponsor & donor base (€ 225,000) Currency risk (€ 330,000) Impact of spending cuts on institutional funds (€ 375,000) Overheads / ongoing expenses (€ 225,000) 	<ul style="list-style-type: none"> Loss of donors due to unforeseen incidents (€ 175,000) 	<ul style="list-style-type: none"> Repayment to institutional funds due to non-compliance (€ 400,000) Penalties (e.g. tax-related) (€ 400,000) Impact of partner licence (€ 60,000) 	<ul style="list-style-type: none"> Serious accidents/ calamities (€ 75,000) Programme risk (€ 150,000) Impact of IT problems (€ 40,000) 	<ul style="list-style-type: none"> Fraud / corruption (€ 50,000) Mismatch between programmes and funding (€ 400,000)
Potential longer-term risks	<ul style="list-style-type: none"> Financeability of the organization Ecological impact on programmes 	<ul style="list-style-type: none"> Aging sponsor & donor base / loyalty of new generation is harder to win Professionalization has a negative impact on image Higher donor demands & limited scale of organization 	<ul style="list-style-type: none"> Limited availability of funds Political climate constrains humanitarian space for NGOs 	<ul style="list-style-type: none"> Limited room for partner organizations, with impact on programme implementation 	<ul style="list-style-type: none"> Structural mismatch between programmes and funding Loss of donor trust

NOTES**ECONOMY**

Our long-term plans for each country are based on an assessment of the financial, economic and socio-political situation and the possible impacts on our work. We try to assess the risks and impacts as accurately as possible and to make timely adjustments whenever these risks materialize.

Everything relating to trends in the development of people's income and financial risks (e.g., pensions, employment, house prices and tax increases) is liable to affect our income. Short-term risks are reductions in donor funding and an inability to rapidly adjust our project expenditures because of fixed cost components. Our risk tolerance for these risks is average. Our main mitigating measure is to maintain an adequate continuity reserve.

Regarding our financial risk management, exchange rate movements can pose risks. Our risk tolerance here is also average. It forms an inherent part of our work at Help a Child. We limit the negative consequences of currency risks by linking our expenditures as much as possible to the euro.

ECOLOGY

Our partners regularly call our attention to the consequences of climate change. In vulnerable areas, a disruption of climate patterns can be catastrophic. This mainly concerns long-term risks that can severely affect the communities where we work. We must increasingly take this into account in our programmes. Some areas are confronted with a serious deterioration in soil quality, which has consequences regarding agricultural methods, agricultural training and agricultural management.

SPONSORS & DONORS AND SOCIETY

Our policy is to have diversified sources of income. This

makes us less vulnerable. At the same time, we want to remain a sponsor- and donor-driven organization with structural gifts such as sponsorship as our main source of income.

Help a Child has a loyal base of sponsors and donors but we, like many organizations, see that our most loyal supporters are growing older. We need to build strong and sustainable relationships with younger generations, but this is easier said than done. We are addressing this challenge with more action-focused fundraising strategies. Also, we have embarked on a thorough review of our charitable giving models. Our ambition is to appeal to new sections of our target group.

Donors are making ever-higher demands regarding the quality, scale, and efficiency of our programmes. By engaging in various forms of collaboration, we can meet these demands. Our added value within these partnerships lies, among other things, in our focus on specific themes (young children, employment for young people) and in encouraging innovative solutions via a group-based approach.

The trust that our sponsors and donors place in us can be undermined. Reputational damage at other charities, for instance, can also put us in a bad light. We therefore actively champion adherence to good standards and regulations within the sector. We also continuously invest in the relationship with our sponsors and donors and strive to communicate a clear identity. Trust is slowly won and rapidly lost. To minimize this risk, we at Help a Child aim to be transparent, ethical and approachable and to improve constantly. To this end, we analyze complaints and publish our achievements as an organization (see section 4.3).

GOVERNMENTS AND POLITICS

The MFS 2 government subsidy ended in 2016. We plan to have fully compensated the resulting decline in income by



the end of 2018 with other funds and subsidies. Though 2017 displays a slightly distorted financial picture of our income, we are confident that we can achieve this plan by the end of this year. However, it is important to realize that this depends partly on our applications for institutional funds. These often have a long-term character, which means that the actual realization is sometimes later than the expected realization.

Institutional funding is characterized by stringent demands. The risk is that part of the granted subsidy must be repaid during or after a project if the implementation is not exactly in line with the requirements. Help a Child has a very low-risk tolerance in this area. Our organization makes the maximum effort to deliver projects to the required standard and in compliance with all subsidy conditions.

Stability in the regions in which we operate is vital for our work. For this reason, a risk analysis was made for each country and context. We see that the position of development aid organizations and the humanitarian space afforded to them is under pressure in many countries. This increases the risk of penalties due to failure to adhere to laws and regulations or even the loss of the license to operate. To minimize these risks, Help a Child obtains local advice on complex regulatory issues and strives to comply with local rules. We require this also from our partner organizations.

SAFETY AND PROTECTION

The risks attached to our work have clearly increased in many project areas. Of the ten countries in which we operate, two present 'serious safety risks' in the project areas, three 'above-average risks' and five 'average risks.' The safety of staff and visitors in the field is a primary concern for us and our risk tolerance as an organization is low in this area. Help a Child has a comprehensive safety policy. As part of this, our employees are trained to handle hazardous situations.

A major risk for our work is the possibility of child abuse – in whatever form. We, therefore, apply a stringent child protection policy (see section 4.3). The safety of the children in our programmes goes to the heart of what we at Help a Child stand for. We want to eliminate risks for children wherever possible. This means continuously investing in policy, knowledge development and awareness in this field. Our employees and partner organizations receive training in this area, and we constantly draw attention to this issue, including in the communities.

Help a Child is aware of the need to maintain the confidentiality of the data entrusted to the organization. In 2017, we engaged an ethical hacker to test the robustness of our systems. His findings indicate that we have in principle taken sufficient security measures, but that there is still room for

improvement. We are currently implementing his recommendations. In 2018 we also want to achieve full compliance with all regulations contained in the General Data Protection Regulation (AVG).

ORGANIZATION AND TRANSPARENCY

Quality and innovation are a key part of our strategy to help our target group effectively. Our employees are the drivers of our innovative capability. For this reason, we devote a great deal of attention to the 'soft' side of our organization. We believe in a participative 'bottom-up' approach. That way, you get the best out of people, make maximum use of opportunities that present themselves and weigh up all risks carefully. When you seek to break new ground as an organization, you must dare to take an average risk. Because uncertainty is an inherent part of innovation. You must sow before you reap, but we regularly evaluate our progress to ensure that the envisaged impact is achieved and that enough funding is being raised.

Help a Child aims for maximum transparency. The receipt of the last Transparency Award (in 2016) formed a splendid recognition of our approach. The potential of ICT gives rise to new dilemmas, such as a possible conflict between the desired openness and the target group's right to privacy. Published information may also fall into the hands of malicious people. We, therefore, give careful thought to our policy in this area.

Systems must be set up to ensure the prevention or rapid detection of corruption and fraud. We therefore continuously test the effectiveness of structures and systems within partner organizations, because any flaws in this area can damage our relationship with them and lead to the premature termination of programmes. Naturally, we also assess the legitimacy of programme expenditures and working methods in the field. The fact that we have now set up a number of country offices makes us better able to keep a finger on the pulse.

Within Help a Child, we also have strict procedures and controls to prevent any harmful actions, whether deliberate or accidental. In 2016 Help a Child further improved its fraud and corruption policy. Regular internal and external evaluations are performed in this field (e.g., by auditors).



HEALTHY & STRONG

Twice a day the same food, year in, year out. Only a little water to wash down the meal. Sofe and Yayote from Ethiopia can no longer imagine this. Thanks to the village programme, they and their six children now eat a variety of food.

Before Help a Child's project started, Sofe and Yayote didn't know much about different kinds of vegetables. Now, they and their children know how important cabbage, carrots and onions are and how good they can taste when properly prepared. Thanks to the self-help group he is a member of, Sofe has been able to buy a cow as well. So now his children also get fresh milk every day. Being able to take care of their children gives Sofe and Yayote great self-confidence. Their children feel strong and healthy thanks to three different meals and the cup of milk that awaits them every day!

SOFE:

**"With knowledge about livestock and agriculture I have more income.
Now I can support my family myself: I see a bright future for us!"**

2 | OUR PROGRAMMES



Help a Child had programmes in ten countries. We manage our programmes from our office in the Netherlands and from our four country offices.

2.1 | THE KNOWLEDGE WE PAY FORWARD

Gathering, developing, using and exchanging knowledge is crucial for the implementation of good high-impact programmes. Help a Child focuses on four areas of knowledge:

- Child Development
- Youth & Work
- Community empowerment
- Disaster response

For all four of these knowledge areas, we have in-house experts who:

- Gather and activate relevant knowledge in practical (online) tools and methods;
- Help to conceive and write programme proposals;
- Give feedback and advice on plans and reports of partners;
- Select specialized (local) partners and trainers to support programmes;
- Connect networks and partners with other charitable organizations, knowledge centres and commercial organizations;
- Stimulate innovative thinking.

CHILD DEVELOPMENT

“Children are the future!” That, of course, is true and something you often hear. But it can only become reality if children receive the support they need. Support to reach that future in the first place. Because only then can they shape their future into a thing of beauty.

Within Help a Child we concentrate on two aspects: Early Childhood Development (ECD) and Parenting Support.

At present, Early Childhood Development is aimed at children aged four to seven. Most partners encourage the communities where they work to set up Early Childhood Centres in order to introduce children to the basic principles of education in a playful manner. Help a Child has made special manuals for this purpose and discussed these with its partners: how do you go about setting up such a centre? What must you take on board? Young children shouldn't be pressed into strict educational patterns, but treated in a way that suits their age. That means: lots of games!

The development of even younger children is also vital. Parents have a key role to play in this stage. A parenting training course was developed and tried out back in 2016.

This received a sequel in 2017. The Parenting Challenge, as the training course is now called, has been adjusted and expanded with more modules. All groups start with the basic classes. These deal with the importance of child development. Parents can then choose the specific subjects they want to know more about: good health, healthy food, supporting children in school, social and emotional support for children and protection of children. In Malawi and Uganda, three partner organizations (LISAP and WACRAD in Malawi and AEE in Uganda) took part in this next round in order to carry out more trials and make further improvements. They were trained in using the method and formed groups of parents comprising both men and women. A pre- and post-evaluation was carried out among the participating parents, 110 in total, while the staff and community facilitators leading the groups also gave their feedback. The results, which will be announced in early 2018, will be used to make further improvements and to roll out the method in more countries.

Other results in 2017

- Interns studying Ecological Pedagogy at the University of Applied Sciences of Utrecht/Amersfoort developed more modules for the Parenting Challenge. This concerns such subjects as: the importance of play, sexual education, positive child rearing and the vital role of family. These themes were put forward by partner organizations. The modules were developed under the supervision of Help a Child.
- We held two master classes: one at the University of Utrecht for Master's students of the Youth, Education and Society programme; and one at HU University of Applied Sciences Utrecht for students of a minor in International Development Work about working in emergency settings.
- In Ethiopia, the staff members of our partner organization South West Zone were trained in parenting.
- We supported an ECD programme of the Rwandan government.
- A student in Ecological Pedagogy at the Amersfoort University of Applied Sciences made a module comprising practical lessons for children in an ECD centre.

Our plans for 2018

- Continue and expand our work in the field of Early Childhood Development.
- Make the results of our Parenting measurable.
- Exchange of expertise and applications between the Early Childhood experts from the Netherlands, Malawi and Rwanda.

- Develop a plan to increase the protection of children within the village community and counter violence.

YOUTH AND WORK

Our Youth & Work specialists support programme activities relating to work and income. They do this for all villages where Help a Child is active, with a special focus on young people. The activities are mainly agricultural, as Help a Child predominantly operates in rural areas. We support also vocational training where youngsters receive training from local craftsmen.

Regarding the communities, we are continuing the initiated

policy and are seeking to promote economic development by setting up farmers' organizations, teaching modern farming techniques and establishing lasting trading relations.

Results in 2017

- In Malawi, a new Youth & Work programme was set up to provide young people with jobs in agriculture or related sectors (transport, processing).
- In Burundi, all partner organizations of the ARC programme (see page 60) were trained to apply the method developed within Help a Child. The aim of ARC in the coming years is to help thousands of young people find lasting employment and thus give them a place in the economic structures.



- Further expansion of our programme in Rwanda. In Rwanda we already worked with youth programmes in Bugesera and in 2017 we also initiated an economic programme in the provinces of Rwamagana and Rusizi.
- In Kenya our collaboration with two companies is starting to bear fruit. The programme with Wefi Ltd is exceeding expectations, with several hundred farmers already participating. Unfortunately, the results of the programme with Escop Ltd. are disappointing, so we are going to reconsider this partnership.
- In Uganda, the first preparatory studies have been started to get an economic programme up and running in this country.
- Together with our Indian sister organization HACL (Help a Child India), the economic programmes initiated there are being given further shape.
- The acquired life skills knowledge has been documented in a syllabus that will be used to train young people. In Rwanda, this syllabus has meanwhile been translated into the local context.
- Together with Wageningen University, we are exploring how the knowledge they acquired in Burundi can be integrated into all programmes of Help a Child.

Our plans for 2018

In 2018 the experts will work on the following focus areas:

- Test and learn more about 'climate smart agriculture' in our programmes.
- Further improve and expand existing economic programmes.

COMMUNITY EMPOWERMENT

One central element in the Help a Child approach involves building the knowledge and skills of children, their parents and villages as a whole and thus empower them to look after themselves and each other on an enduring basis. The resources used in this context are awareness, training and the organization of collaborative and mutually supportive groups. This concerns making villagers more conscious of their talents, skills and resources and what they can achieve by working together. To this end, we use participative methods and give special attention to vulnerable groups, such as the poorest households, girls, women and children with a disability.

One effective way of encouraging vulnerable groups to believe in themselves and mobilize their strengths is to organize them into self-help groups. Together they can acquire knowledge and learn skills. They can also save and invest together. The savings and borrowing scheme has great impact: the participants see an immediate and tangible difference in their own family. Moreover, by getting groups to work together at village level, they are also often able to bring about structural changes such as road improvements. In this way, Help a Child is working to develop lasting local capacity and leadership.

Results 2017

- Five partner organizations in three countries received training in helping villages to give people with a disability an opportunity to take part in the village activities and make better use of facilities and services, such as education and healthcare.
- 45 New Cluster Level Associations (CLAs) were set up to represent self-help groups at villages and lobby the government to support the social and economic development of the village.
- 2,461 Self-help groups were trained and served as a platform for the villagers to acquire knowledge and develop skills in order to make a better contribution to the well-being of children and the families.

Our plans for 2018

Attention for:

- The support of people with a disability
- The impact of Cluster Level Associations (CLA) on the social and economic development of households and villages
- Working in groups and the empowering effect of mutual solidarity.

DISASTER RESPONSE

One of the policy intentions in the long-term policy plan is to grow the number of programmes in fragile countries and emergency aid situations and to find sources of funding for these activities. In 2017 we made important progress on this commitment. ECHO awarded us FPA status, thus officially recognizing that we are a partner of ECHO and meet their quality requirements for the implementation of emergency aid programmes. Thanks to our FPA status, we were also able to join the Dutch Relief Alliance, a coalition of 16 Dutch humanitarian aid organizations funded by the Dutch Ministry of Foreign Affairs.

At the same time we developed and adopted our Disaster Response Policy and started its implementation. Key priorities of this policy are to:

- Focus on food security and livelihood, protection and education.
- Focus on children, young people, mothers and pregnant women.
- Strengthen our knowledge and experience by appointing a Disaster Response Coordinator in the Netherlands.
- Seek collaboration in existing alliances, such as the Dutch Relief Alliance and the Christian Emergency Cluster (we are continuing this partnership).
- Our focus in 2018 will be on the Democratic Republic of Congo (DRC) and South Sudan. In these countries we, as Help a Child, want to appoint a representative and experts. We also want to mobilize, reinforce and stimulate the knowledge of our partner organizations in the field of emergency aid.

- In South Sudan, DRC and other countries with ongoing Help a Child programmes, we are positioning ourselves as co-implementor, together with our local partners. If necessary, we will further expand the network of local partners. In the event of emergency situations in other countries, we may, circumstances permitting, also take up this role there, but in such cases we are more likely to act as a donor organization and make our knowledge and expertise available.
- Disaster response funds are subject to specific PMEL standards (see section 2.2). These will be integrated into our PMEL system.

Results in 2017

- Obtained FPA status from ECHO.
- Joined Dutch Relief Alliance.
- Developed proposals for DRA programmes in DR Congo and South Sudan (see also section 3.4).

Plans for 2018

- Appoint disaster response coordinator in the Netherlands, South Sudan and DRC.
- Participate in Joint Response programmes in South Sudan and DR Congo.
- Continue participation within the Christian Emergency Aid Cluster.

2.2 | HOW WE CONTINUOUSLY IMPROVE THE QUALITY OF OUR PROGRAMMES

Our work gives children and families better opportunities for the future. Our donors who support our work are entitled to good feedback on what was achieved with their contributions. In addition, our project teams in Africa and India want to have accurate insight into the effectiveness of their programmes, so that they can use this information to adjust their programmes where necessary and keep improving the quality of their work. For these reasons, we collect data on our results and have our programmes regularly evaluated.

MEASURING AND EVALUATING

Help a Child has developed specific measurement systems with all our partner organizations and within all programmes.

We have defined certain requirements for these measurement systems: they must be reliable and clear. The measurements must indicate whether there has been a real improvement in the well-being of children. In addition, we want to know whether the communities as a whole have become stronger in socio-emotional, economic and political terms. The latter is referred to as community empowerment.

MEASURING THE WELL-BEING OF CHILDREN

Improving the well-being of children is, of course, always paramount for Help a Child. Since 2013, we have applied the 'Child Status Index' in all our projects to gather reliable information on the development of children's well-being over time. A survey based on eleven questions is conducted among children, parents and teachers to measure the status of specific aspects of the children's well-being.

MEASURING DEVELOPMENTS WITHIN THE VILLAGE

Help a Child is convinced that working with groups of people is effective. That is why we want many aspects to be measured at group level, particularly to gauge whether we are genuinely promoting 'community empowerment'. To this end, we have developed our own measurement instrument: a 'scorecard' for groups. Several groups in each village community will be asked to give their views on the progress made in terms of social, economic and political empowerment in their village and give scores for the results.

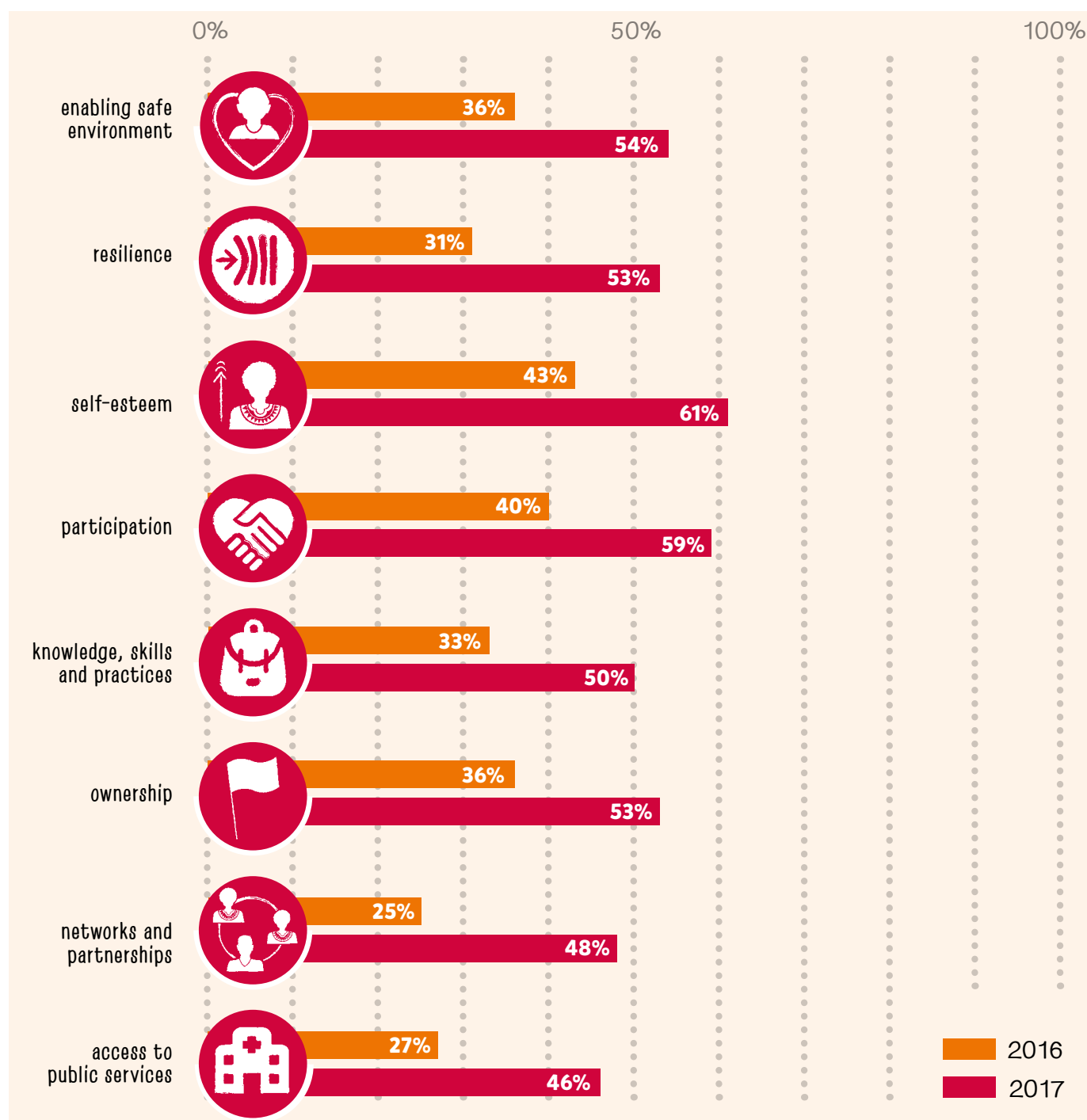
SYNTHESIS EVALUATION

Help a Child has been working to improve the well-being of children since 1968. Since 2011 the focus of our efforts has been on the reinforcement of local communities around children. Building the economic and social resilience of parents and young people is a central objective in this context, so that parents and families can take better care of their children (in-

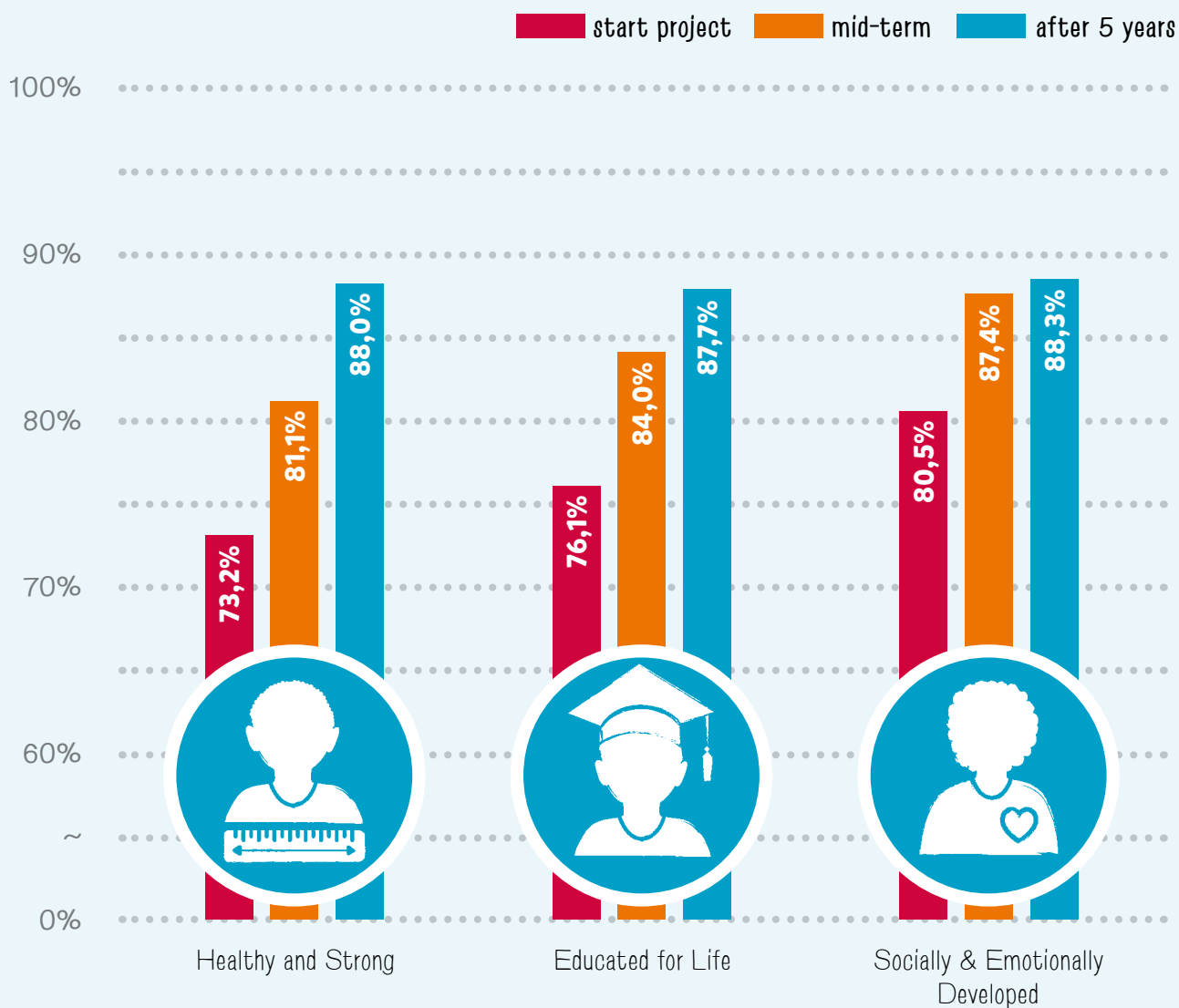
cluding any children they may have in the future). It is crucial to ensure that the results of this approach are enduring. In other words, after Help a Child leaves the area, the initiated progress must be consolidated and continued. Also essential is that the programmes bring about a genuine improvement in the well-being of children and families. We call this impact. Help a Child does everything in its power to achieve enduring impact. To demonstrate this, also to our donors, we commissioned an external evaluation of our programmes in 2017. This

comprised an assessment of all our internal evaluations since 2011. In addition, a measurement was carried out to ascertain the results of four completed programmes (in Rwanda, Uganda and India) and see how the communities have fared since we left. This evaluation will continue until the beginning of 2018. The first summarized results are already known and are shown in the infographic below. The complete results will appear in a separate insert with this annual report and can also be viewed at www.helpachild.org/impact.

COMMUNITY EMPOWERMENT SCORES IN ALL CHILD-RELATED PROJECTS



WELL-BEING OF CHILDREN (% OF CHILDREN WITH AN AVERAGE/GOOD SCORE)





SOCIALLY AND EMOTIONALLY DEVELOPED

In Zilakoma (Malawi) villagers enthusiastically work towards a better future for their children. What is their motivation? Putting a stop to illiteracy and poverty so they are not passed on to the next generation. Together they baked hundreds of bricks and built a pre-school / kindergarten. The project was very necessary because little children had to walk two hours both ways to get to the closest primary school. It meant that children could only start going to school when they were old enough to walk this distance. Help a Child helped with the roof and with training the supervisors. Thanks to the pre-school/kindergarten, children can develop all areas in the crucial first years of life, learning in a playful manner. And it turns out that children who have this foundation do a lot better in primary school.

MARIA (MEMBER OF THE PARENT COMMITTEE):

“My children don’t want to stay at home any more, they love coming here so much. Every morning they say, ‘Mummy, mummy, take me to school’ and they run to get there. I am so proud of what we have achieved with the other parents.”

CHAKWANTHA (HEAD OF THE VILLAGE):

“This area was a forest first, now there is a centre there. I am thankful that my people have picked up the idea of group work. Together they are committed to our children. I have never seen something like this in my village before and it makes me extremely proud!”



SYRIA:

€ 139,050 spent
1,492 children supported

IRAQ:

€ 51,500 spent



SOUTH SUDAN:

€ 455,097 spent
27,902 children supported



RWANDA:

€ 869,087 spent
40,090 children supported



D.R. CONGO:

€ 223,620 spent
888 youth supported

2.3 | OUR PROJECT COUNTRIES

In this section we set out the most important results of our programmes in 2017 and our plans for 2018 for each country.

The borders are approximations and do not represent a political position.



INDIA:

€ 1,331,876 spent
31,306 children supported

BANGLADESH:

€ 45,320 spent
on support to Rohingya

ETHIOPIA:

€ 155,231 spent
6,970 children supported



KENYA:

€ 1,314,844 spent
17,733 children supported

UGANDA:

€ 262,249 spent
9,539 children supported



BURUNDI:

€ 995,601 spent
15,369 children supported



MALAWI:

€ 692,548 spent
12,960 children supported

ZAMBIA:

€ 153,547 spent
2,576 children supported



BURUNDI



15,369
CHILDREN
SUPPORTED



33
CHILDREN'S
CLUBS



570
SELF-HELP
GROUPS



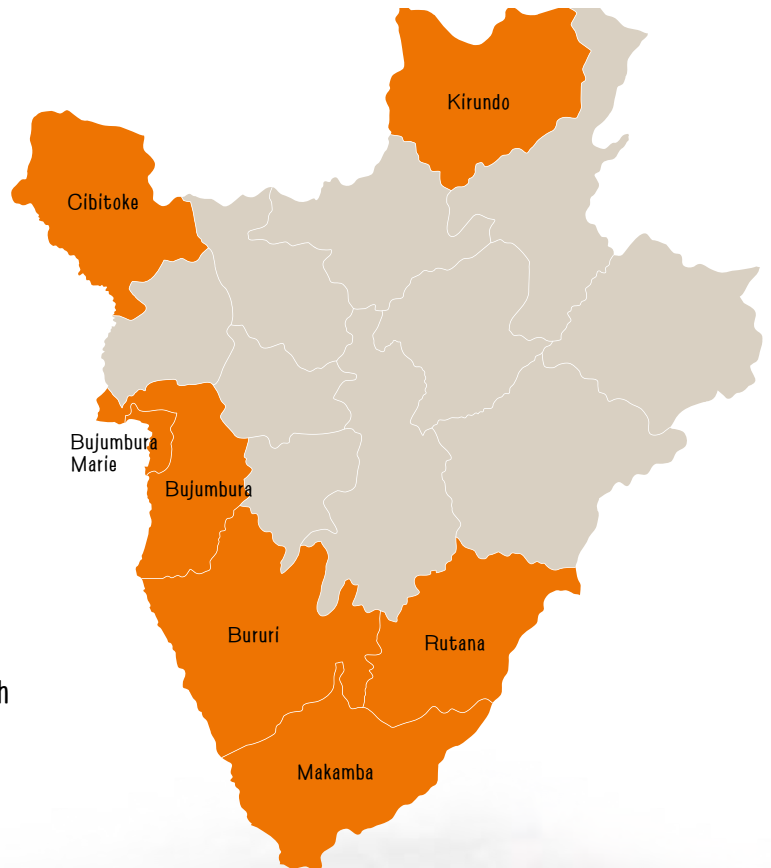
1,155
YOUNG PEOPLE
SUPPORTED



16,769
ADULTS
SUPPORTED

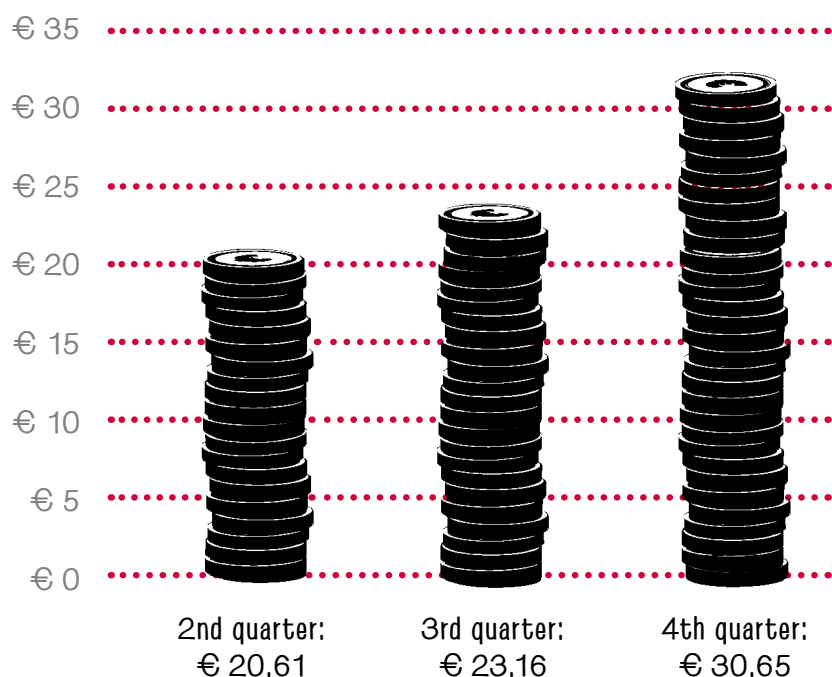
Together with local and international organizations, Help a Child participated in three programmes: two community programmes and 'Building Bridges in Burundi', a programme that is funded by the Dutch Ministry of Foreign Affairs and is aimed at empowering young people and vulnerable communities:

- Kirundo: community programme in collaboration with FECABU (2015-2022)
- Cibitoke: community programme in collaboration with Help Channel Burundi (2015-2021)
- Bururi: community programme in collaboration with Help Channel (2011-2019)
- Cibitoke, Kirundo, Bujumbura, Rutana, Makamba and Bujumbura Marie: BBB programme, carried out by a consortium of 14 local and international organizations, coordinated by Help a Child.



SHG SAVINGS PER QUARTER (AVERAGE PER SHG)

In Burundi new Self-help Groups (SHGs) are established. In the second quarter they started saving, with the objective of increasing the group capital and thereby creating room for investments in small businesses.



Highlights in 2017

- Despite many challenges, Help a Child was able to establish an office in Burundi for the effective coordination of the various programmes and the better support of our partner organisations.
- The contract with the Ministry of Youth, Sports & Culture in Burundi was signed, marking the start of the BBB programme at national level.
- 355 self-help groups were set up, enabling over 11,000 villagers to work on the improvement of their social and economic position.
- We worked in various ways to promote peace and reconciliation: we gave workshops for religious leaders, set up local committees for good government together with the population and appointed 121 psychosocial counsellors as well as 38 people as points of contact for reporting violations of human rights. Over 2,300 incidents already have been reported.

Plans for 2018

- We plan to further expand the BBB programme and optimize the collaboration between the various members of the consortium.
- Operating from the country office, we aim to increase our visibility in order to do much more meaningful work for young people, children and vulnerable communities in this fragile country.



COUNTRY OFFICE BURUNDI:



Clement Nkubizi
Country Program Director



Pamela Yengayenge
Program Manager Youth and Work (since 2018)



Sandrine Zicot
Program Manager



Beatrice Niyungeko
MEAL Coordinator



Cynthia Keranda
Finance Manager (since 2018)



ETHIOPIA



6,970

CHILDREN
SUPPORTED



79

SELF-HELP
GROUPS



54

FARMER GROUPS



342

YOUNG PEOPLE
SUPPORTED



2,544

ADULTS
SUPPORTED

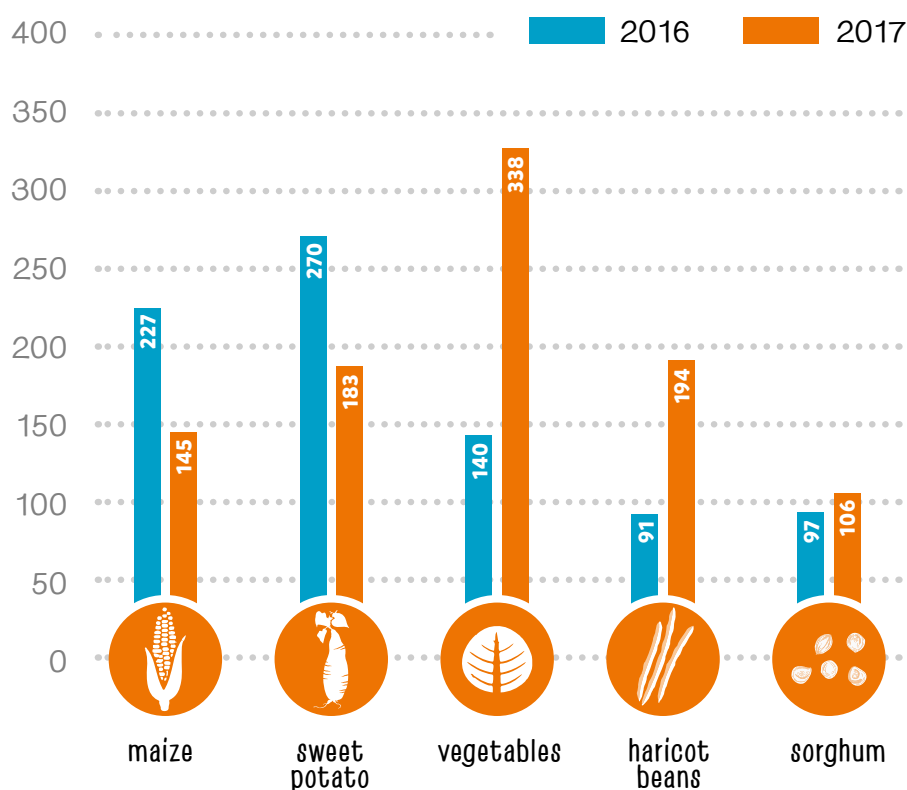
In Ethiopia Help a Child worked in two areas together with our partner organization Ethiopian Kale Heywet Church (EKHC):

- Community programme in Arba Minch with EKHC South West Zone (2012-2020)
- Community programme in Debre Zeit with EKHC Kuriftu (2011-2017)



AVERAGE YIELD PER FARMER (IN KILOGRAMMES)

In Arbaminch (SWZ) the yield has been good despite the tough climatic conditions this year. The focus on cultivation of maize, sweet potato and wheat has changed to other crops with more diverse nutritional value such as haricot beans. Hereby children get a better nutritional meal every day, and these crops even have a higher profit! The graph below shows the yields per crop in 2016 and 2017 (in kilogrammes).

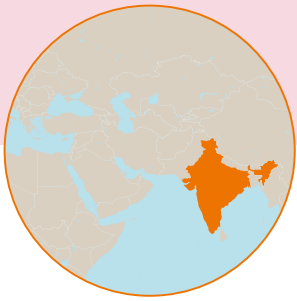


Highlights in 2017

- In the self-help groups we spoke with parents about the importance of education for their children. Parents are now more positive about the importance of education. They are willing to invest in education and burden children less with household chores.
- Families received training in cattle and poultry breeding and rearing. The aim is twofold: more income and better food.
- Two water stations were made together with the community, giving 838 families access to clean and safe drinking water.
- Two Early Childhood Development centres were built and equipped, creating a safe and stimulating learning environment for 80 young children.
- The EKHC Kuriftu programme was successfully completed, bringing an end to a 26-year partnership. Many activities could be transferred to the community, thus ensuring the continuation of the work.

Plans for 2018

- Expand the parenting programmes: subjects such as health, nutrition, education but also communication and child rearing styles within the family can be discussed here.
- Continue the training programmes for helping farmers to improve their crop yields. Nature conservation techniques will be transferred. Training in cattle and poultry farming will be given to new families.
- We will continue the activities to improve the education of young children.



INDIA



31,306
SUPPORTED
CHILDREN



290
CHILDREN'S
CLUBS



157
SELF-HELP
GROUPS



70
YOUTH GROUPS



13,560
ADULTS
SUPPORTED

Together with our sister organization Help a Child of India (HACI) and in cooperation with seven local partners we support twelve community programmes and five children's homes for children with disabilities.

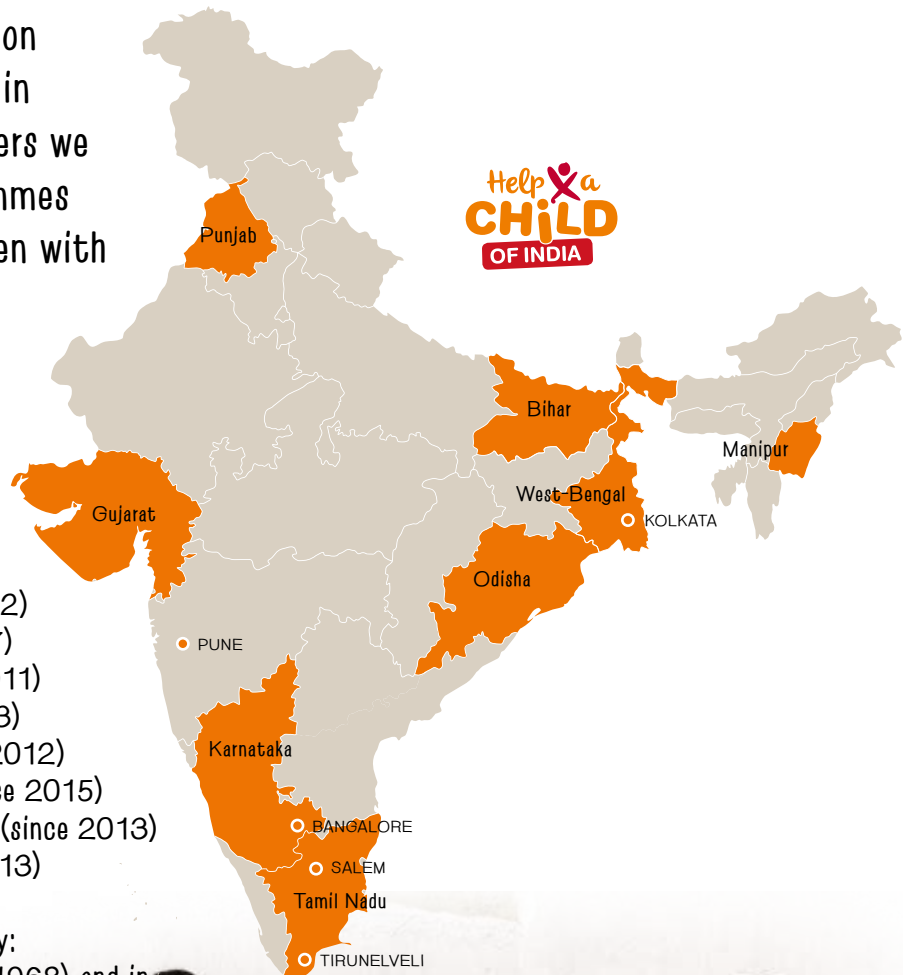
Community programmes:

- Tamil Nadu: in Pennagram with Bethel (since 2013) and in Poondi with HACI (since 2014)
- Odisha: in Gajapati with CNI (since 2012), in Kalahandi with HACI (since 2010), in Koraput with HACI (since 2012) and in Nabrapur with HACI (since 2017)
- Bihar: in Madhepura with HACI (since 2011)
- Gujarat: in Dangs with HACI (since 2013)
- Karnataka: in Raichur with HACI (since 2012)
- West-Bengal: in Kolkata with HACI (since 2015)
- Manipur: in Chuchandpur with RPC-NEI (since 2013)
- Punjab: in Amritsar with HACI (since 2013)

Children's homes voor children with a disability:

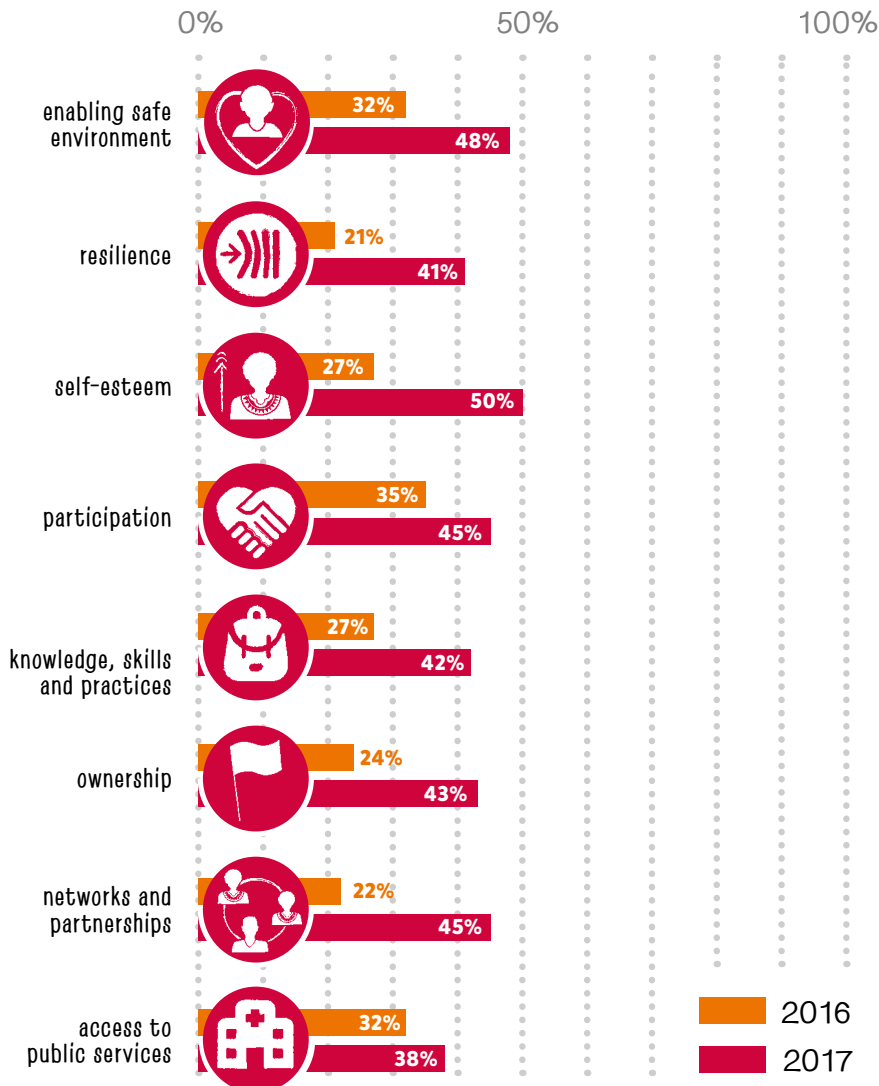
- Tamil Nadu: in Salem with Bethel (since 1968) and in Tirunvelli with SOH (since 1986)
- Karnataka: in Bangalore with Gerizim (since 2003)
- West-Bengal: in Kolkata with DFK (since 2006)
- Maharashtra: in Pune with MFD (since 2008)

Anitha Methodist School:
100 school going children



COMMUNITY EMPOWERMENT IN INDIA

In every community various groups measure the social, economic and political empowerment of the community. Every group develops action plans based on their measurement for adequate follow-up.



Highlights in 2017

- Children participated in all kinds of activities to build their character and develop their leadership skills. These children are now essential agents of change in their community.
- In Madhepura children had a conversation with the local leaders and advocated for a new road to their school. It is now much easier to reach the school.
- Unemployed youth were involved in vocational training and were assisted in finding a job.
- Parents of young children were trained in income generating activities. Now they can feed their children well and are able to pay the school expenses.
- We provided relief aid to 2009 children of which almost 600 sponsor children in Bihar, Madhepura.

Plans for 2018

- We plan to train more parents with young children and involve public health services to scale up.
- We aim to set up more children's groups to coach and counsel children.
- We train business skills and other skills of youth. They can use these skills to start up income generating activities
- We plan to investigate which crops have market potential and train farmer groups in cultivating these crops. We link the farmers with companies to set up a value chain.
- We plan to inform children, teachers and local leaders about how to be prepared for future disasters such as floods.



KENYA



17,733

CHILDREN
SUPPORTED



146

CHILDREN'S
CLUBS



476

SELF-HELP
GROUPS



1,923

YOUNG PEOPLE
SUPPORTED

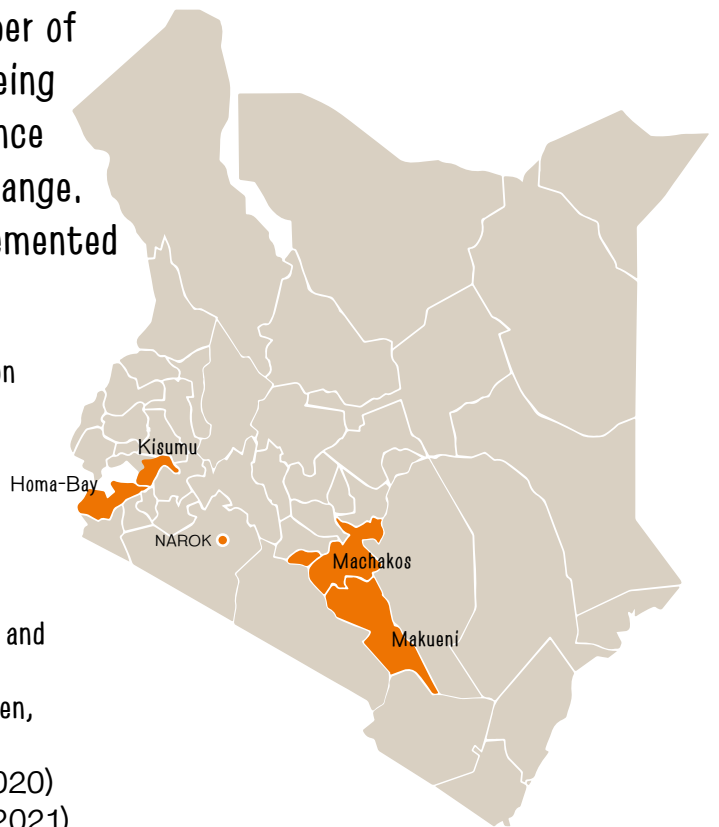


10,705

ADULTS
SUPPORTED

In Kenya, Help a Child implemented a number of projects geared towards improving the wellbeing of children and young people through difference approaches as guided by HAC Theory of Change. Under the period review, HAC Kenya implemented projects in the below sites:

- Kisumu: community programme in Tamu in collaboration with AICCAD (2014-2021)
- Homa Bay: community programme in Gwassii with extra emphasis on economic development, in collaboration with the Undugu Society of Kenya and WEFI (2015-2022)
- In Homa Bay Help a Child and local partner USK are participating in the 'Strategic Partnership Convening and Convincing project', (subcontract via ICCO/Prisma), aimed at increasing employment opportunities for women, young people and people with a disability.
- Machakos: community programme in Matuu (2013-2020)
- Makueni: community programme in Mavindini (2013-2021)
- Narok: Siyiapei Rescue Center (since 1979)



COUNTRY OFFICE KENIA:



Racheal Kigame
Country Program Director



John Otini
Senior Program Manager



Calvince Odhiambo
Accounts Assistant



Jane Mugure
Communication Coordinator



Doreen Mutyota
Finance Manager



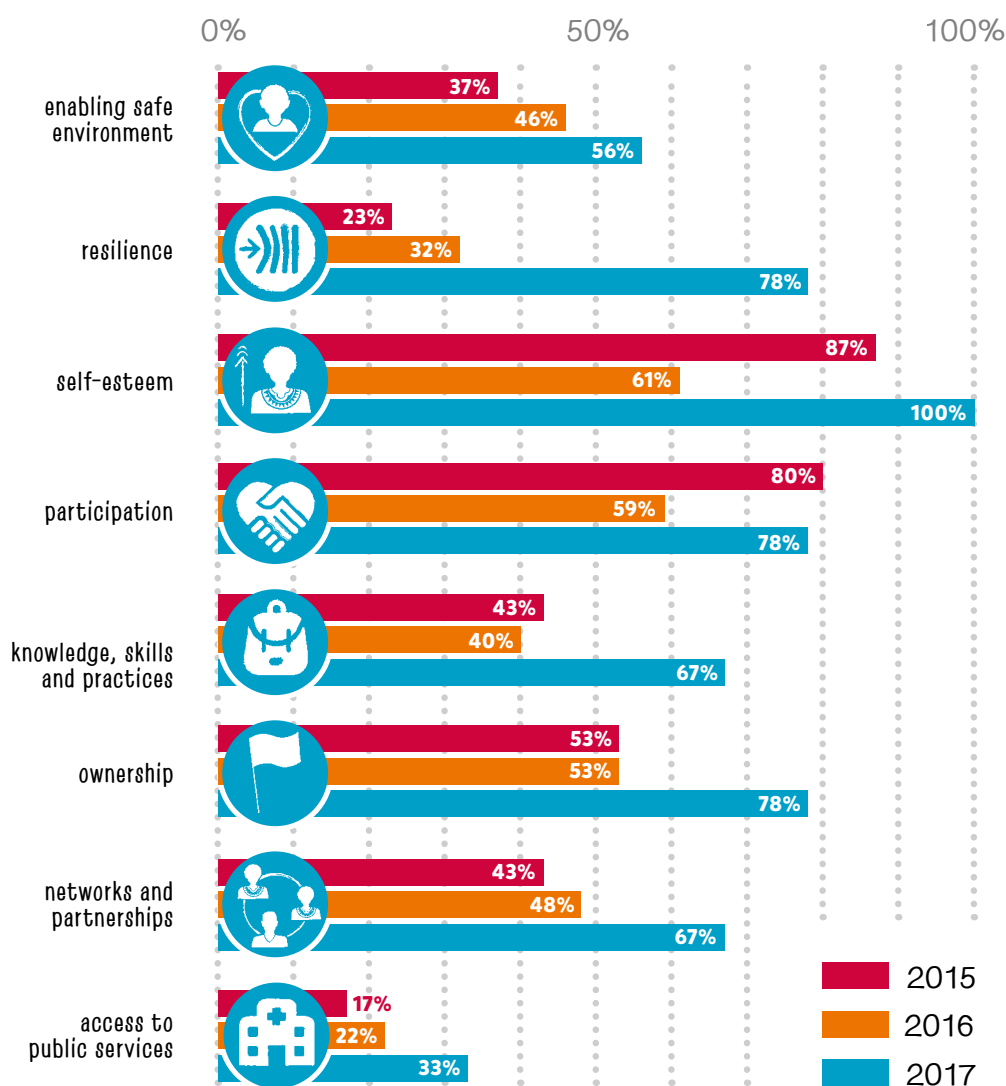
Claire Mukoshi
Sponsorship Coordinator



Arnold Ongo Nyandiko
Driver / Logistic support (Nairobi)

COMMUNITY EMPOWERMENT IN GWASSI

In every community various groups measure the social, economic and political empowerment of the community. Every group develops action plans based on their measurement for adequate follow-up.



Highlights in 2017

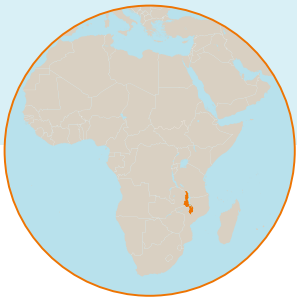
- In Matuu and Mavindini the economic component was piloted with the aim of improving food security and income opportunities of households through the farm input micro-credits for poultry rearing which also include the extension services and farmer training.
- The Help a Child team in Nairobi is fully manned and the very first integrated country plan was completed and will be set in motion at the start of 2018.
- Heightened political tension persisted for the better half of the year with nullification of initial election results as well as a repeat election in the same year, slowing the implementation of project activities.

Plans for 2018

- As part of our strategic choices for 2018, HACA has selected three priority areas of focus - child development, youth and work and community resilience building.
- In 2018, our priority is to strengthen HAC's visibility and brand both at county and national levels. This is crucial in laying firm foundation for a stronger local resource mobilization strategy.
- Mainstreaming disability inclusion in HACA programming shall be strengthened going forward so that disability and lobby & advocacy are cross cutting themes in all the projects.

PROGRAMME AREAS:

1:	 <p>Alex Kinanu Project Coordinator - Matuu</p>	 <p>Philip Mbithi Project Officer - Matuu</p>	 <p>Christine Kasina Project Officer - Matuu</p>
2:	 <p>Jennifer Waema Project Coordinator - Mavindini</p>	 <p>Jackline K. Musyoka Project Officer - Mavindini</p>	 <p>Dorcas N. Mwalili Project Officer - Mavindini</p>
3:	 <p>Godfrey Omondi Ouna Program Coordinator - GICEP</p>	 <p>Alphonse Bolo Driver/Field Assistant - GICEP</p>	



MALAWI



12,960
CHILDREN
SUPPORTED



161
FARMER GROUPS



1,703
YOUNG PEOPLE
SUPPORTED



12,675
ADULTS
SUPPORTED



2,500
EMERGENCY AID
PERSONS

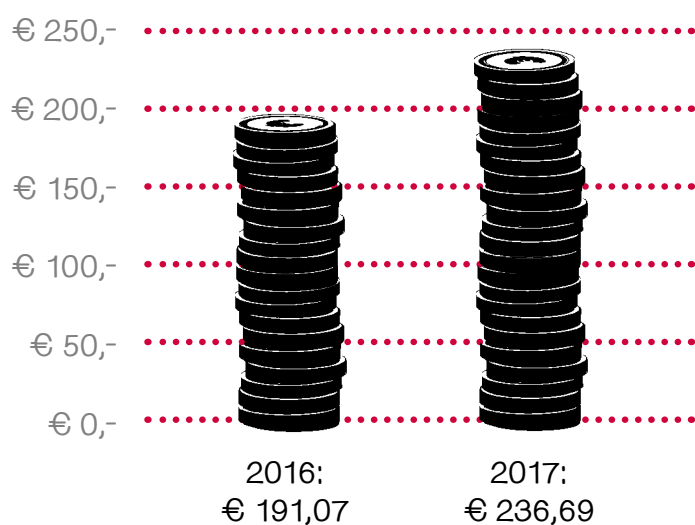
In Malawi we worked with three partner organizations on the following projects:

- Mzimba: a community programme and an disaster response programme 'ENHANCE' phase II in Mwelwa with WACRAD and NASFAM (2015-2020)
- Mzimba: Community initiative for an HIV-free generation in Luwerezhi with LISAP and with funding from the Positive Action for Children Fund (PACF, 2015- 2018)
- Nkhata Bay Community programme and 'Youth Active in Climate Smart Agriculture' in Zilakoma with LISAP and NASFAM (2015-2020)



AVERAGE SELF-HELP GROUP SAVINGS (PER YEAR)

The SHGs in Malawi continue to grow their capital. This group capital can be used by members in the form of a loan, and these loans are returned with interest. The amount of loans are increasing every year and thereby members can invest more and more in their businesses. In this way economic resilience is noticeable. And the good thing is that Help a Child only facilitates this process, we have not contributed financially at all.



**COUNTRY OFFICE
MALAWI:**



Erine Dijkstra
Country Program Director



Roreen Mzembe
Program Manager ECD



Tiwonge Msonda
Program Manager Youth and Work



Dunia Magwira
Finance Officer (since 2018)

Highlights in 2017

- In 2017 we got the newly opened Help a Child office in Malawi fully up and running. Two programme managers were recruited: one for Early Childhood Development and one for Youth & Work.
- A pilot programme was started up to promote agriculture among young people. Young people receive training in agriculture, entrepreneurship and other skills.
- Help a Child and partners have made further steps towards the professionalization of the Early Childhood Development programme. Three staff members have been certified as ECD trainers by the Malawi government. They will be training ECD caregivers in the community early childhood development centres.
- Phase II of the emergency aid programme ENHANCE went well. Farmers were helped to diversify and apply new techniques. The maize harvest, for instance, was significantly better, despite an army-worm plague.
- In Luwerezhi we achieved good results with our approach for pregnant women. By testing pregnant women and providing them with support from 'mother buddies', transmission of HIV from mother to child was prevented in 100% of the cases. At the start of the programme, the prevention rate was only 51%.

Plans for 2018

- We want to further expand the training for parenting groups which we started in 2017. More modules are being developed and the existing modules are being improved based on lessons learned.
- We will train and obtain government recognition for the caregivers at the early childhood development centres which the communities have set up. In 2018 we want to keep a closer eye on the nutrition and health of young children.
- We are working with FEDOMA (Federation of Disability Organisations in Malawi) to involve children with a disability in our activities. FEDOMA trains our partner organizations and caregivers at Early Childhood Development centres.
- The programme in Luwerezhi will be completed in March 2018. We hope to obtain funding for a follow-up programme in order to help many more pregnant women and to give young people sexual health education and prevent unintended pregnancies.
- In Zilakoma we want to train 200 young people in the groundnut value chain in order to expand their businesses and income. The community programmes help families to improve their crops and make farmers more resilient to cope with the effects of climate change.



UGANDA



9,539

CHILDREN
SUPPORTED



81

CHILDREN'S
CLUBS



162

SELF-HELP
GROUPS



649

YOUNG PEOPLE
SUPPORTED

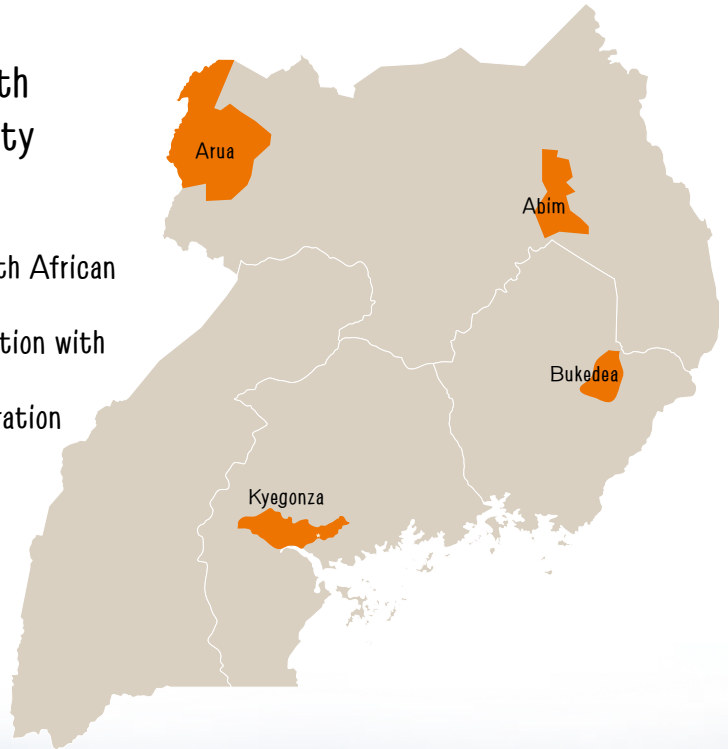


4,292

ADULTS
SUPPORTED

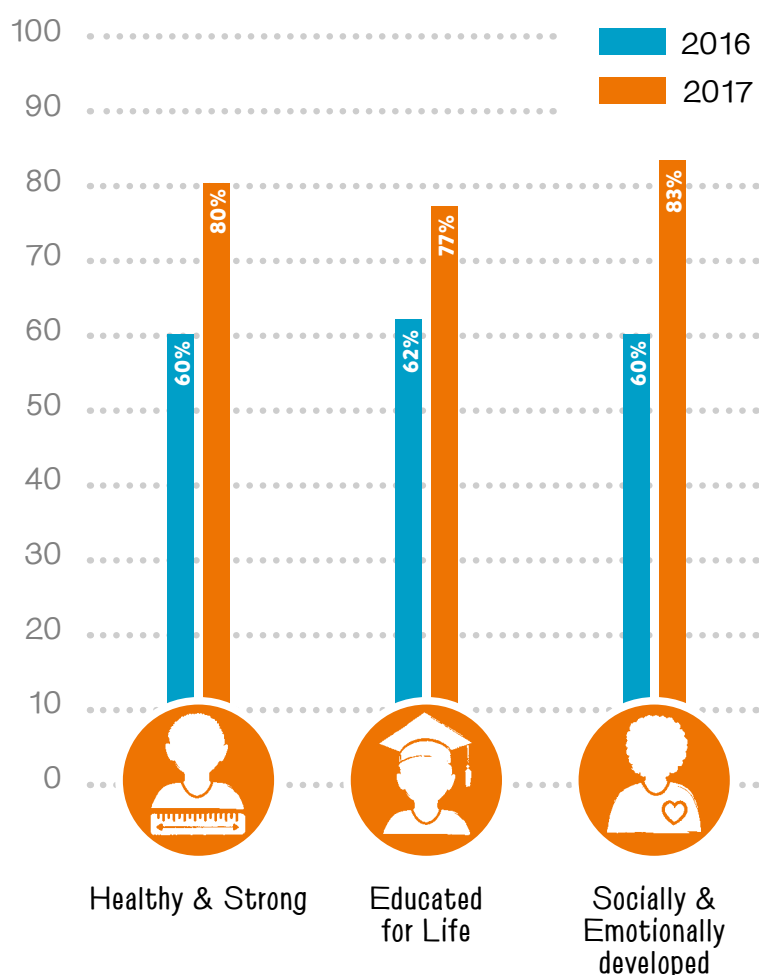
Help a Child works in Uganda together with two partner organizations on five community programmes:

- Kyegonza: community programme in collaboration with African Evangelistic Enterprise Uganda (2011-2017)
- Bukadea: community programme in Kolir in collaboration with Share an Opportunity (2011-2017)
- Abim: community programme in Karamoja in collaboration with Share an Opportunity (2017-2023)
- Abim: Since 2017, we have been involved in the 'Strategic Partnership Convening and Convincing project', (subcontract via ICCO/Prisma), aimed at increasing employment opportunities for women, young people and people with a disability
- Arua: community programme in Arivu in collaboration with African Evangelistic Enterprise (2016-2022)



INCREASED CHILD WELLBEING FROM START TO PHASE-OUT OF THE PROJECTS.

In Uganda two projects have been phased-out this year. In both projects, we can clearly see an increased level of child well-being, looking at their health, education and social-emotional development. We measure child wellbeing through three lenses, physical wellbeing (healthy & strong), cognitive wellbeing (educated for life) and social and emotional wellbeing. There is still room for improvement, but Help a Child believes that after phase-out further improvement will be seen, since the communities have built their resilience and can better take care of themselves and their children.

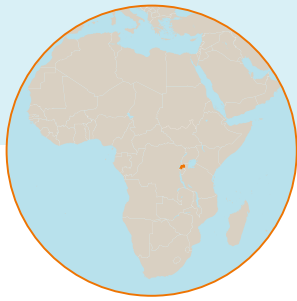


Highlights in 2017

- The community programme in Kolir was completed! Important outcomes are that the communities now recognize the importance of children's rights and that young people and families can clearly earn more money thanks to our technical and vocational education and training programmes.
- In Abim our partner organization Share an Opportunity forged strong relationships with the local leaders and government departments in the area. This is a key condition for the success of the new community programme.
- In Abim 30 self-help groups, 8 youth groups and 35 children's clubs were formed. All have started their activities with great enthusiasm.
- In Arivu children with a disability became child ambassadors in our sponsorship model. This helps parents to openly discuss their child's disability.
- Thanks to the short lines between the partner organization and the local government, the population of Arivu relies on the new project.

Plans for 2018

- We want to promote the health of children. Among other things, we are going to inform 1,500 families how to prevent contracting disease from unsafe drinking water. Health workers are trained in child nutrition and primary care. We are also working to make health services better known and accessible in the area.
- Vulnerable children must be protected. That's why we want to make adults aware of the rights that children have and are setting up a structure to protect these rights. Naturally, we also tell the children about their rights and duties. This is done at the children's clubs.
- 1,500 households will receive instruction on their land rights and training in agricultural techniques. And 150 children who were no longer at school will receive vocational training.
- In Arivu we plan to set up three early childhood development centres and to train the caretakers.
- We aim to reinforce the existing teacher-parent committees in Arivu in order to help them to discuss the nutrition programme at school.
- We plan to give vocational training to 100 young people in Arivu.



RWANDA



44,090
CHILDREN
SUPPORTED



46
ECD CENTRES



806
SELF-HELP
GROUPS



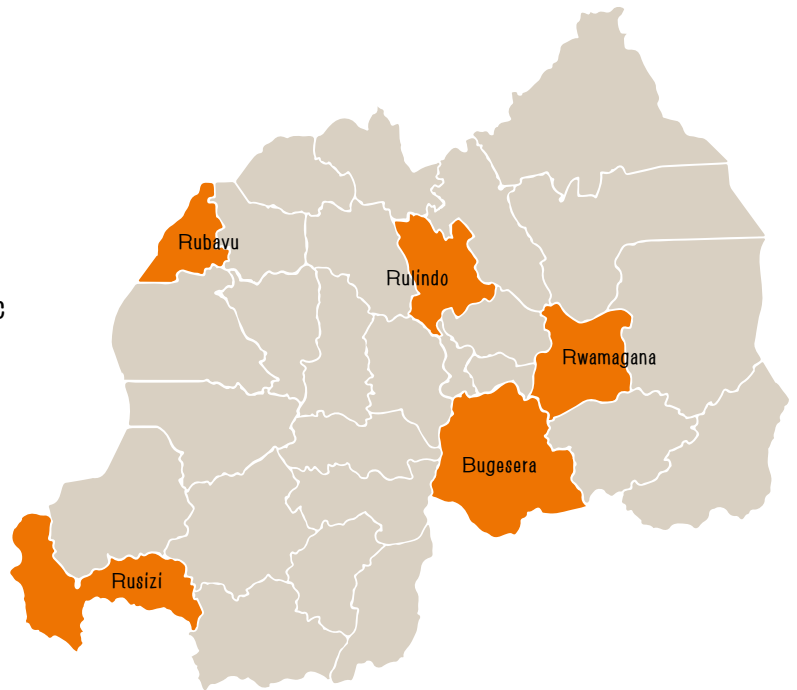
52
CLA'S



15,565
ADULTS
SUPPORTED

In 2017 we worked with three local partners on community programmes in these five areas:

- Rulindo: in collaboration with Bamporeze (2011-2017)
- Rubavu: together with the African Evangelistic Enterprise (since 2010)
- Rwamagana: with Église Presbytérienne au Rwanda (since 2013)
- Bugesera: in collaboration with the African Evangelistic Enterprise (since 2010)
- Rusizi: together with the African Evangelistic Enterprise (since 2016)



COUNTRY OFFICE RWANDA:



Jean-Claude Nshimiyimana
Country Program Director (since 2018)



Emily Gilkinson
Program Manager
ECD



Ezekiel Rukema
Program Manager
Youth and Work



Jean Marie Vianney Habiwaremye
Finance Officer
(since 2018)

PROGRAMME AREAS:



Jean Bosco Nirere
Early Childhood Education Mentor



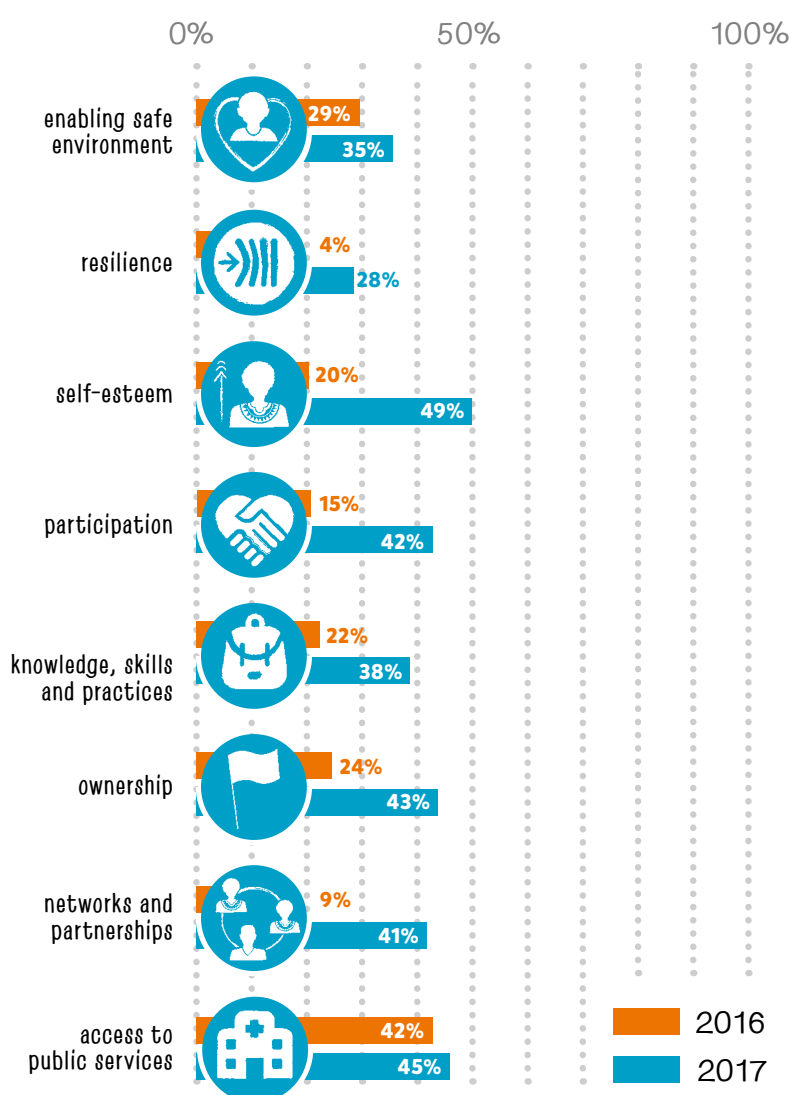
Telesphore Nizeyimana
Early Childhood Education Mentor



Louis Pascal Habimpano
Early Childhood Education Mentor

COMMUNITY EMPOWERMENT IN FOUR DISTRICTS IN RWANDA

In all projects in Rwanda where we measure the community empowerment a positive trend can be noticed. In the early phases of a project mainly the knowledge, participation, self-esteem and ownership increase, followed by resilience, networking and access to public services on the longer run. So overall you can see that communities unleash their potential and become stronger and stronger every day.



Highlights in 2017

- In eleven early childhood development centres we started a training programme for parents of children aged 0 to 3 years. Fathers and mothers of 165 families gathered together in weekly meetings to learn more about good nutrition, health, the importance of love and attention, playing and education.
- Help a Child expanded the cooperation with teacher training programmes to help existing and future teachers give young children the care and support they need. Amongst other things, we gave a three-day training course, coached teachers in the classroom and appointed three 'Early Childhood mentors' to coach students of various teacher training programmes.
- In Bugesera, Rwamagana and Rusizi we took stock of the types of disabilities that occur among children. This is the first step towards maximizing these children's involvement in our programmes!
- 273 young people learned a range of skills: from shoemaking to beekeeping and from welding to carpentry. These young people now have a much better chance in the labour market.

Plans for 2018

- The parenting courses were a success and will therefore be given to 285 new families in 2018.
- We want to develop quality standards for infant and nursery schools. Three of these schools will be built in 2018.
- Our 'Early Childhood' mentors are going to work intensively with teacher training colleges to strengthen their knowledge and approach to teaching and caring for young children.
- Children's clubs are being set up in Rwamagana and Rusizi, where children can improve their skills and build self-confidence. Children with a disability can also take part in these groups.
- Youth group members will receive training in life skills and entrepreneurship so that they become prepared to start and manage their own businesses.
- In Rwamagana and Rusizi we are going to explore which crops have the most market potential. Based on the findings, we will enter into partnership agreements with local businesses and put them in touch with small-scale farmers.



ZAMBIA



2,576
CHILDREN
SUPPORTED



90
CHILDREN'S
CLUBS



30
SELF-HELP
GROUPS



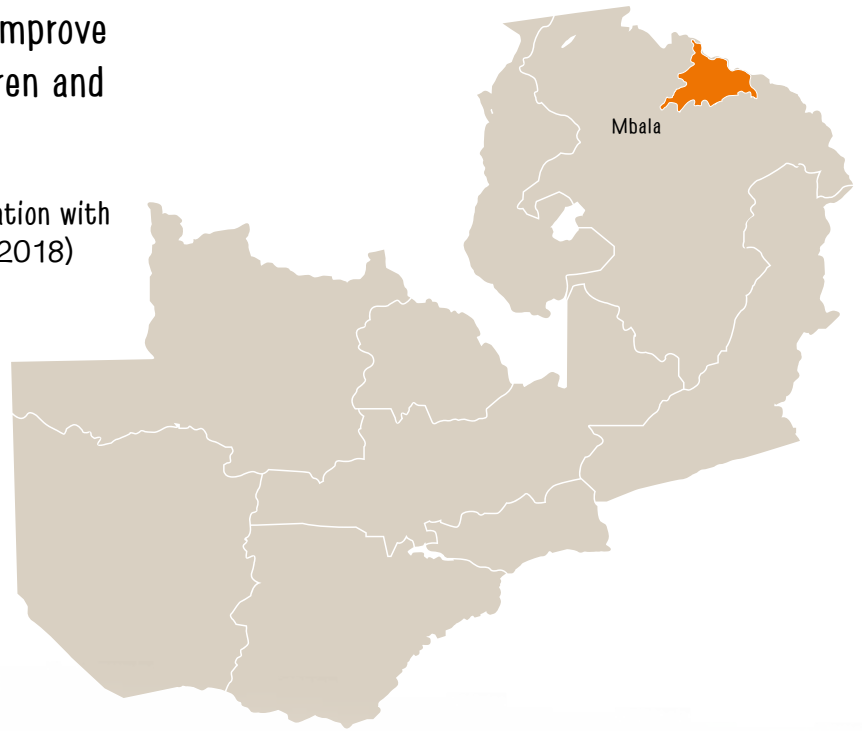
4
CLA'S



882
YOUNG PEOPLE
SUPPORTED

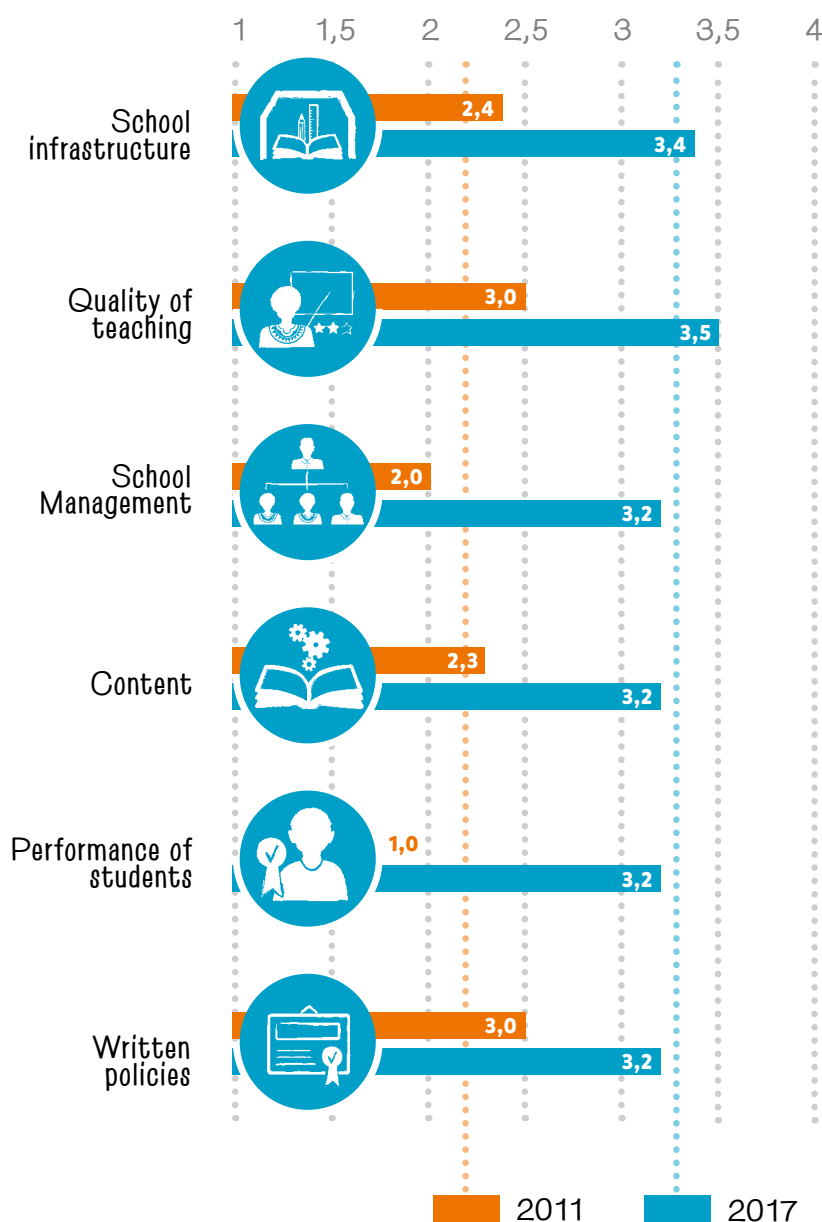
Help a Child works in Zambia to improve access to good education for children and young people in:

- Mbala: community programme in collaboration with our partner organization ROCS (2009-2018)



THE QUALITY OF EARLY CHILDHOOD EDUCATION IN ZAMBIA (ON A SCALE OF 1 TO 4)

Yearly the quality of schools and ECD Centres is measured in Mbala, North-East Zambia. Together with parents and teachers a scorecard is filled regarding the quality of education. Every year quality of the schools is further increased.



Highlights in 2017

- Early childhood development centres form part of the community activities in Mwamba, Kalala, Mutwizi and Ntenda. The communities have really embraced this approach.
- 23 teachers have been trained in pedagogical skills and classroom management. The schools are increasingly working in partnership with the government. Among other things, the government appointed four extra trained teachers at the schools in Mutwizi and Ntenda.
- Twenty farmer groups were put into contact with the Ministry of Agriculture in order to get the training they are entitled to. This has helped them to apply better agricultural methods. In addition, almost all self-help groups received training to help them improve the yields from their land.
- In Mutwizi the health centre has been handed over to the Ministry of Health. About 5000 inhabitants from thirteen communities benefit from this health centre.

Plans for 2018

- 2018 is the final year of our community programme in Mbale. We have worked towards the completion of the programme together with the communities. They will soon be able to continue these activities on their own!
- The project team, together with the committees, made hand over plans for coordination roles. The project teams will still be walking alongside the committees and encourage them in their role to continue with the initiatives in their own strength.
- To boost the economic growth of self-help groups and farmers the project is linking the groups with market players in Horticulture. The focus will be on tomato's unions and fresh beans. Training for community based agro dealers in extension services will be done in collaboration with SNV.
- The teachers receive further coaching to ensure that the lessons learned are properly applied in the classroom. Monitoring will take place through classroom observations and a system will be set up to keep the teachers' competencies up to scratch.
- We will document the results and lessons learned during the past ten years and share these with sponsors and donors, the government of Zambia and other stakeholders.



SOUTH SUDAN



27,902
CHILDREN
SUPPORTED



52
CHILDREN'S
CLUBS



9,876
ADULTS
SUPPORTED



8,016
DISASTER RELIEF
CHILDREN



22,902
DISASTER RELIEF
ADULTS

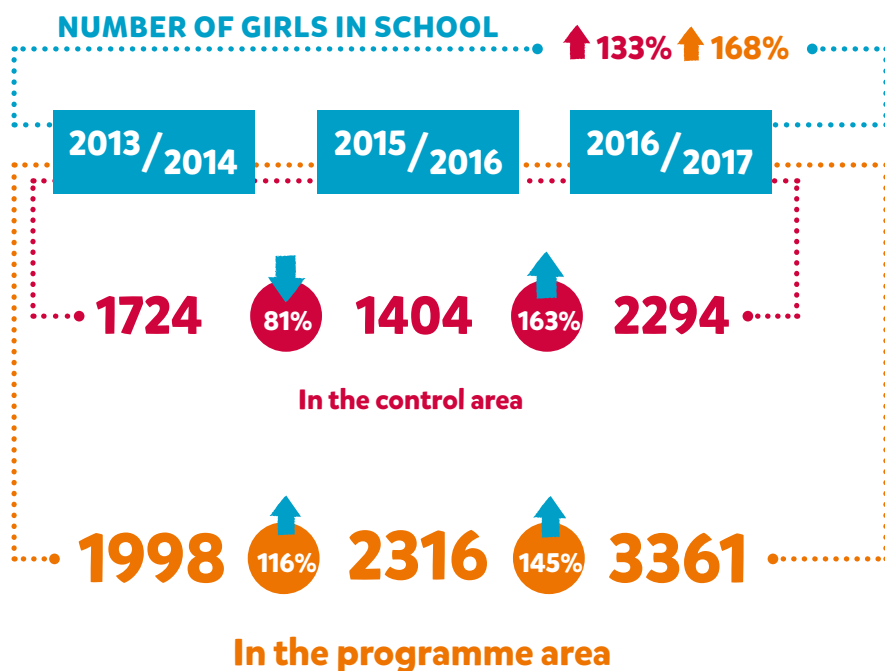
Together with partner organization
ACROSS we worked in South
Sudan in the following areas:

- Rumbek East County: 'What's Up, Girls?!' (improving educational opportunities for girls), in collaboration with ACROSS and with support from UKAID (2013-2017)
- Rumbek East County: Emergency aid programme (2017)
- Kajokeji County: Emergency aid programme (2017)



NUMBER OF GIRLS IN SCHOOL

The What's up Girls?! programme in South Sudan aims to increase the number of girls in school. Many girls don't go to school. This is often due to conflict or because parents or brothers do not allow them to go. To determine the effect of the project we measured the school attendance of girls. Also the retention and the performance of girls-in-school were measured.



Gift Thom Banda
Country Representative (since 2018)



Lucy Osuo
Senior Protection Officer
(since 2018)



Martino Gismalla
Protection Officer
(since 2018)



Dut Agany
Protection Officer
(since 2018)



Susan Angwech
Finance Officer
(since 2018)

Highlights in 2017

- We look back on the successful conclusion of the 'What's Up, Girls?!' programme. No fewer than 3361 girls are going to school! They have become more self-confident and, thanks to changed perceptions, can now count on support from their parents, teachers and the boys in their class.
- Widespread unrest in Sudan unfortunately meant that disaster relief was necessary. We are pleased that we were able to provide the required aid in two areas. Thousands of children and their families received extra food.
- In 2017 Help a Child joined the Dutch Relief Alliance and was closely involved in the development of a number of disaster response projects that will be rolled out further in 2018.

Plans for 2018

- Together with Dutch and local organizations we want to set up several new (disaster response) projects: in Lainya our emphasis is on nutrition and food security, in Wau our focus is on the protection of children and families and in Aweil North we are working with Dorcas on a comparable disaster response programme.
- We want to register Help a Child as an organization in South Sudan as this is expected to make it easier to implement and coordinate the various projects.
- We are awaiting the outcome of a proposal that we have submitted to UK Aid. If successful, we can set up a new girls' education programme in collaboration with our partner organization ACROSS.



D.R. CONGO



888
YOUNG PEOPLE
SUPPORTED



56
YOUTH GROUPS



1,120
DISASTER RELIEF
ADULTS



15
SELF-HELP
GROUPS

In the Democratic Republic of Congo, we worked with various partner organizations in South Kivu:

- Youth & Work programme, in collaboration with ADED (2016 – 2018)
- Youth & Work programme, in collaboration with Help Channel Congo (2016 – 2018)
- Humanitarian aid in and around a refugee camp in South Kivu, in collaboration with ADED and Help Channel (2016-2017)



Kenze Ndamukenze
Country Representative (since 2018)



Jean-Pierre Dz'bo
Finance Officer
(since 2018)

Highlights in 2017

- 840 young people received crop cultivation training and coaching.
- These 840 young people represent their families in self-help groups in which they save and invest communally.
- 1,120 people received humanitarian aid in and around the Lusenda refugee camp and 100 young people formed self-help groups.
- About 830 young people received loans for harvesting crops that they cultivated together. 80% of them were able to repay the entire loan after selling their crop.

Plans for 2018

- Continuation of the two Youth & Work programmes to help 840 young people and their families.
- In the Fizi territory in South Kivu we will implement new humanitarian programmes as a member of the Dutch Relief Alliance. In six months' time we plan to provide food, seeds and agricultural tools to 2,400 people. This is a severely crisis effected area where children and their families need lifesaving support and possibilities to start producing food themselves again.
- In this same territory of Fizi we want to prevent diseases by promoting hygiene and handing out soap and other sanitary items for 8,640 people. We plan to repair latrines and water tanks so that more than 5750 people will have access latrines and safe drinking water. Our work in the Fizi district is being carried out in cooperation with ADED and Help Channel Congo.
- The province of Kasai is also afflicted by severe food shortages. Together with Medair we want to provide treatment for 1,500 malnourished children.
- We also want to promote hygiene for 29,500 people around three health area in Mutena health zone. We will rehabilitate two water sources en latrines and we will set up water tanks.



MIDDLE EAST



1,492

DISASTER RELIEF
CHILDREN

1,265

DISASTER RELIEF
ADULTS

In the Middle East, Help a Child is working with ZOA in two programmes to provide safe day centres for mothers and children, where the children can play and receive education.

- North Iraq, Mosul (emergency aid programme 2017, together with ZOA)
- Syria, around Damascus, Homs and Hama (emergency aid programme 2017, together with ZOA and MERATH)



Highlights in 2017

- In the eastern part of Mosul, three Safe Centres were set up to offer mothers and children a place where they can feel safe, find a listening ear for their troubles, and learn to deal with the traumas they have suffered.
- Each centre in Mosul has three psychologists who speak with the children, both one-on-one and in group sessions. The mothers are also more than welcome to have a conversation with the psychologists and many make use of this opportunity.
- The centres in Mosul also employed teachers and a social worker. Many children had not been to school for a long time and are now learning mathematics, Arabic and English.
- In Mosul this support reached a total of 545 women and 772 children.
- In Syria three Child Friendly Spaces were realized.
- The three centres in Syria are visited by at least 720 children aged 3 to 14 every week. They can play, receive trauma counselling and attend improvised school classes.
- Due to the fighting, the Child Friendly Spaces in Syria must sometimes be closed temporarily. This happened in March 2017, for instance. However, each time the workers resume their work as quickly as possible. They are resolute and do everything to provide support and shelter to children who are literally in the firing line.

Plans for 2018

- Help a Child's contribution to the centres in North Iraq and Syria in 2017 was realized with the gifts we received from the Disaster Relief campaigns conducted in the past years. Since as early as 2015 we campaigned for refugees from Syria and at the end of 2016 we started an emergency aid campaign for the people in Mosul. In 2017 we spent the remaining funds on these programmes. From 2018, ZOA will take charge of the programme again. Help a Child will however continue to look for opportunities to support the people in need in the Middle East.

3 | MEANWHILE IN THE NETHERLANDS



In 2017, over twenty thousand people in the Netherlands supported our mission to help children grow out of poverty. Their prayers and contributions had a great beneficial impact on the children within our programmes. Support from businesses, churches, schools, foundations and government agencies also enabled us to carry on our work.

3.1 | SPONSORSHIP AND GIFTS

Ever since its foundation, Help a Child has been a sponsor-based organization. The connection between the sponsor and the sponsored child has always been central to our work.

By far the largest number of sponsored children live in villages, with their own family. In our opinion, that is the very best place for a child to grow up. Since 2010 Help a Child has therefore focused on sponsoring children in their own surroundings. In that same period we have gradually phased out our support for children's homes. From 2017 onwards, all sponsored children live in a village. Their sponsors contribute to the community programme (i.e. to all children in the village) and correspond with one of them.

In 2017, we aimed to find 400 new sponsors, mainly through a campaign centring on the Pentecostal Revival Conference and during concerts of our ambassadors. The target of 400 new sponsors was not achieved. The main reason was that we were forced to cancel a concert tour.

At the same time, 1,147 existing sponsorships had to be converted because programmes had been completed. In such cases we ask our sponsors to take on a new sponsorship. Some sponsors opt not to continue their support. The percentage of cancellations after these conversions was 20.7% in 2017.

Our goals for 2017	Our results in 2017
400 new sponsors	314 new sponsors
2,000 conversions	1,147 conversions
No more than 20% cancellations after conversions	20.7%
1,500 new leads (contact details of people we can approach for sponsorship or donations)	2,696 new leads. 1,818 via the Professor Cool book and 849 via the Pentecostal Revival Conference
Disaster response mailings in response to disasters	Three disaster response mailings
€ 200,000 from year-end 'Dierbaar Cadeau' campaign	The year-end campaign raised € 215,000





MOVEMENTS IN THE NUMBER OF SPONSORS

	2017	2016	2015	2014	2013
New sponsors	314	344	387	340	409
Interim cancellations*	240	357	379	326	533
Cancellations after replacement*	306	316	542	434	363
Percentage of cancellations after replacement	21%	18%	22%	18%	41%
Total number of replacements	1,147	1,797	2,412	2,312	896
Net growth/fall	-232	-329	-534	-420	-487

* 'Interim cancellations' are cases in which a sponsor terminates the sponsorship before the sponsored child or family has left the sponsor programme. Help a Child then seeks replacement funding for the remaining term. 'Cancellation after replacement' means that a sponsor has sponsored a child or family until the end of the sponsorship period, but does not opt to sponsor a new child or family.

OUR SPONSOR PROGRAMMES

You can sponsor a child or a family through Help a Child. The support is not just focused on your sponsor child or family, but always on the entire community in which the child or family lives. This is what makes sponsorship through Help a Child so special. It is not just your sponsored child who benefits, but the village, the community as a whole. These are our sponsor programmes and the numbers of sponsorships:

Programme		Is correspondence possible?	Amount per month	Number of sponsored children	Number of sponsors
Sponsor a child		Yes	26	7,362	5,737
Sponsor a family		Yes	40	2,590	2,163
Sponsor a child with a disability		Sometimes	40	397	331
Sponsor a child in a home		Yes	40	17	15

THANKATHON

In the week of Thanksgiving Day for crops and labour, we again organized a Thankathon. During this week we were able to thank many sponsors and donors in person. This was very much appreciated by our sponsors. At the same time, the Thankathon gives us an opportunity to ask for feedback on our work and our programmes in personal conversations.

CAMPAIGNS AND GIFTS

Apart from child or family sponsorships, people can also give one-off or structural gifts to contribute to a better future for children in developing countries. Help a Child wants to alert as many people as possible to this way of supporting our work. We do this through campaigns, mailings and online messages.



DISASTER RESPONSE CAMPAIGNS

In 2017, three major disasters around the world called for a rapid and targeted response:

- The famine in Africa. Help a Child raised funds for food aid in South Sudan.
- The flooding and landslides in Asia. Thanks to many gifts we were able to provide assistance in India, also in areas where many of our sponsored children live.
- The Rohingya, a population group that was driven out of Myanmar and forced to flee to Bangladesh. We provided assistance in the areas of shelter and food security.

EVENTS

In 2017, we organized two major concert tours centring on our ambassadors Christian Verwoerd and Reyer. Unfortunately, Reyer's concert had to be cancelled. The intention was to give a concert together with Beauty for Ashes, a band from Rwanda, but the band members were not granted visas to stay in the Netherlands.

In addition, we organized our own presentation during the multi-day Pentecostal Revival Conference.

During these events, we approached visitors to request their support for our programmes as a sponsor or as a structural donor. People could also apply for a free Professor Cool picture book. The Professor Cool picture book is a publication of Help a Child. People can apply for this book free of charge in exchange for their name and address.

From the end of November, we once again called our donors'

attention to our 'Dierbaar Cadeau' (Precious Gift) campaign. This campaign has been conducted since 2010 and is very popular among our supporters.

MIDDLE DONORS

Middle donors are a special group who give higher-than-average donations. In 2017, we approached this group for the first time with a dedicated mailing. We sent over 5,000 people a brochure about a community programme in Malawi and asked them for a specific, relatively high contribution. After a few weeks, we followed this up with a reminder mailing. The mailing was well received, raising contributions worth € 120,000. The information meeting for this group was also a success, with about 30 people attending. In the coming years, we want to continue and refine this approach for middle donors. We should, however, note that this approach also gave rise to several complaints (17 in total), more than for an average mailing. (See also Complaints on page 65 - 67).

EVALUATION AND ANALYSIS

Our income from sponsorship has been under pressure for a number of years. The economic crisis forced some sponsors to discontinue their support. Another trend is that people are reluctant to commit for the long term. At the same time, we see that our sponsors are very loyal: as long as their sponsored child remains in the programme, they will not readily cancel their sponsorship. But when the child is replaced with a new sponsored child, that step is evidently a lot easier to make.

Fortunately, we also see another trend: whilst sponsorships are decreasing, other gifts – both one-off and structural – are increasing. In our search for new charitable giving models, we are going to explore new opportunities in this field.

This quest to find new forms of sponsorship and new ways of involving our donors in our programmes started in 2017 and will be continued in 2018. In this connection, we will actively request our existing sponsors and donors for input and encourage their involvement and commitment.

Clustering requests for gifts around campaigns and events has proved to be an effective approach to fundraising. On these occasions, we are more visible and can present our programmes in a more personal way. Events thus provide an opportunity to reach out, face to face, to new target groups.

The following lessons were learned from the evaluation of our sponsorship:

- The organization of concerts is not where our expertise lies. Artists and their management are much better and more experienced at this. Moreover, when a concert is cancelled, we also run a financial risk. Such losses are hard to justify to



our donors. Based on this learning point, we have decided not to organize any more events of our own, but to take part in concerts or other gatherings that our ambassadors organize themselves.

- During the Pentecostal Revival Conference we have ample opportunity to engage with people about our work. We encounter a great deal of interest and goodwill, but the step to actually become a sponsor remains a fairly large one. Looking to next year, we want to shift the focus to building structural support, with sponsorship as one of the options.
- The middle donor campaign appeals to people, as is reflected in the positive result. At the same time, it is extremely important to get the tone right and to take account of sensitivities. People want to know the rationale behind our fundraising methods. But it is also nice and encouraging that in the conversations they also express a lot of appreciation.
- The year-end 'Dierbaar cadeau' (Precious Gift) campaign continues to attract a lot of interest. In previous years we tended to conduct new campaigns to surprise our supporters; we now know that a campaign that touches a deep chord can enjoy growing success through the years. And it is more efficient too. In 2017, we advertised much less for 'Dierbaar Cadeau' but still achieved a splendid result.






OUR PLANS FOR 2018

- Develop new charitable giving models. We are going to explore new sponsorship and structural giving alternatives.
- Sponsorship acquisition events: concerts and the Pentecostal Revival Conference.
- Good follow-up to the leads campaigns.
- Renew the communication with our sponsors and donors: more online and more consultations.
- Further development of our middle donor approach.







3.2 | CHURCHES, SCHOOLS, BUSINESSES

Many churches, schools, businesses and foundations are sympathetic to our cause. These are valuable relationships and contacts which we continued to cultivate with new concepts in 2017.

OUR INCOME BY RELATIONSHIP TYPE (AMOUNTS IN EUROS)

		2017	2016	2015	2014	2013
Individuals		5,476,212	5,366,498	5,976,796	5,814,951	5,983,370
Churches		549,093	552,505	574,657	403,072	498,238
Schools		104,489	147,310	127,842	132,360	131,902
Businesses		503,138	395,033	369,277	255,963	281,106
Foundations		400,805	786,934	714,744	658,089	625,261
Other		0	0	0	0	3,176

NUMBER OF DONORS AND AVERAGE DONATION BY TYPE OF RELATIONSHIP (AMOUNTS IN EUROS)

		Number 2017	Average gift 2017	Number 2016	Average gift 2016	Number 2015	Average gift 2015
Individuals		19,647	279	20,067	267	20,936	285
Churches		580	939	574	963	564	1,019
Schools		127	847	139	1,060	145	882
Businesses		195	1,907	175	2,257	189	1,954
Foundations		43	9,321	29	27,136	36	19,854
Bequestors		17	16,934	21	42,488	24	37,495

OUR RELATIONSHIP WITH CHURCHES

Churches have been involved in Help a Child's work since the outset. Help a Child is known primarily among the reformed churches (GKv, CGK, NGK and PKN), but we also maintain contacts with many other churches, such as evangelical churches and several Reformed and Roman Catholic churches. Help a Child itself is not tied to any ecclesiastical tradition.

Formerly, we mainly liaised with 'sponsor committees' which often acted as intermediaries for sponsors from diverse churches. In recent years, various churches have dissolved

these sponsor committees. The children who were sponsored by these committees are now directly sponsored by parishioners. This income is no longer attributed to churches, but to individuals. The close relationships with various churches have always remained intact.

THEMATIC SERVICES 'I WANT TO SERVE YOU WITH ALL MY HEART'

Churches can invite us to give a thematic service. In 2017, we offered churches a thematic service entitled 'I want to serve you with all my heart'. During these services, our colleague Jenne Minnema speaks about justice, with Christian

Verwoerd providing musical accompaniment. There were 12 thematic services in 2017. During these services, we hold collections for the work of Help a Child and offer parishioners an opportunity to support our programmes with a recurring donation. Whilst we freely and openly request support for our work (in the form of money and prayers), it is exceptional for us to ask for direct, financial support during church services. The thematic services are mainly organized amongst church communities who are already closely involved in the work of Help a Child. By means of these thematic services, we aim to intensify the ties with these churches and increase the awareness around diaconal themes.

WORLD CHURCHES

Churches are increasingly interested in playing a more hands-on role in our work. The diaconal 'World Churches' programme was developed specially for these churches. Participating churches are closely involved in the Rusizi community programme in Malawi. By focusing on a single programme, we are better able to coordinate the churches' contributions and keep them informed of the project's progress. In 2017, there were seven active World Churches. The intention was to further expand the number of World Churches in 2017, but circumstances prevented this. The number of World Churches remained the same in 2017.

WORLD CHURCHES TRIP

In 2017, preparations for the first World Churches Trip to the project area in Rusizi were in full swing. This trip took place in January 2018. Representatives of three churches joined us on our trip to Rusizi to visit the community programme they are supporting. The group also went to Bugesera, where several self-help groups have now left the community programme and are continuing independently. The participants were thus able to see at first hand the enduring impact of Help a Child's work. The aim is to organize one or two of these trips every year.

YOUTH TRIP WITH WORLD SERVANTS TO RWANDA

A Reformed Church in Voorthuizen/Barneveld intended to organize a World Churches youth trip to Rusizi in the summer of 2017, in collaboration with World Servants. However, the trip coincided with the elections in Rwanda. Due to the unrest surrounding these elections, the participants' safety could not be guaranteed at this time. As the trip could not be rescheduled, it was postponed for two years and the participants opted for a different destination in 2017. The collaboration with World Servants around this trip has resulted in the intention to offer a youth trip to Rwanda every year.

Our plans with churches for 2018

- Twelve 'World Churches' active, including six new ones
- Ten thematic services
- Organize a World Churches youth trip to Rwanda
- Organize a World Churches trip to Rwanda

Our goals with churches for 2017	Our results with churches in 2017
Twelve 'World Churches'	Seven world churches
Fifteen thematic services	Twelve thematic services
400 church sponsorships	501 sponsorships
Income from churches: € 600,000	Income from churches: € 549,093

SCHOOLS

Our work has been supported by schools for many years, traditionally through sponsorship. Schools see the deeper value of introducing students to the lives of their peers in other countries. We have noticed that more and more schools are primarily interested in organizing fundraising events. They are also looking for alternatives to sponsoring children. In cooperation with the schools, we are looking for alternatives. In 2016 we presented renewed fundraising materials for primary schools. Several schools made use of these new materials in 2017.

Our plans for 2018

- Review fundraising materials for secondary schools
- High Five events at 20 primary schools

Our goals with schools for 2017	Our results with schools in 2017
20 fundraising campaigns at schools	21 campaigns
Financial support from schools in the amount of € 180,000	€ 104,489

OUR RELATIONSHIP WITH BUSINESSES: GROWTH PARTNERS AND BUSINESS KIDS

In 2017, the business community was once again a generous provider of funding for our work. We had budgeted for an amount of about € 325,000 from business and related foundations. In reality, the total donated amount summed up to € 517,788. Some businesses gave substantially more than in previous years.

The number of entrepreneurs donating to our cause rose from 189 last year to 197 this year. There were 69 new business donors in 2017.

GROWTH PARTNERS

Growth partners are entrepreneurs who have committed to a programme in Burundi and jointly provide financial support for this programme. The number of Growth Partners grew steadily to 37 this year, generating € 60,900. A number of Growth Partners have also already signed up for 2018, though we should add that most of the growth was realized as a result of entrepreneurs transferring their contribution from the completed Kolir-Uganda programme to Growth Partners.

The 'Wind in the Sails' meeting held in May met with an excellent reception. However, only a few people signed up for the planned trip to Rwanda/Burundi, possibly because the Ministry of Foreign Affairs still advised against travelling to Burundi in 2017, which meant that the Growth Partners were unable to visit their 'own' project. In spring 2019 we want to make a fresh attempt to visit the Growth Partner project area.

Another trip was organized for entrepreneurs to Uganda. Eight entrepreneurs took part. This trip was organized at the request of several entrepreneurs who were keen to visit their project again.

We are now three years into the Burundi programme. The expectation is that most of the Growth Partners will commit to the programme for at least another three years.

OTHER MATTERS

Some plans failed to materialize, notably in the field of communication and marketing activities. These have now been prioritized for 2018, starting with market research in the business market.

Our networking activities in 2017 were carried out by a voluntary relationship manager. He maintains contacts within Christian business networks.

3.3 | AWARENESS AND CORPORATE COMMUNICATION

Help a Child willingly engages in discussions about development work and disaster relief and the children we help. But communicating also means listening: what motivates our donors? How can we intensify their involvement with the children they support? And how can we make people in the Netherlands even more aware of the injustice in the world and the role we can play in making things better?

ONE-OFF MAGAZINE: KIND

A one-off magazine entitled 'Kind' (Child) appeared in June 2017. The aim of the magazine is to show in an attractive and

appealing manner how strongly our lives here are connected to the lives of children 'there'. Our aim is to inspire the reader to think about issues such as poverty and prosperity, giving and living, the climate and 'doing good'. The magazine had a circulation of 22,000 copies and was distributed in churches and campsites as well as among the readers of the Netherlands Dagblad newspaper and new sponsors. In addition, the magazine appeared online.

OMARMEN: THREE TIMES A YEAR

In 2017, our informative magazine OmArmen appeared three times. We also approached our donors in other ways – offline and online. In May and September, OmArmen is short and informative, with many references to the website and social media. The November edition is larger with lots of interesting reading material.

ANNUAL REPORT

As in other years, we again devoted a lot of attention to our annual report in 2017. Besides providing a comprehensive overview of our work, the annual report is above all an opportunity for us to report on our choices regarding the expenditure of the donations entrusted to us. We do this as transparent and complete as possible.

ONLINE COMMUNICATION

Online communication is increasingly coming to the fore. As well as creating more opportunities for interaction, it also enhances our visibility and promotes community bonding. Our main social media activity is on Facebook, Instagram and Twitter. Alongside direct interaction, this generates more traffic to our website. Our messages on social media also support current initiatives and campaigns.

IN DIALOGUE WITH OUR CONSTITUENCY

We always listen to our supporters. We want to know their thoughts and learn from their feedback. That is why we...

- ...devote a lot of attention to responding to people who contact us by telephone, in person, via email or social media;
- ...take all complaints seriously and give a personal and detailed response (see Chapter 4);
- ...call many people who cancel their sponsorship to hear their reasons;
- ...actively ask for reactions to our work;
- ...continue to look for ways to improve our communication.

We have noticed that donors and others interested in our work are reaching us more easily to ask questions, offer ideas and, occasionally, lodge complaints. They can contact us in lots of ways, including by telephone, in writing, online or in person.

CODE OF CONDUCT

Our fundraising activities are carried out in accordance with the Code of Conduct of 'Goede Doelen Nederland'. This sets out rules for dealing with donors, volunteers, other organizations and society.

The code of conduct of 'Goede Doelen Nederland' can be found at www.goededoelennederland.nl.

Our donors must be able to trust us to give them correct information about the appropriation of their donations and the way we operate. They must be able to trust us implicitly to spend their money in a proper manner. And we as an organization want to account for these expenditures as clearly and transparent as we can.

Moreover, we exclusively want to raise funds in a manner that is consistent with our Christian identity, our sponsors and donors and the objectives for which the money is used.

3.4 | INSTITUTIONAL RELATIONSHIPS & FUNDS

In 2017, we continued working hard to build and reinforce relationships with institutional donors. An important development was signing the 'Framework Partnership Agreement' with ECHO (European Civilian Protection and Humanitarian Aid Operations). Thanks to this partnership, Help a Child is now also eligible for disaster response funding from the European Commission. In addition, it also means that Help a Child adheres to an important requirement for membership of the 'Dutch Relief Alliance'. The Dutch Relief Alliance (DRA) is a coalition of 16 Dutch aid and humanitarian organizations funded through a partnership with the Dutch Ministry of Foreign Affairs. After Help a Child had applied for membership around the summer of 2017, we were actively involved at the end of 2017 in the development of a disaster response programme in South Sudan and a programme in the Democratic Republic of Congo. We are delighted and grateful that as a result of this, Help a Child will – effective from 2008 – receive extra disaster response funding for the implementation of these programmes via the Dutch Relief Alliance.



ABIGAIL:

"I don't distinguish, but help people no matter what their convictions. I show God's love in my actions."

In 2017, the new country offices continued to evolve. This is also reflected in their activities in the field of institutional fundraising. With support from the Netherlands, several local offices have developed their own fundraising strategy. In addition, a growing number of grant applications are being developed by or in close collaboration with our colleagues at the country offices. We expect that in 2018 the collaboration between colleagues in the Netherlands and abroad will continue to develop, with an increasing number of subsidy applications being submitted by local offices.

Clearly, we also continue to make every effort to assure the accurate expenditure of existing grants and funds. In 2017, considerable energy went into starting up the 'Building Bridges in Burundi' programme. This programme is funded by the Dutch Ministry of Foreign Affairs and is carried out in a consortium with Mensen met een Missie, Cord and AFSC. The results are published every three months in line with the IATI guidelines (International Aid Transparency Initiative).

Attention was also devoted to other ongoing projects, such as a long-term economic project that is being implemented in the west of Kenya. Finally, we are grateful that we were able to conclude the 'What's Up, Girls?!' programme to full satisfaction of the institutional donor, UKAID.

INCOME FROM INSTITUTIONAL DONORS AND (INTERNATIONAL) FUNDS

The table on this page provides an overview of the institutional funds received by Help a Child.

APPLICATIONS IN 2017

In addition to building and reinforcing relationships with institutional donors, we also developed and submitted a number of grant applications in 2017. As in previous years, most applications were developed with other organizations, knowledge centres and/or the private sector.

Alongside the disaster response proposals we submitted via the Dutch Relief Alliance to the Dutch Ministry of Foreign Affairs, we also submitted applications for various development projects to other institutional donors. These included EU, DANIDA, Unicef, the Belgian Embassy in Burundi and the World Bank. In December 2016 we submitted five concepts to UKAID as part of the 'Leave No Girl Behind' funding window. This resulted in an invitation to submit two full applications, one for a programme for girls' education in South Sudan and one for a programme in DRC. Help a Child acted as lead applicant for both applications.

Institutional fundraising is usually a long-drawn-out process requiring patience and perseverance. The successful applications in 2017 are only expected to bear fruit in 2018.

Due to a lack of capacity, fundraising among foundations and charitable trusts received less attention than in previous years. At the end of 2017, however, we did start to prepare a number of applications that will be submitted to some larger charitable trusts in early 2018. In addition, we expect to focus more on the acquisition of funds from foundations and (inter) national funds in 2018.

	2017 (realised)	2017 (budgeted)	2016 (realised)
Institutional donors (governments)			
European Union			€ 67,200
UKAID (Great Britain)	€ 111,395	€ 375,000	€ 435,009
Dutch Ministry of Foreign Affairs			
* Addressing Root Causes Fund	€ 515,204		
* Strategic Partnership (subcontract via ICCO/Prisma)	€ 40,000	€ 150,000	€ 10,000
New subsidies		€ 350,000	
Total	€ 666,599	€ 875,000	€ 512,209
International funds			
Positive Action for Children Fund Malawi/ViiV	€ 88,271		€ 104,366
EO-Metterdaad	€ 154,167		
ZOA	€ 35,000		
'Wees een Kans' Foundation	€ 100,000		
Other institutional funds and charitable trusts	€ 220,000		€ 713,411
Total	€ 597,438	€ 875,000	€ 817,777

EVALUATION

The acquisition of grants from institutional donors remains complex and challenging. Competition is fierce, the funding being allocated to development aid appears to be steadily shrinking, available funding is mainly awarded to local parties and the donors are becoming more demanding. Teamwork involving contributions from multiple experts is vital to developing high-quality proposals and implementing programmes that have impact and meet the requirements of the diverse donors. The decentralization process that we initiated earlier responds to these challenges. In addition, the Expertise and Institutional Relations teams in the Netherlands were merged in 2017 into the new Expertise & Development Department. Several other types of expertise, such as international communication and lobby & advocacy, were also added to this new department. The expectation is that this will improve our ability to highlight Help a Child's good work among donors and raise funds for our programmes. Clearly, the accurate management of acquired subsidies and funds also remains as vital as ever.

PLANS FOR 2018

- Acquisition of 1 million euros of additional funds for disaster response and efficient and effective use of these funds for the implementation of high-quality disaster response projects.
- Acquisition of 0.3 million euros of additional funds for Youth & Work and/or economic development programmes and efficient and effective use of these funds.
- Acquisition of 0.7 million euros of additional funds for 'Early Childhood Development' or related purposes and effective expenditure of these funds.
- Quality and impact of integrated child-oriented community programmes is guaranteed.
- Increased visibility of Help a Child and track record of all our programmes developed.

GOALS AND RESULTS FOR 2017

Project administration

- | | |
|--|---|
| <ul style="list-style-type: none"> • Our administration system is complete and supports the partner and donor administration processes. | <ul style="list-style-type: none"> • Our administration system is complete and we are constantly improving the partner and donor administrative processes. • Information about programmes funded by institutional donors is published in accordance with IATI guidelines. |
|--|---|

National and international funds

- | | |
|--|--|
| <ul style="list-style-type: none"> • Acquisition of at least € 600,000 from national and international funds. | € 289,167 |
| <ul style="list-style-type: none"> • At least 14 proposals submitted, with a minimum success rate of 60%. | <ul style="list-style-type: none"> • Fewer proposals submitted (10) |

Institutional funds

- | | |
|--|--|
| <ul style="list-style-type: none"> • Acquisition of at least € 1,000,000 from institutional donors (in close collaboration with local Help a Child offices). | <ul style="list-style-type: none"> • In 2017, virtually no new contracts were signed, but good results were achieved which will translate into concrete funding in 2018 (including over one million for disaster response programmes in South Sudan and DRC). |
| <ul style="list-style-type: none"> • Fundraising strategy for Kenya, Rwanda and Malawi developed and implemented in collaboration with local Help a Child offices in these countries. | <ul style="list-style-type: none"> • Fundraising strategy developed for Kenya and Malawi. Rwanda will follow in 2018. |
| <ul style="list-style-type: none"> • Development and submission of at least six proposals, with a success rate of at least 50%. | <ul style="list-style-type: none"> • In collaboration with local Help a Child offices, we submitted far more applications than planned (11). Three of these applications were successful, four were rejected and we await the result of four applications. |

Grant Management and donor satisfaction

- | | |
|--|--|
| <ul style="list-style-type: none"> • Existing institutional donors are visited at least once. | <ul style="list-style-type: none"> • The existing donors were visited. |
| <ul style="list-style-type: none"> • Ten new potential donors were identified and visited. | <ul style="list-style-type: none"> • A number of new donors were identified, but these have not yet all been visited. |
| <ul style="list-style-type: none"> • 90% of the submitted reports are approved. | <ul style="list-style-type: none"> • All (100%) submitted reports have been approved. |

4 | OUR ORGANIZATION



Sponsors, donors, and funds support children and families in developing regions via Help a Child. To live up to this great responsibility, we need an efficient and effective organization.

4.1 | DEVELOPMENT OF OUR ORGANIZATION

The development aid sector in which we work has undergone many changes in recent years. These have had consequences for the way we finance our activities. After the subsidy from the MFS co-financing system of the Ministry of Foreign Affairs came to an end, we urgently needed to find new forms and ways of raising funds.

Since 2016 we have therefore made several important decisions to grow our income.

MORE VISIBLE PRESENCE IN OUR PROGRAMME COUNTRIES: DECENTRALIZATION

Subsidies and funds are increasingly available in the countries where we operate. To be eligible for these subsidies, it is important for an organization to have an actual presence in these countries. Another condition for receiving subsidies is intensive cooperation with other organizations. To achieve this, we needed to step up our presence, visibility and added value in programme countries and do this in collaboration with others wherever possible. This also means that the division of roles between ourselves and our partner organizations is also changing in the various countries.

Towards the end of 2016, we outlined the contours for four country offices in Burundi, Malawi, Kenya, and Rwanda. In 2017 we implemented this new organizational structure, recruited and appointed staff and developed an international HRM policy as well as a new international strategy to boost our visibility and communications. These efforts have increased the scale and scope of our operations, while also strengthening our connections with relevant networks.

OUR CHANGING ROLES

Help a Child connects people and organizations around the world. In this way, we form a communal network in which we help each other to grow. Within this network, Help a Child fulfills diverse roles (either alternately or simultaneously) as fundraiser, donor, partner, expert, supporter, advocate, lobbyist and intermediary (who connects parties).

The emphases in these roles have shifted in recent years. In our role as a donor (where we grant funding to programmes),

the programmes we select must meet increasingly stringent demands. Charitable trusts and providers of subsidies expect us to act as guarantor for partner organizations. The roles of intermediary, advocate, and lobbyist are becoming more important. And in our role as an expert, we must be able to offer increasingly specialized knowledge.

FLEXIBLE TEAMS

In each role we play, we want to demonstrate our added value. This means continuously adapting to changing demands and circumstances. That is why we work with integrated teams, encompassing different departments and areas of expertise.

Our approach is increasingly project-based. Every quarter, the entire organization comes together to discuss issues that are relevant to us all. Evaluation has shown that this approach yields many benefits.

FOUR COUNTRY OFFICES; TEN PROGRAMME COUNTRIES

As noted, we have country offices in four countries in Africa, namely Burundi, Malawi, Kenya, and Rwanda. Unlike in the Netherlands, where we are known as Red een Kind, we operate locally under our English name Help a Child. Each country office is headed by a Country Program Director.

At the same time, we want to step up our efforts in South Sudan and D.R. Congo which are fragile countries in urgent need of aid. In 2017 we worked hard to reinforce our partners and to develop proposals and plans that may be interesting for institutional donors. As a result, we expect funding to become available in 2018 for the further expansion of our work in these countries. In early 2018 we started with the recruitment of a country coordinator in these countries to have our local representation there.

Finally, we are also working in Africa in Uganda, Ethiopia, and Zambia. The programmes in Zambia are gradually wound down and monitored from the country office in Malawi. In Ethiopia, we will continue an existing community programme for another few years. This is being monitored by our office in the Netherlands. The same applies for the time being to the programmes in Uganda.

India takes up a separate place in our organizational structure. Help a Child of India is an independent sister organization with its own board and autonomous powers. Help a Child is represented on the board of Help a Child of India.

In Chapter two, we have described our programmes and partner organizations in each country.

COMPETENT EMPLOYEES

Our focus on specific areas and working in changing teams demand a high degree of independence on the part of our employees. An effective organization, ongoing competence development and clear coordination of roles are crucial for this purpose. Another key theme for us is the further development of leadership and entrepreneurial skills. We aim to use the strengths of each employee as fully as possible.

4.2 | EMPLOYEES IN THE NETHERLANDS

External developments and our strategic choices (see above) led to decisions and changes with personal consequences for our employees. Some positions and roles were revised. In certain cases, this gave rise to uncertainty. Despite the high work pressure, our staff remained as motivated as ever.

In the past year, a lot of attention was devoted to cooperation, team spirit, and acceptable workload. We are looking for the correct balance, where we continue working in a spirit of mutual encouragement while remaining constructively critical towards each other. We work on this during the team days, but also on a daily basis within the various teams. In this way, we aim to improve our results and promote innovative thinking.

OUR WORKFORCE IN THE NETHERLANDS

End of 2017	End of 2016
23,0 FTEs	23,4 FTEs

In 2017 six colleagues left and seven new colleagues joined us. The change with the biggest impact was the departure of CEO Leo Visser, effective from 1 January 2017. In half of the cases, this relatively high staff turnover was due to the long commutes for employees who were recruited in a period when we expected to relocate to the middle of the country.

In 2017 we continued to use a flexible staffing layer, notably within the Fundraising & Awareness Department. More than in other years, we used the temporary services of self-employed staff to stand in for sick employees. We also hired three employees on, respectively, a zero hours contract and a temporary contract to absorb peaks in the workload.

Regarding age profile, Help a Child's workforce is a reasonably good reflection of the working population of the Netherlands, though the male/female ratio differs from the average: at Help a Child, two-thirds of the staff are female, and one third is male. This is not a problem, but we are striving for a somewhat more balanced composition. People with a disability are also welcome to join our team.

SICKNESS ABSENCE

2017	2016
2.17%	4.58%

The sickness absence rate was considerably lower in 2017 than in 2016 and thus returned to a normal level for Help a Child. We are delighted that the employees with long-term illnesses in 2016 have largely recovered.

SALARIES OF THE BOARD OF DIRECTORS

The Supervisory Board determines the income policy for our CEO. This policy is also assessed at specified times, which was also the case in 2017. Help a Child adheres to the Recommended Guidelines for the Remuneration of Directors of Goede Doelen Nederland (industry organization for the Dutch charitable sector) and the Code of Good Governance (also known as the 'Wijffels Code'). More information about these guidelines is available at www.goededoelennederland.nl.

The Recommended Guidelines set out maximum income criteria. Help a Child, however, applies a norm of about 80% of this guideline. For the salaries of the board of directors, please see page 100.

EMPLOYEE REPRESENTATION

Our employee representation body operates according to the model of the Social and Economic Council of the Netherlands (SER). Meetings with the Board of Directors (four in 2017) are planned on the same days as the meetings between the Supervisory Board and the Board of Directors. Also, the employee representatives meet four times a year without the attendance of the Board of Directors.

The employee representatives discuss the progress of the policy and the agenda items of the Supervisory Board that have a bearing on the staff policy. In 2017 they gave their opinion on the consequences of the departure of the former director, adjustments to the staff manual and the employment contract, adjustments to the employee representation rules for longer tenure periods, and the consequences of the decentralization for the Dutch part of the organization. Also, the employee representatives conducted a staff survey to take stock of their wishes and opinions regarding the employee wellness & fitness budget. The outcomes were discussed with the director, and some of the proposals were adopted.

VOLUNTEERS

Help a Child has always been a volunteer-based organization, though many changes have occurred over time. Today, the volunteers who join our ranks often have a specific focus and/or special skills. Volunteers who work directly for and with Help a Child do so on the basis of a volunteer's contract which sets out our mutual expectations. Work that is well suited to volunteers includes data management, staffing of events, and administrative duties.

There are currently six volunteers working at our office in Zwolle, based on a time commitment ranging from one half-day to several days a week. Also, many people around the country promote our cause in committees, events, churches, and schools. We are delighted to receive their generous support. In 2017 we appointed a volunteer to coordinate the supply and demand of voluntary work within the organization. This coordinator also acts as a sparring partner for the director regarding ways to strengthen the role of volunteers within the organization. One important aspect in 2017 concerned the staffing of the planned charity shop which requires the participation of many volunteers.

INTERNS

Help a Child makes frequent use of the services of interns from different educational backgrounds. We also offer work experience placements. Together with the university, we identify suitable tasks for the interns. All interns must be motivated to work for Help a Child and have something to offer the organization. For our part, we aim to provide an instructive placement with good mentoring and support.

INTERNS AND WORK EXPERIENCE PLACEMENTS IN 2017:

- 2 Fundraising & Awareness placements (university)
- 3 Youth & Work Desk placements (university)
- 7 Child Development Desk placements in the Netherlands (university)

EVALUATION OF OUR STAFF POLICY

Our staff policy is centered on good employment practices. We discuss the policy every quarter in our management team meeting. New priorities and focal issues are identified in the annual evaluation.

The main staff policy issues in 2017 were the replacement of several ill or departing colleagues, the relocation of tasks and responsibilities to the programme countries and the related extensive recruitment operation (9 positions).

As we are a knowledge-intensive organization, our staff policy received considerable attention in this year of change. The international recruitment process was carried out with the

assistance of extra HRM capacity.

The expansion and establishment of our country offices has many consequences for the staff policy. The employment conditions manual was translated into English and adjusted to the African context. The remuneration structure for decentralized locations was determined and adopted.

4.3 | A LEARNING ORGANIZATION

Help a Child is a learning organization. This is also reflected in other aspects of our work.

SYNTHESIS-EVALUATION

In section 2.2 we already described that we had started up a synthesis-evaluation 2017 to measure the enduring effects of our programmes in the longer term. The evaluation continued until early 2018. The results are described in an appendix to this annual report and are posted online at www.helpachild.org/impact

COMPLAINTS

Customer-friendliness is paramount in our organization. We, therefore, take all complaints seriously, deal with them as effectively as possible and try to learn from them.

In 2017 we received 64 complaints versus 79 in 2016. Most of these complaints (33) were about the mailings we had sent. The mailing that drew the most complaints was the one we sent to our most loyal and committed donors about a programme in Malawi. It was the first time that we opted for a relatively extensive mailing with a brochure containing detailed information about one of our programmes and a request for contributions. This mailing certainly caught a lot of attention. Despite being sent to only a small share of our donor base, it attracted a higher-than-average number of complaints (mainly relating to the high cost of the mailing and the reminder mailing we sent). On the other hand, it appealed so much to many members of this group that it also resulted in higher-than-average donations. Our most important conclusions are that we must do an even better job explaining the reasons behind certain fundraising choices.

In the overview, you can read the type of complaints and the numbers, plus the measures we took in 2017.

WHAT DID WE RECEIVE COMPLAINTS ABOUT IN 2017?

- Sponsorship and data management: 3 complaints
- Sent mailings: 33 complaints
- Correspondence about sponsorship: 10 complaints
- Direct debits: 11 complaints
- Telemarketing: 3 complaints
- Other: 5 complaints

MEASURES TAKEN IN RESPONSE TO COMPLAINTS

- extra attention for communication in the continuation of the middle donor campaign
- more extensive prior testing of campaigns and materials
- find out whether groups can be distinguished according to their preference to be addressed informal (which is an important distinction in the Dutch language). Use formal

SABINA:

“I see how people in my village get more and more knowledge about pregnancies and HIV prevention. I have HIV, but am convinced that my baby will be born healthy.”



- address wherever possible in official communications
- limit the number of data entry fields for online donations

We classify complaints regarding seriousness. Minor complaints are comments or criticisms from people about things that they are less happy about, such as being requested to fill in too many details when making online donations, a mailing that is perceived to be too luxurious or being offered a new sponsor child too quickly after the previous sponsor child leaves the programme. Minor complaints are always taken on board as signals in our evaluations. Of the 64 complaints in 2017, 35 were minor.

In the case of more serious complaints, something really has gone wrong. For instance, a direct debit was started too early or stopped too late, or a sponsor has not heard any news about a sponsor child for too long. In 2017, 33 complaints fell in this category. Such complaints should not occur. Each one must be resolved and rectified.

Very serious complaints are major or repeated errors which can harm our organization, a partner or a donor. This could concern, e.g. the incorrect collection of sponsor money or send post to the wrong address. In 2017 there were eight very serious complaints. These are always discussed in our management team with the CEO. The resolution and rectification of such complaints receives priority. Though the number of very serious complaints decreased in 2017 (from 14 in 2016 to 8 in 2017), we find every very serious complaint unacceptable. Our objective is and remains zero very serious complaints.

SAFETY POLICY

The past years have brought a deterioration in the level of safety in many countries in which our partners and our employees are active. Employees of development organizations face intimidation, robbery, abduction, and attacks. Developments in the Middle East and some African countries are a particular cause for concern.

Help a Child pursues a comprehensive safety policy: all our traveling employees do a safety training course. In 2017 about half of the organization attended a one-day refresher course. All traveling employees are required to do this every three years. Also, our crisis management team performed an extensive crisis simulation which was organized and supported by an external specialized agency. We are thus prepared to cope with potentially threatening situations. We discuss incidents in our management team. We regularly test our emergency telephone number and conduct a safety audit every year. The safety policy for the country offices has been expanded.

Six safety incidents were reported in 2017. Fortunately, none involved any major risks.

CORRUPTION AND FRAUD

In 2016 Help a Child renewed the procedures for reporting and investigating actual or suspected fraud and corruption. The procedures that have been put in place to prevent or detect fraud and corruption are now described in more extensive and explicit detail, as are the measures to be taken in the event of suspicions of corruption or fraud. In 2017 two incidents led to sanctions.

At one of our country offices, we found that a driver was asking a supplier for payment for services that he was not entitled to. An investigation was initiated, and this employee was suspended, and his contract of employment was terminated during his probationary period. Following this incident, it was decided to expand the code of conduct and set out in more explicit terms what is not permitted. The background check performed during the recruitment procedure had not revealed any irregularities.

At a field office in India, it was found that a project coordinator had embezzled project funds. This was detected thanks to an internal check and an additional surprise check. After conducting an investigation and giving both parties a hearing, it was decided to report the matter to the police. The money was paid back in full, and the employee was dismissed.

CHILD SAFEGUARDING POLICY

Children are vulnerable and must be protected against people who want to harm them. This can happen anywhere, also in an organization like Help a Child. Help a Child wants to do everything in its power to ensure that employees, volunteers and others acting on behalf of Help a Child genuinely protect children. This is laid down in the Child Safeguarding Policy. All employees, volunteers, interns, and consultants have signed this policy.

In 2017, 14 international and national employees and seven interns took an internal course about this policy. The current policy exists since 2015. Together with the whole team, a self-evaluation has been performed to measure whether the knowledge is still adequate and where it needs to be adjusted or supplemented. The conclusions and recommendations will be implemented in 2018.

To encourage our partner organizations to comply with the child safeguarding policy, online material has been made available via our Knowledge Portal (an online application: howto.helpachild.org). All partner organizations have a policy to promote the protection of children and prevent wrongdoing. Help a Child requires all partners to have such a policy and enforce compliance.

In India, five partner organizations were trained at the

request of Help a Child by a consultant of Keeping Children Safe, a network organization dedicated to working with organizations to protect children against all sorts of abuse and violations of their rights.

In 2017 no cases were found of child abuse by staff, consultants or volunteers of Help a Child, nor was any evidence found of such incidents within the partner organizations.

IT

Help a Child works with Pluriform, a data management system with extensive analysis and processing capabilities. We use this system for the processing of financial data, sponsor, donor & donation data, staff data and project data as well as for multiple reporting purposes. In 2017 a great deal of energy was invested into getting the accounting systems of the country offices up and running. During this exercise, the great advantages of Pluriform for controlling processes and recording data both at decentralized level and from the Netherlands were once again apparent.

In 2017 we worked with other development aid organizations and software developer Matthat on the implementation of a new web portal (Project Connect). This will be further expanded in the coming years, thereby giving both Help a Child, country offices and partner organizations better and faster insight into financial flows and the results in the programmes.

We also want to use IT to be more transparent. Amongst other things, we are working to make our financial flows and project results available via IATI (International Aid Transparency Initiative), a globally accepted digital standard. Donors, government agencies, fellow organizations and other stakeholders will then be able to view our activities at the click of a mouse. This will contribute to better and faster reporting and accountability. Wide-scale use of IATI should also ultimately lead to better coordination of our development aid. In 2017 we became one of the first organizations in the Netherlands to post results and expenditures online directly from our system in accordance with the IATI standard.

ANDREW:

"You must plant rice in rows, I learned that in an agricultural training. At first, I harvested five bags of rice from my plot, now it's as much as forty. My life is better than it used to be: my children can go to school, and each day we have three meals."



Further to our risk analysis regarding the security of privacy-sensitive data in our databases and other IT environments, we hired an external consultant in 2017 to perform a scan of the IT infrastructure. No serious security gaps were found, but security improvements can be made, and recommendations will be implemented in 2018. Also, towards the end of 2017, a joint project was started up with software developer Matthat to achieve full compliance with the General Data Protection Regulation (GDPR) by May 2018. Our first steps were to perform a risk analysis and conclude processor agreements with our suppliers (e.g., suppliers who process our address files for mailings or who have access to website data). No incidents relating to data leaks or other risks for privacy-sensitive data were observed in 2017.

ISO CERTIFICATE

Towards the end of 2017, KIWA carried out an external quality audit in its capacity as an external auditor in connection with the three-yearly recertification. In the course of 2017 preparations were made to achieve compliance with the new ISO9001:2015 standard. Due to the decentralization, the

country offices in Africa were also included in the scope of the audit. Also Help a Child was audited for compliance with the sector-specific Partos standard. No material defects were found during the audit and Help a Child received a new ISO9001:2015 certificate for its activities in the Netherlands as well as the sector-specific Partos certificate for the activities in both the Netherlands and at the country offices in Africa.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

We consider it important to operate in a socially responsible manner. Negative consequences of our actions cannot always be avoided, but we seek to minimize these and to steadily increase our contribution towards a more sustainable society. To make this even more visible, we have adopted a policy outlining our CSR objectives and translated these into actions. These focus on our programmes, fundraising, communication and internal organization.

Some of our CSR choices are shown below. You can hold us accountable.



OUR 'CSR CHOICES'

The most important CSR principle underlying all our choices is 'do no harm': in our programmes and operations, we want to prevent negative consequences for everyone: people and nature. Also, we focus specifically on three areas in which we want to make a positive contribution to how we do our work. These are: people, planet, and prosperity.

PEOPLE

- Help a Child projects a clear, Christian identity. We fully respect the individuality of everyone who is involved in our work.
- Sponsors and donors are our partners in providing support for children and families. We respect their opinions and tailor our communication to their wishes as best we can.
- The use of volunteers goes to the heart of our organization (see page 65). We are also mindful of opportunities to offer people at a disadvantage in the labor market a place within Help a Child.
- We communicate honestly and transparently with all stakeholders. We are not afraid to admit mistakes. We know that things can sometimes be done better, and work to achieve this (see page 64).
- Protection of children and children's rights is central to our work. All our partners and employees are trained in the protection of children, and everyone we work with is required to adhere to the principle of child protection. Their interests must be protected at all times and in every respect, from our communications to our actual work on the ground.
- In 2017 we made our programmes even more inclusive because we also want children with a disability to take part.

PLANET

- Together with our partners in the field, we devote attention within our programmes to responsible environmental practices. In Malawi, for instance, 'Climate Smart Agriculture' was included in our YACSMART programme that is aimed at young people.
- We consume natural resources responsibly, offset the consequences of CO2 emissions resulting from our air travel and encourage the use of public transport. We offset the equivalent of 210 tons of CO2 in 2017.
- Other environmental measures are: paper-saving practices, waste separation, responsible use of packaging materials and e-learning. In 2017, for instance, our magazine 'Kind' was printed on more sustainable and recycled paper and also published online.

PROSPERITY

- Our campaigns to attract donations are positive and transparent. We aim to do justice to the donors as well as the people we support with the donations. Donations are spent on the specific charitable causes nominated by the

donors.

- To promote our transparency, we started with the online publication of information via IATI (see under 'IT'). We are going to expand this in the coming years.
- In addition to our bank account with a systemic bank, we also have a bank account with a sustainable and ethically-responsible bank.
- In 2017 we implemented further cost- and energy-saving measures in our office building.
- Corporate social responsibility (CSR) is always taken into account in our contracts with third parties. Among other things, we use fair trade coffee and seek to purchase sustainable and fair products.

COLLABORATION

Help a Child endorses the Partos Code of Conduct and the codes for fundraising, formation of reserves, and director remuneration as drawn up by the industry organization for charities 'Goede Doelen Nederland'. The Partos Standard, with which Help a Child complies, requires an extensive CSR section. Also, Help a Child subscribes to the importance of the public debate about corporate social responsibility that is also being conducted with other Christian organizations (Prisma), in the national development aid sector (Partos) and in the European context (EU-Cord). In our lobbying activities vis-à-vis government agencies and other important players, Help a Child stresses the importance of Children and their protection and rights and the adherence of organizations and businesses to corporate social responsibility principles in Africa and India.



HOPE & DIGNITY

Skovian lives in Gwassi, Kenya. She was born with a clubfoot, making it painful and tiring to walk. Thankfully Skovian lives close to school, so with a little help, she can follow the lessons. Skovian was abandoned by her parents right after she was born. Jack, her mother's brother, was present at the birth and has cared for her like a father since that day. In Gwassi, people don't openly discuss disability. There is a lot of shame and taboo surrounding the subject. It does not make life easy for children with disabilities. Help a Child pays extra attention to children like Skovian in the village programmes.

SKOVIAN (9): "Thanks to you I feel privileged because you take good care of me and take me to school. Things are good with you."

JACK (42): "To me, you are not different because of your handicap. I see through it. It is just part of who you are and you handle it well."

5 | ACCOUNTABILITY STATEMENT



Quality and transparency are top priorities for us.

Receiving the Transparency Award in 2016 was a great accolade for our work.

Help a Child is a 'CBF-recognized Charity'. This is the new quality mark that the CBF (Central Bureau on Fundraising) awards to charities whose management, policy, finances and reporting are fit for purpose.

The renewed CBF accreditation system came into effect in 2016. It consists of an extensive system of conditions that the accredited organization must meet. Help a Child satisfies these conditions. One of these conditions is the annual accountability statement that follows below. In this statement, an organization must set out how it complies with three important principles.

The following roles must be separated within the organization: management, execution and supervision. The organization must spend its financial resources as effectively and efficiently as possible. As much as possible the organization must take into account the various groups of people who have a stake in the work it does (the 'stakeholders').

For more information, go to www.cbf.nl.

5.1 | MANAGEMENT, EXECUTION AND SUPERVISION

Help a Child uses the Supervisory Board model to separate management, execution and supervision. In this model, the management is carried out by the Board of Directors, which is responsible for policy. The Supervisory Board supervises how policy is carried out, and also has an important advisory role. The execution of the work is in the hands of the managerial staff.

DIVISION OF ROLES IN THE SUPERVISORY BOARD MODEL

ROLE	RESPONSIBLE BODY
SUPERVISION	Supervisory Board
MANAGEMENT	Board of Directors
EXECUTION (DAY-TO-DAY MANAGEMENT)	Managerial staff

MANAGEMENT AND OPERATIONS

In 2017, the Board of Directors of Help a Child consisted of a CEO (appointed under the Articles of Association), Andries Schuttinga. He managed the organization on the basis of a set of regulations. These regulations stipulate, among other things, how the directors must avoid conflicts of interest and ensure adequate separation of duties.

The Board of Directors is responsible for policy and its execution. This policy is established and monitored by the Director with the department managers. They jointly make up the management team (MT), which meets every two weeks in principle. The Board of Directors ensures that the Supervisory Board receives timely and appropriate information for the effective fulfilment of its supervisory role.

SUPERVISORY BOARD

The Supervisory Board consists of six members. They too work according to a set of regulations outlining the relationship between the Supervisory Board and the Board of Directors. These regulations also contain provisions on the avoidance of conflicts of interest and the separation of duties. The composition of the Supervisory Board as at 31 December 2017 can be found in section 5.4.

Various committees are in place to inform the Supervisory Board about specific issues such as fundraising, programmes and finance.

COMMITTEES OF THE SUPERVISORY BOARD

The Supervisory Board has the following committees:

Fundraising and Awareness Committee:

3 members – frequency: 2 x per year

Partners and Programmes Committee:

3 members – frequency: 2 x per year

Finance Committee:

2 members – frequency: 4 x per year

Appointments and Remuneration Committee:

2 members – frequency: 1 x per year and ad hoc

Agenda Committee:

2 members – frequency: 4 x per year

SUPERVISION OF POLICY

The starting point for the policy of Help a Child is our Strategic Long-Term Policy Plan 2016-2020. Each year this policy is worked out into an annual plan with a budget for the year as well as a long-term budget. This allows effective monitoring of policy implementation (see section 1.3).

Financial and other quarterly reports provide the MT and the Supervisory Board with insight into our income and expenditure as well as the progress of policy. The Finance Committee discusses the financial reports each quarter with the Board of Directors and the Finance Manager. The report on this discussion, together with the other reports, is then discussed at the next Supervisory Board meeting.

The budget and the financial statements are presented annually to the Supervisory Board for, respectively, adoption and approval. A forecast of the expected results is made each year in June, so that adjustments can be made if necessary.

AUDITOR

The Supervisory Board appoints the external auditor. The auditor appointed for 2017 was EY. The auditor audits the books, issues an auditor's report, draws up a management letter and attends the meeting of the Supervisory Board as a guest during the discussion of the financial statements and the management letter.

RELATIONSHIP BETWEEN SUPERVISORY BOARD AND BOARD OF DIRECTORS

The chairman and one other member of the Supervisory

Board hold annual appraisal interviews with the Director. This appraisal interview is conducted on the basis of the job profile and board regulations. They ascertain whether policy objectives have been realized and whether the relations between the Board of Directors and Supervisory Board are good. At the end of 2016, Leo Visser, the then General Manager, left the organization. As a result, Andries Schuttinga, the then Operational Manager, was appointed General Manager for a one-year period. In September 2017, the Supervisory Board made this temporary appointment permanent. The remuneration committee again assessed the Manager's Terms of Employment, in light of a change from a one-person into a two-person management.

The relations between the Supervisory Board and the Board of Directors are open and transparent. The Board of Directors sees it as its task to keep the Supervisory Board informed of the thinking processes underlying their management actions, provide them with insight into the decision-making and invite them to make comments. In the perception of the Supervisory Board, the Board of Directors conducts the management of Help a Child, and the Supervisory Board supervises that management, but can also advise and encourage the management, either upon request or on its own initiative.

MEETINGS OF THE SUPERVISORY BOARD

The Supervisory Board has a scheduled a meeting cycle of four meetings per year. In addition, 'extraordinary' meetings can be held about a specific theme. The extraordinary meetings usually include an off-site meeting. Important policy



subjects are first discussed in the MT and then in the relevant Supervisory Board committee, together with the Board of Directors and a member of the MT. The documents are then presented, together with a report of this meeting, including key issues, to the full Supervisory Board. The Supervisory Board focuses on the key issues.

Several weeks before each Supervisory Board meeting, the Agenda Committee meets with the Board of Directors to discuss the agenda. The Appointments and Remuneration Committee determines the remuneration of the Director each year and discusses vacancies falling within the responsibility of the Supervisory Board. Two times a year, our strategic choices and the progress of our policy on fundraising, communication and awareness are extensively discussed in the Fundraising and Awareness Committee. The outcomes of this

consultation are then dealt with in the full Supervisory Board (see above: Supervision of Policy).

The Supervisory Board normally meets with the Board of Directors, except in cases involving the position or performance of members of the Board of Directors, or its own performance. In addition, the Finance Manager has direct access to the chairman of the financial committee and is invited to attend the discussion about the budget, the risk policy and the annual report and financial statements.

In 2017, the Supervisory Board held four scheduled and two extraordinary meetings.

WHAT THE SUPERVISORY BOARD DISCUSSED IN 2017...

- **2016 Financial Statements and Annual Report**

The Financial Statements and Annual Report were approved.

- **Auditor's Report on the 2016 Annual Report**

The auditor issued an unqualified opinion.

- **Management Letter**

There were no special or worrying findings. Help a Child is under good management.

- **Progress of 2017 Annual Plan and financial reports**

- **Mandate for the disposal of real estate in case of legacies**

- **Financial benchmark for fund-raising costs**

- **2018 Annual Plan and Budget 2018**

In September 2017, we discussed the main outlines of our policy for 2018. These were then translated into an annual plan and budget that were approved in November.

- **Progress of Strategic cooperation in PerspActive**

- **Risk Policy / 'Value Management'**

Our 'integrated value management' system gives the Supervisory Board and the Board of Directors a comprehensive overview of the risks and opportunities we see as an organization. This was discussed in the financial committee and the full Supervisory Board.

- **Evaluation of long-term policy plan**

The evaluation of the long-term policy plan has been discussed in both an extraordinary meeting and regular meetings. After various rounds, the evaluation was established in November 2017 (see also paragraph 1.3).]

- **Decentralization**

The decentralization to various country offices and the consequences for the Dutch organization were discussed in various rounds. Attention was paid to the shift in mandates, the set-up of an organization structure, as light-weight as possible, as well filling various posts. The current and

future financeability of the organization were also brought up for discussion.

- **Help a Child – in the Netherlands for 50 years**

In 2018, Help a Child will commemorate its 50-year existence in the Netherlands. During its meeting, the Supervisory Board took note of the planned activities in connection with this anniversary.

- **Departure of CEO**

In connection with the departure of Mr L.D. Visser as of 1 January 2017, the Board talked about filling this post permanently, after consulting the Management Team and the interim CEO. This resulted in the definitive appointment of Mr A.M. Schuttinga as manager of the organization.

- **Vacancies in the Supervisory Board**

As of 26 June 2017, Mr F.R. Witteveen took over the presidency from Mr Jac.G. van Oord, while Mr Jac.G. van Oord stood down as a member of the Supervisory Board. After the resignation of L.N. Rottier (after one term) and G.J. Veurink (after two terms), a profile was drawn up; through an agency, an application process was launched to fill the two positions with one person. In December 2017, the Supervisory Board appointed Mr F.H. Slingerland as a member.

IN EXTRAORDINARY MEETINGS, THE FOLLOWING ITEMS WERE DISCUSSED:

- **Strategic scenarios**

In two sessions, the Supervisory Board was informed about developments in the sector Development Cooperation. This also involved the exploratory talk of a potential strategic cooperation.

In addition, the Board assessed and fine-tuned the strategic long-term policy plan, together with the manager.

INTERNAL PERFORMANCE OF SUPERVISORY BOARD

In the past year, we took leave of the chairman of the Supervisory Board, Mr Ing. Jac. G. van Oord, as he stepped down at the end of his second term. In connection with the departure of the then general manager, Mr L.D. Visser, at the end of 2016, Mr Van Oord's term was renewed for another six months until 1 July 2017, at the Board's request. From that date, Mr F.R. Witteveen has actually assumed the chairmanship of the Board. With the Board's approval, Mr A.M. Schuttinga was appointed General Manager/Director as of 1 January 2017 for a one-year period.

Mr drs. L.N. Rottier informed the Board that in connection with his primary activities he had decided to lay down his supervisory task with Help a Child. The chairman stated he found it only natural, but also regretted this decision. He thanked him for his commitment and involvement with Help a Child. The vice-chairman Mrs dr. C. Touwen-Bouwsma suggested to drop the post of vice-chairman, and to continue on herself as secretary of the Board. She will take over this position from Mr Rottier as of October 1, 2017. The Board agreed with this suggestion. The Board members expressed their appreciation for both the chairman's and the vice-chairman's work over the past year. The changes in the Board went well. The Board was sufficiently informed about finances, the progress of the policy, and the strategic long-term policy plan. The Board assembled six times in the past year, including an off-site meeting. Besides, the board members participated in various committees that met two to four times a year.



5.2 | EXPENDITURE OF OUR FUNDS

Help a Child invests a great deal in the quality of its work. In addition, we want to expand our funding and document the results of our programmes as well as possible. One key question is: are we achieving our objectives with our expenditures?

We produce a short financial summary every month and a full financial summary plus a progress report every quarter. On the basis of these documents, we analyse the movements in our income and expenses. With the aid of key indicators (e.g. the number of children attending school or the number of young people who have completed vocational training), we check whether we are on the right track. Measures are taken where necessary.

OWN COSTS

An important yardstick for the efficient expenditure of our funds is the level of management, administration and fundraising costs. We monitor our adherence to the specific standards set for this purpose. You can read more about this in Chapter 6. See page 83.

5.3 | OUR RELATIONSHIP WITH STAKEHOLDERS

Help a Child has dealings with many different people and organizations. Amongst all these contacts, we always consider the children, young people and families for whom we work to be our primary stakeholders. They are our reason to exist. Our right to exist stems from another important stakeholder group: our supporters. Our sponsors and donors on whose behalf we do our work.

**Our primary stakeholders:
children, young people, families**

OUR DONORS AND SPONSORS

Expectation: transparency; clear answers; insight into our policy

Each year we have much conversations with our donors and sponsors. We met our many supporters in our inflatable church at the Pentecost Revival Conference. We also organized another Thankathon, where all staff members call donors and sponsors to thank them for their support and give them an opportunity to ask questions and make suggestions. Through various communication channels, including our

one-off magazine 'Kind' and social media, we attracted and received a great deal of attention for our work and its impact.

PARTNER ORGANIZATIONS

Expectation: clarity about our support and our conditions for the continuity of that support

We meet with our partners, either in groups or individually, at least once a year to discuss policy. In 2017, this was done in various ways, including regional meetings. We discussed the strategic policy plan, the plans per country for the coming years, and the consequences of the decentralization.

KNOWLEDGE CENTRES

Expectation: clarity about the bilateral added value

We met with knowledge centres to discuss our proposed choices for our knowledge policy for the period until 2020. Together, we explored how we can assist and support each other. This led to several new initiatives for collaboration in such areas as early child development, our group-based approach and youth & work.

GOVERNMENT

Expectation: information on our social relevance and added value for government policy; good and timely reporting (for funds)

Our ongoing dialogue about our policy and programmes with the government is conducted via the embassies in the programme countries and via the Ministry of Foreign Affairs (policy consultation). In 2016 Help a Child was selected to implement an Addressing Root Causes programme (see section 3.4) in Burundi. We are leading a consortium of four members in that country. Because of our experience with girls' education in inaccessible areas, we were invited for workshops of UKAid, the programme of the British Department for International Development. In 2017, we joined the Dutch Relief Alliance, a coalition of 16 Dutch humanitarian aid organizations that are financed by the Dutch Ministry of Foreign Affairs.

CHURCHES

Expectation: dialogue and encouragement about issues that matter deeply to the community

Churches in the Netherlands and in our programme countries are important stakeholders for us. Faith communities in Africa and Asia are often vital partners in places where other players lack authority or legitimacy. Our dialogue with them centres on leadership in the community and ethical issues. In the Netherlands we engage in a continuous dialogue with the churches about their involvement with our work and the position they take in public debates. Sometimes, we invite church communities to join us on trips, and thus foster connections between churches worldwide.

SCHOOLS

Expectation: information about our work; fun projects; connecting

For us, schools are natural places for engaging in conversations about our work. We introduce children and youngsters to issues surrounding poverty and creating opportunities for the disadvantaged. We also speak with them about our responsibility towards each other and about ways to lead an honest and decent life. Every year, we have dozens of meetings with classes of schoolchildren, teachers and parents. This year we developed and introduced renewed teaching materials.

BUSINESSES

Expectation: good timely information/reporting; results and perspectives for action for businesses

We meet businesses on regional platforms and at gatherings about specific themes. We enter into a dialogue with them about their possible involvement in projects or other forms of corporate social responsibility (CSR) that can unite and motivate the people who work for them. We regularly invite entrepreneurs to join us on our trips. This year we organized a trip for entrepreneurs to Uganda.

INSTITUTIONAL FUNDS/CHARITABLE TRUSTS

Expectation: good timely information/ reporting; our added value

We regularly speak with all sorts of institutional funds and charitable trusts to build bridges between our respective mandates. Sometimes we visit projects together.

STAFF (EMPLOYEES, INTERNS AND VOLUNTEERS)

Expectation: involvement in our work and decision-making

We regularly have conversations with staff about our policy and the choices we need to make. Team days are organized every three months to discuss all subjects that are relevant for Help a Child and to give employees a chance to express their opinion. All key choices concerning our programmes are given a sharper focus through these conversations. With the arrival of four country offices, our workforce has become a lot more international. In 2017, extra attention was given to the internal communication structures, mandates and roles and responsibilities.

FELLOW ORGANIZATIONS

Expectation: cooperation, mutual added value, shared interests

We meet fellow organizations in all sorts of platforms and contexts (see partnerships, Appendix III) to discuss subjects of mutual significance. This year we became a member of the Dutch Relief Alliance.

5.4 | COMPOSITION OF THE SUPERVISORY BOARD

BOARD OF DIRECTORS AND SUPERVISORY BOARD

As at 31 December 2017, the Board of Directors of Help a Child comprised:

A.M. Schuttinga CEO

Relevant ancillary positions: Board Member of Help a Child Africa, Nairobi (Kenya), until end of March 2017 • Board Member of Help a Child US, Oregon Wisconsin (United States of America) from May 2017 • Board Member of Radio Uzima, Dodoma (Tanzania)

As at 31 December 2017, the Supervisory Board comprised the following members:

F.R. Witteveen MBA Chairman

(until May 2020, available for reappointment)
Former Director/Board Member Trias Jeugdhulp Zwolle.
Relevant ancillary positions: Chairman of the Supervisory Board of Stichting Kinderhulp Dominicaanse Republiek • Chairman of the Supervisory Board of Graafschapcollege Doetinchem (Regional Training Centre)

C. Touwen-Bouwsma Secretary

(until June 2019 – not available for reappointment)
Former Director of Collections and Services NIOD, Institute for War, Holocaust and Genocide studies
Relevant ancillary positions: none

B.P. Hidding Chairman of Finance Committee

(until end of 2018 – available for reappointment)
Board Chairman of Flynth adviseurs en accountants
Relevant ancillary positions: Chairman of the Board of Directors Rabobank Apeldoorn • Member of Supervisory Board and Chairman of Audit Committee of Christelijke Hogeschool Ede

G.W. Bastiaan (until July 2018 – available for reappointment)

Nursing specialist in mental healthcare, Therapeutisch Centrum Flevoland
• Tailored Education Specialist • Life Course Director for townships • founder of HouvASS
Relevant ancillary positions: member of home front committee SAam (South Africa)

G.J. Veurink (resigned from 31-12-2017 until 2018 – not available for reappointment)

Director of Nedvest Capital bv
Relevant ancillary positions: none

C. van Weelie (until 2020 - available for reappointment)

Communication Trainer/Owner of Grow2Care
Ancillary position: Chairman of Baptist Council of Churches Silo, Utrecht * ambassador MedAir

New Supervisory Board member effective from 1 January 2018:

F.H. Slingerland (available for reappointment, until 31-12-2021)

General Manager Royal FloraHolland
Relevant ancillary positions: Member of the Advisory Board of Pim Mulier in Arnhem

ANCILLARY POSITIONS

The ancillary positions are only mentioned here to the extent that they are relevant to Help a Child in terms of our sponsors and donors, our work or possible risks (such as a conflict of interests).

The ancillary position of Mr Schuttinga at Help a Child US stems from his official position at Help a Child. It is important to ensure good connections between the two organizations in order to quickly identify and resolve possible risks that could jeopardize the continuation of our mutual relationship.

The ancillary position of Mr Schuttinga at Stichting Radio Uzima is a private matter. There is no real risk for Help a Child.

The ancillary positions of the members of the Supervisory Board constitute no risk for Help a Child. The members also have sufficient time to effectively supervise the Board of Directors and the organization. A number of outside positions offer added value for our network.

RECRUITMENT OF NEW SUPERVISORY BOARD MEMBERS

The Secretary takes the initiative for the recruitment procedure. In this case the Supervisory Board draws up a vacancy profile, on the basis of which the members seek potentially suitable candidates. The vacancy is published in several daily newspapers as well as on our website and social media.

Interviews are conducted with potential candidates by at least two members of the Supervisory Board. The appointment takes place in accordance with the Articles of Association. The Board of Directors has an advisory role in this procedure.



LILIANE:

"As an orphan, I had never thought I could achieve anything. But now that I'm a hairdresser, I have sufficient income. Life is a precious gift. Don't forget: as long as you live, everything is possible. Dream about it and go work for it!"

The candidates must be active and sympathizing members of a Protestant Christian church. We also aim to ensure that the Supervisory Board is a representative reflection of our sponsors and donors, comprises diverse denominations and has a good age and gender balance. In addition, the members must have different and complementary types of experience and knowledge.

REAPPOINTMENT PROCEDURE

The Chairman of the Supervisory Board conducts an appraisal interview with each resigning member and makes a proposal for reappointment if applicable. The Supervisory Board then makes decision on this proposal.

6 | FINANCE



Our new fundraising strategy produced insufficient results in 2017, but the picture emerging in 2018 is already a lot more positive. By the end of the year, the loss of income after 2015 due to the end of the MFS subsidies will have been largely recouped.

6.1 | INTRODUCTION

The government subsidies were much lower than budgeted and lower than last year. The most important reason was the method used to recognize granted subsidies as income. In addition, income from bequests and charitable trusts was disappointing in 2017. This resulted in a larger negative balance for income and expenses.

Income from sponsorship has been under pressure for some time and decreased by a further € 0.2 million compared to 2016. Donations (incl. emergency aid donations) excluding sponsorship rose compared to 2016 and compensated the lower than budgeted income from donations from charitable trusts and foundations (€ 0.2 million). We dipped into our reserves more than budgeted, due to disappointing income from bequests (impact € 0.25 million) and because we allocated extra money to our sister organization Help a Child of India. The reason for this allocation was that the discontinuation of our support to the homes for children with a disability meant that extra money was necessary to effectuate a smooth transition to other donors and complete the aid programme (impact €0.2 million).

Income from government subsidies was lower because a

subsidy of € 1.8 million for a large programme in Burundi (ARC) was already recognized for a substantial amount (€ 1.2 million) as income in 2016 (as arranged by contract) while the implementation largely took place in 2017.

Other investments concerned the establishment of the country offices to boost our local fundraising potential in the longer term. To this end, reserves were formed which are now being expended as planned. The expectation for 2018 is that the income from subsidies will be at least € 3 million higher than in 2017.

Expenditure on objectives relative to income slightly decreased. Based on a three-year average (88,8%), this ratio is just below the internal norm of at least 90%. This was mainly caused by a low ratio in 2015 due to high income from bequests.

Regarding the country offices, we must sow before we reap. Local staff are also being deployed for fundraising and 'management and administration' activities, while the income and expenses are not yet commensurate with the size of the organization. Moving forward, the expenditure on objectives relative to total expenses should rise again once the country offices start attracting more project funding.





DIFFERENCE BETWEEN BUDGETED AND ACTUAL BALANCE

This table provides an analysis of the difference between the budgeted net income and expenses and the actual balance. The main differences are explained below.

Net income and expenses compared to budget for 2017 (amounts in €1,000)

Budgeted net income and expenses		-739
Lower income from own fundraising	-724 ¹⁾	
Higher income from third-party campaigns	90	
Lower government subsidies	-1,678 ²⁾	
Lower interest and other income	-8	
Lower expenditure on objectives	2,401 ³⁾	
Higher organizational costs	-66 ⁴⁾	
Total differences		15
Actual result		-724

1) Income from own fundraising declined mainly because of lower sponsorship income (€ 0.4m), lower donations from charitable trusts and foundations (€ 0.2m) and lower income from bequests (€ 0.25m) than had been budgeted. This was compensated by higher-than-budgeted income for emergency aid programmes (€ 0.4m).

- 2) In December 2016 Help a Child was awarded an annual subsidy of approximately € 1.8m by the Ministry of Foreign Affairs as the lead partner of a consortium for the 'Addressing Root Causes' (ARC) programme in Burundi. In the budget for 2017 we assumed that the five-year subsidy would be distributed across equal periods. It later transpired that the first term concerned 13 months (1 December 2016 to 31 December 2017) instead of 12 months. On this basis, the subsidy was recognized as income in 2016 for a substantial part and the next term will be recognized as subsidy income for 2018.
- 3) The lower expenditure on objectives was chiefly attributable to the fact that the budget had taken account of grants to consortium partners in connection with the ARC programme in Burundi which, due to the reporting period, will only be recognized in 2018. In addition, the expenditure on objectives was lower because these were partly tailored to the development of income.
- 4) The higher expenses in 2017 were mainly caused by the establishment of the country offices.

KEY FIGURES

This table contains our key figures, including a comparison with the budget and the figures for the four preceding years.

Key figures (amounts in €1,000)	2017	Budget	2016	2015	2014	2013
Income from own fundraising	7,406	8,130	8,266	8,889	7,709	7,944
Income from third-party campaigns	190	100	106	48	4	17
Government subsidies	667	2,345	1,767	3,774	3,516	3,220
Other income	5	0	57	4	4	3
Total income	8,268	10,575	10,196	12,715	11,236	11,184
Expenditure on objectives	7,638	10,039	9,550	10,904	10,619	9,965
Costs of fundraising	883	935	773	730	909	801
Management and administration	473	355	348	279	336	301
Total expenses	8,994	11,329	10,672	11,913	11,866	11,067
Balance	-726	-754	-476	802	-628	116
Financial income and expenses	2	15	6	4	45	37
Net income and expenses	-724	-739	-470	806	-583	153
Reserves and funds						
* Special purpose reserves	2,286	2,539	3,119	3,343	2,402	2,869
* Special purpose funds	512	777	398	584	709	825
	2,798	3,315	3,517	3,928	3,110	3,694
Cost percentages	Norm					
Expenditure on objectives as proportion of total expenses	84.9%	90.0%	89.5%	91.5%	89.5%	90.0%
Expenditure on objectives as proportion of total income	92.4%	90.0%	93.7%	85.7%	94.1%	89.1%
3-year moving average	88.8%		89.4%	89.7%	92.7%	89.1%
Costs of fundraising						
as proportion of total income	10.7%	7% - 9%	7.6%	5.7%	8.1%	7.2%
Management and administration costs						
as proportion of total expenses	5.3%	5.0%	3.3%	2.3%	2.8%	2.7%

Expenditure on objectives

In 2017 we spent 92,4% of the income on our objectives (2016: 93,7%). The three-year moving average was 88,8%, which is just above the norm.

Costs of fundraising

In 2017 the costs of fundraising were slightly lower than budgeted. Despite this, the percentage of costs of fundraising rose significantly relative to the income from own fundraising and is now above the norm. This was mainly because less subsidy was recognized for the ARC programme in 2017; otherwise the ratio would have been approximately 9%.

Management and administration costs

The management and administration costs amounted to 5.3%, just above the norm of our Supervisory Board (5%). This percentage increased due to the inclusion of the country offices, which also incur management and administration costs. The strategy is aimed at the continuous improvement and automation of processes in order to implement the processes as efficiently as possible and keep management and administration costs at an acceptable level. Once the country offices have their fundraising activities successfully up and running, this ratio will fall back below the 5% norm.

6.2 | CONSOLIDATED FINANCIAL STATEMENTS *(amounts in €)*

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2017 (AFTER APPROPRIATION OF RESULT)

ASSETS	31-12-2017	31-12-2016
Intangible fixed assets	113,700	168,104
Tangible fixed assets	480,248	420,296
Financial fixed assets		
Other securities (PerspActive / ICCO)	100,000	100,000
Other receivables	50,400	49,000
	150,400	149,000
Receivables and accrued income		
Bequests receivable	175,933	409,925
Receivable income from third-party campaigns	25,000	10,000
Receivable government subsidies	114,949	396,358
Pre-paid to (consortium) partners	1,309,628	-
Other receivables	98,245	228,926
Accrued items	61,409	125,535
	1,785,164	1,170,744
Liquid assets	3,446,774	3,970,659
	5,976,286	5,878,803

LIABILITIES	31-12-2017	31-12-2016
Reserves and funds:		
Special purpose reserves:		
Emergency aid	100,000	100,000
Organizational development	29,429	158,762
Transparency Award	-	50,000
Programme development	115,340	317,914
Continuity reserve	2,041,117	2,492,091
	2,285,885	3,118,767
Special purpose funds	511,626	398,476
Total reserves and funds	2,797,512	3,517,243
Provisions		
Provision for building maintenance	11,275	11,275
Long-term liabilities		
Prepayments	5,100	6,800
Amounts payable in respect of programmes	270,869	256,055
	275,969	262,855
Short-term liabilities		
Accounts payable	95,167	107,346
Subsidies received in advance	1,817,445	610,718
Payable in respect of programmes	638,759	1,038,844
Other liabilities	338,459	328,822
Accrued items	1,700	1,700
	2,891,530	2,087,430
	5,976,286	5,878,803

CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE FOR 2017 (amounts in €)

Income:	2017	Budget 2017	2016
Income from fundraising:			
Income from individuals	5,865,146	6,480,000	6,426,764
Income from businesses	503,138	400,000	395,033
Income from government subsidies	666,599	2,345,000	1,766,817
Income from other non-profit organizations	1,227,836	1,350,000	1,550,084
Total income from fundraising	8,262,719	10,575,000	10,138,698
Other income	5,405	-	57,401
Total income	8,268,124	10,575,000	10,196,099

Expenditure:	2017	Budget 2017	2016
Expenditure on objectives			
- Trained, ready for the future	2,346,951	3,332,937	3,182,560
- Socially and emotionally developed	2,338,324	2,223,140	2,460,267
- Healthy and strong	1,576,112	2,538,140	1,915,569
- Hope and dignity	237,369	-	-
	6,498,756	8,094,217	7,558,396
- ARC programme via consortium partners	91,811	1,328,000	1,228,798
- Emergency aid	674,265	330,000	481,781
- Information and awareness	372,897	286,803	280,772
	7,637,729	10,039,020	9,549,747
Costs of fundraising	883,274	935,203	773,392
Management and administration costs:	472,677	354,783	348,375
Total expenditure	8,993,680	11,329,006	10,671,514

Net before financial income and expenses	-725,556	-754,006	-475,414
Net financial income and expenses	1,857	15,000	5,683
Net income and expenses	-723,698	-739,006	-469,731

Surplus/shortfall added to/withdrawn from			
- Continuity reserve	-454,941	-131,350	-59,231
- Special purpose funds	113,150	-232,656	-192,176
- Special purpose reserves	-381,907	-375,000	-218,324
	-723,698	-739,006	-469,731

CONSOLIDATED CASH FLOW STATEMENT

amounts in €

Cash flow from operating activities	2017	2016
Net income and expenses	-723,698	-469,731
Adjustments:		
Costs of depreciation/amortization	145,449	144,159
Movements in receivables	-610,567	461,161
Movements in provision	-	-1,157
Movements in long-term liabilities	13,114	56,060
Movements in short-term liabilities	804,100	857,152
	-371,601	1,047,643
Cash flow from investing activities		
Investments in tangible fixed assets	-107,076	-22,882
Investments in intangible fixed assets	-44,561	-38,297
Fixed asset currency differences	752	
Movements in financial fixed assets	1,400	31,635
Total cash flow from investing activities	-152,284	-29,544
(Decrease)/Increase in liquid assets	-523,885	1,018,099
Liquid assets as at 1 January	3,970,659	2,952,560
Liquid assets as at 31 December	3,446,774	3,970,659

Note concerning liquid assets

The decrease in liquid assets is primarily because the costs of building up the country offices and programme development were largely paid from the relevant special purpose reserves.



NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS 2017

GENERAL INFORMATION

Main activities

Help a Child is a foundation (Chamber of Commerce nr. 41022454), having its registered office in Zwolle. 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 Title 9, Book 2 of the Dutch Civil Code and, in particular, Guideline 650 for Fundraising Institutions. The financial statements were drawn up on 16 April 2018.

In 2016 the grant by Dutch Ministry of Foreign Affairs for the Addressing Root Causes Programme for the period 1 December 2016 up to and including 31 December 2017 was fully recognized as income (€1,8 mln.). Part of this amount was placed in a special purpose fund as no formal commitments with third parties had been made in the same year. Red een Kind applied the same rules of income recognition as with MFS (previous subsidy of Min.of Foreign Affairs). According to the Dutch Accounting Standards only the amount of the subsidy which was committed to third parties should have been recognized as income from government subsidies. In December 2016 there was no formal commitment to third parties amounting to € 610,717 as this part would be used by Red een Kind for implementation. Therefore this same amount should not have been recognized as income in 2016. Because of the size this is a substantive error in the presentation of income. Therefore the comparative figures of 2016 have been adjusted. The consequence of this adjustment is that for the amount of € 610,717 income is shifted from 2016 to 2017 and net income and expenses changes from €140,986 to negative € 469,731.

The adjustments are as follow (*amounts in €*):

	2016 before change	Effect 'recovery of error'	2016 after change
Statement of income and expenditure			
Income from government subsidies	2,377,535	-610,717	1,766,818
Credit Balance			
Special Purpose Reserve ARC Burundi	610,717	-610,717	-
Shortterm Liabilities (subsidies received in advance)	-	610,717	610,717

Consolidated financial statements

The consolidated financial statements comprise the financial information of Help a Child and the separate legal entities in Africa over which Help a Child has material control, namely:

Help a Child Africa, Nairobi (Kenya);
Help a Child Burundi, Bujumbura (Burundi);
Help a Child Malawi, Lilongwe (Malawi);
Help a Child Rwanda, Kigali (Rwanda);

Due to our decentralization strategy, the aforementioned foreign entities are growing in significance. In 2017 the total significance of these entities was such that the figures of these country offices was consolidated in the financial statements for 2017.

There are no differences in the accounting policies and principles for the determination of the result between the Help a Child entities and those of Help a Child. For this reason, the policies and principles used for the company financial statements of Help a Child have not been stated individually.

Investment policy

The management of our reserves is based as far as possible on the principles described in the Guidance for Responsible Asset Management in Fundraising Institutions ('Handreiking Verantwoord Vermogensbeheer Fondsenwervende Instellingen') of the industry 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 about the sustainable management of these entrusted funds. Part of the assets is placed with Triodosbank, while the other banks and notably ABN AMRO have meanwhile also adopted a considerably more sustainable profile.

Change in accounting policies

In October 2016 the Dutch Accounting Standards Board issued RJ Statement 2016-13 leading to an adjustment of Guideline 650 for Fundraising Institutions. This Guideline must be applied to financial years starting on or after 1 January 2017. Help a Child has elected to apply the Guideline to the 2017 financial year. The main changes resulting from the introduction of this Guideline are that the presentation of income has been adjusted and the figures have been reclassified for comparison purposes.

As a result of the application of this Guideline, the valuation of usufruct from bequests has been adjusted. The valuation under the former Guideline was zero.

The effect of this adjustment is as follows (amounts in €):

	2016 before change	Effect change account- ing policy	2016 after change
Debit balance			
Receivables – Bequests receivable	409,925	49,000	458,925
Credit balance			
Special purpose reserves	3,069,767	49,000	3,118,767

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 related. All amounts are in euros.

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. Liquid assets, receivables and liabilities in foreign currencies are converted at the exchange rate on balance sheet date. Differences arising from exchange rate movements are included in the 'Statement of income and expenditure' and allocated to the expenditure 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 software.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. 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 : 10 years
- Office fittings and fixtures : 5 years
- Means of transport : 5 years
- Equipment : 3-5 years

Financial fixed assets

Other securities are stated at cost.

Impairments

Fixed assets must be assessed for impairments if we have reasons 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 2017.

Receivables and accrued income

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

Reserves and funds

We distinguish between special purpose reserves and special purpose funds. In the case of special purpose funds, our donors designate the purpose for which the money must be spent. Special purpose reserves consist of monies earmarked by the Board of Directors for a specific purpose.

Continuity reserve

We have built up long-term relationships with our partner organizations in order to provide structural aid for children. Good stewardship enables us to continue providing this aid even in more difficult financial times. The Supervisory Board conducts a periodic assessment of the risk analysis together with the Board of Directors. Negative effects of currency fluctuations, reputation damage, the loss of larger donors, the possible shrinkage of our sponsor and donor base, country risks (such as war) and a possible new economic crisis are regarded as particular risks that may have a financial impact. The objective of our continuity reserve is to withstand these risks.

The size of the continuity reserve is based on the 'Reserve Goede Doelen' guideline of Goede Doelen Nederland. This guideline states that the continuity reserve may not exceed one and a half times the annual costs of the working organization. The working organization's annual costs consist of the:

- Work contracted out and publication and communication costs. These costs are counted in full in compliance with the guideline, with the exception of the part attributed to objectives.
- Personnel, accommodation, office and general costs, including depreciation and interest. These costs are counted in full, including the part attributed to the objectives.
- Programme costs which are structural in the sense that they are unlikely to be phased out within one year. These programme costs are important for the continuity of our activities.

Our continuity reserve consists partly of the funds earmarked for the financing of our office premises (€ 378,939). The Board of Directors has capped the continuity reserve at 100% of the working organization's annual costs. This has been approved by the Supervisory Board. Scenario and risk analyses are used to calculate whether the organization has sufficient capital and reserves to absorb lower-than-expected income and/or higher-than-expected costs.

Other reserves

In accordance with the criteria for the CBF quality mark (Article 4, 2f), any surpluses 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.

Provisions

Provisions are recognized at the nominal value of the expenditures that are expected to be necessary to settle our obligations and losses. A provision for the expected maintenance costs for our office premises has been formed on the basis of a long-term maintenance plan. This provision is being progressively reduced.

Amounts payable in respect of programmes

We recognize a liability in respect of programmes if an amount has been contractually allocated and/or a budget for a programme is approved. 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.

PRINCIPLES 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'.

Income from fundraising

Sponsorship funding, donations and gifts are recognized in the year of receipt. Monies which are to be received in a subsequent financial year, but which have been specifically designated by donors for the reporting year, are recognized as income for the reporting year.

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.

Income from third-party campaigns

Contributions received from other fundraising institutions are accounted for as 'Income from third-party campaigns' and recognized in the year in which such income is received or pledged.

Government subsidies

Subsidies received from governments are credited to the 'Statement of income and expenditure' for the year in which they are granted to Help a Child for the specified period.

Expenses

To give our stakeholders insight into the size and composition of Help a Child's expenses, the notes include an itemization of expenses in accordance with Guideline 650 of the Dutch Accounting Standards Board (www.rjnet.nl).

Expenditure on objectives

'Expenditure on objectives' comprises the amounts allocated in 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'. Any expenditures taking place via a consortium of partner organizations are separately recognized as expenses in the Statement of income and expenditure.

Income generation costs

All costs of activities we undertake to encourage people to give money for one or more of our objectives are designated as 'Income generation costs'. These therefore include publication 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 for internal management and administration that are not attributed to a specific objective or income generation.

Pension expenses

Help a Child participates in the sector pension scheme operated by Pensioenfonds 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.



NOTES TO THE CONSOLIDATED BALANCE SHEET

INTANGIBLE FIXED ASSETS (amounts in €)

	Software	Software not yet in use	Total
As at 1 January 2017:			
Acquisition cost	387,947	3,252	391,199
Accumulated amortization	223,087	-	223,087
Carrying value	164,860	3,252	168,112
Movements in 2017			
Investments	31,628	12,933	44,560
Amortization	-98,972	-	-98,972
Commissioning of assets	3,252	-3,252	-
Total movements	-64,092	9,681	-54,412
As at 31 December 2017:			
Actual cost	422,827	12,933	435,759
Accumulated amortization	322,059	-	322,059
Carrying value	100,768	12,933	113,700

The capitalized software relates mainly to the Pluriform automation system and investments in the website. The investments in this software are essential for our operational effectiveness and efficiency. These intangible fixed assets are used for our operations.

TANGIBLE FIXED ASSETS (amounts in €)

	Land and buildings	Office fittings and fixtures	Means of transport	Equipment	Total
As at 1 January 2017:					
Actual cost	869,912	169,599	-	92,760	1,132,271
Accumulated depreciation	479,310	158,926	-	73,744	711,980
Carrying value	390,602	10,673	-	19,016	420,291
Movements in 2017					
Investments	-	5,930	74,230	26,916	107,076
Depreciation	-24,226	-4,543	-3,578	-14,018	-46,365
Divestitures actual cost	-	-17,963	-	-25,835	-43,798
Divestitures accum. depreciation	-	17,963	-	25,835	43,798
Currency differences	-	-982	282	-54	-753
Total movements	-24,226	405	70,934	12,844	59,958
As at 31 December 2017:					
Actual cost	869,912	150,806	74,230	89,610	1,184,558
Accumulated depreciation	503,536	139,728	3,296	57,750	704,310
Carrying value	366,376	11,078	70,934	31,860	480,248

The tangible fixed assets are used for our operations. The WOZ (property tax) value of the land and buildings was € 462,000 as at 1 January 2017.

to the year 2018 and was received in December 2017 from the Ministry of Foreign Affairs. The portion intended for the consortium partners was also paid in December 2017.

FINANCIAL FIXED ASSETS**Other securities**

In September 2016 Help a Child and eight other organizations set up Coöperatie PerspActive U.A. Previously, Help a Child was a member of the Co-Prisma Association and, as such, a member of the ICCO cooperative. As Help a Child has no material control, this investment is stated as 'other securities'. Further information can be found under 'Liabilities not included in the balance sheet'.

Other receivables

Receivables resulting from valuation of the inheritance from bequests in relation to of real estate with usufruct are measured at the fiscal value of usufruct.

RECEIVABLES AND ACCRUED INCOME**Receivables**

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

The 'Bequests receivable' declined due to the settlement of various bequests and because relatively few new bequests were received in 2017.

The 'prepayments to consortium partners' concern the subsidy from the Addressing Root Causes (ARC) Fund relating

'Government subsidies receivable' are as follows (amounts in €):

	31-12-2017	31-12-2016
UKAid "What's up Girls project" South Sudan	-	227,742
European Union - ENGINE programme Zambia	-	67,200
Min. of Foreign Affairs Building Bridges Burundi	35,838	62,305
MFS subsidies - ICCO/Prisma	39,111	39,111
ICCO - Strategic Partnership C&C	40,000	-
	114,949	396,358

The receivable from the Ministry of Foreign Affairs is the portion of the subsidy for the ARC programme that shall be paid out upon completion and approval in 2021 and therefore has a long-term character.

The 'other receivables' concern monies receivable from a foundation for a programme in Malawi and other pledged gifts.

'Accrued items' mainly concern prepaid programme funding and expenses, receivable sponsorship from abroad and receivable interest income.

LIQUID ASSETS

An explanation of the movements in the liquid assets in 2017 can be found in the notes to the cash flow statement. The liquid assets are at the free disposal of Help a Child and the Help a Child country offices.

The itemization is as follows (amounts in €):

	31-12-2017	31-12-2016
Cash in hand	5,030	3,511
Bank accounts Help a Child	3,294,372	3,891,508
Bank accounts Help a Child Africa	68,344	63,530
Bank accounts Help a Child Burundi	7,446	-
Bank accounts Help a Child Malawi	20,001	-
Bank accounts Help a Child Rwanda	51,581	12,110
	3,446,774	3,970,659



RESERVES AND FUNDS (amounts in €)

	Special purpose reserves						Total
	Emergency Aid	Organizational development	Development programmes	Transparency Award	Continuity Reserve	Special Purpose Funds	
As at 1 January 2017	100,000	158,762	317,914	50,000	2,492,091	398,476	3,517,243
Other movements	-	-	-	-	3,967	-	-3,967
Allocation of net income and expenses	-	-129,333	-202,574	-50,000	-454,941	-113,150	-723,698
As at 31 December 2017	100,000	29,429	115,340		2,041,117	511,626	2,797,512

Emergency Aid Reserve

The 'Emergency Aid Reserve' is a special purpose reserve to meet the initial costs of an emergency aid programme. In 2017 an amount of € 50,610 was withdrawn from this reserve for emergency aid in Congo. Following a decision of the Board of Directors, this reserve has been replenished to € 100,000.

Organizational Development Reserve

The Help a Child organization is being adjusted in various areas in order to realize the strategic objectives. This partly concerns the transfer of certain activities from the Netherlands to the country offices and a greater focus on the reinforcement of our local networks. The costs resulting from these adjustments have been estimated at € 310,000. In 2016 approximately half of the reserve has been absorbed (€ 151,000) and in 2017 € 129,333 of the reserve was used.

Programme Development Reserve

To realize its strategic objectives, we want to create the right conditions for the renewal and improvement of our programmes. We also want to safeguard the provisional continuation

of some programmes for which the requisite funding has not yet been secured. Funds have been earmarked for this purpose in the 'Programme Development Reserve'. Just over € 202,574 of this reserve was used in 2017.

Transparency Award Reserve

In 2016 Help a Child won the Transparency Award for the most transparent annual report in the charities sector. This award included a monetary prize of € 50,000 which was made available by Nationale Postcode Loterij. This amount was used in 2017 for the financing of the community programme in Gwasssi, Kenya.

Continuity reserve

Our continuity reserve amounted to approximately € 2.0 million at year-end 2017. A new scenario analysis was made in 2017 ahead of 2018. Our experience in recent years has shown that the realization of alternative sources of income takes a long time. For the 2017 financial year the Supervisory Board and the Board of Directors reassessed the risk analysis.



Residual risks were quantified and it was established that the continuity reserve will be sufficient to absorb the transition period, including any setbacks.

The Board of Directors released a small portion relating to 'Land and buildings'. The continuity reserve as at 31 December 2017 was 43% below the maximum level of 100% of the total working organization costs as set by the Board of Directors. We thus remain well below the maximum level of 150% set by Goede Doelen Nederland.

The other movement in the continuity reserve concerns a small adjustment from previous years.

Special purpose funds

The movement of the special purpose funds was as follows in 2017 (amounts in €):

Bequests

In 2012 bequests were pledged to Help a Child for special long-term purposes. In 2017, part of this was used to fund the education of children living in a rescue home in Kenya.

UKAid South Sudan

This fund concerned monies released for our own contribution to the implementation of the 'Girls Education Challenge' programme in South Sudan. This programme was completed in 2017.

	Bequests	UKAid South Sudan	Economic Programme Gwassi	Emergency aid	Other Special purposes	Total
As at 1 January 2017	34,061	14,969	70,511	179,075	99,859	398,476
Movements in 2017:						
- Income from fundraising	-	111,395	-	667,778	569,048	1,348,221
- Expenditure on objectives	-1,512	-89,603	-24,638	-680,207	-432,654	-228,614
- Other movements	-	-36,761	-	30,304	-	-6,457
As at 31 December 2017	32,549	-	45,873	196,950	236,253	511,626

Emergency aid

The special purpose funds for emergency aid were made up as follows (amounts in €):

	Available funding at start of	donations	expenditures	Reallocation/ transfer from emergency aid reserve	still to be spent
Emergency aid 2017	financial year				end of fin. year
Emergency aid Syrian refugees	89,549	61,660	-146,050	-	5,159
Emergency aid Congo	4,983	131	-55,724	50,610	-
Emergency aid Drought in Africa	31,063	3,618	-109	-	34,572
Emergency aid Flooding in India	-	108,983	-50,991	-20,306	37,686
Emergency aid Haiti	775	-	-775	-	-
Emergency aid Mosul (Iraq)	52,705	23,391	-52,202	-	23,894
Emergency aid South Sudan	-	403,029	-327,049	75	76,055
Emergency aid Rohingya	-	66,236	-47,307	30	18,959
Emergency aid Saint Martin	-	625	-	-	625
Emergency aid Other	-	105	-	-105	-
Total	179,075	667,778	-680,207	30,304	196,950

The expenditures under emergency aid programmes are based on grants for programmes which are continuing in 2017. The bulk of the emergency aid funds at year-end concern funds which were used as planned for aid to the Rohingya in Bangladesh, emergency aid after the flooding in India, emergency aid after the drought in East Africa and food aid in South Sudan.

Other special purpose funds

For a number of programmes and countries we received special purpose donations which have not yet been expended. In 2017 we received special purpose donations of € 569,048 for programmes with an unexpended balance and € 432,654 was expended on these programmes.

The table below shows the movement in the 'Other special purpose funds' (amounts in €):

	1-1-2017	Net income and expen- ses 2017	31-12-2017
Uganda	62,677	73,283	135,960
Malawi	-	46,785	46,785
IndiaReyes	13,470	-5,255	8,215
Challenge Gwass- Kenia	23,712	-2,184	21,528
Challenge Rwanda	-	19,968	19,968
Challenge Malawi	-	1,872	1,872
Challenge Uganda	-	1,872	1,872
Greijdanus	-	53	53
Total	99,859	136,394	236,253

Provisions

In 2017 the building underwent no major maintenance. This will take place in 2018. An amount of € 1,157 was withdrawn from this provision in 2016.

LIABILITIES

Long-term liabilities

Prepayments

In 2012 we received from a donor a sum of € 17,000 which can be contractually released in favour of Help a Child over a ten-year period. A portion of € 1,700 is released as a donation each year. The short-term portion due to be released in 2018 has been recognized as short-term liabilities under accrued items.

Amounts payable in respect of programmes

In 2015 and partly also in 2016 Help a Child made arrangements with a number of partners to continue supporting the schooling of children in India and Kenya who no longer have a sponsor effective from 2016. The resulting long-term liabilities relate to the years 2019 and beyond.

Short-term liabilities

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

The subsidies received in advance are relating to subsidies from the Addressing Root Causes Program in Burundi, to the extent these subsidies have not been recognized as income for the financial year.

The 'Amounts payable in respect of programmes' liability was € 638,758 as at 31 December 2017 (2016: € 1,038,844). This

concerns monies which we have allocated, but which have not yet been called by partner organizations and/or cooperating organizations. These monies are expected to be called for the implementation of ongoing programmes within one year. Debts relating to programmes lasting longer than 1 year are recognized separately under long-term liabilities.

The table below shows a breakdown of the 'Other liabilities and accrued items' (amounts in €):

Other liabilities and accrued items	31-12-2017	31-12-2016
Taxes and social security contributions	92,016	93,373
Personnel costs	102,242	95,396
Other liabilities	144,201	140,053
Accrued items	1,700	1,700
	340,159	330,522

The liabilities relating to personnel costs include the reserve for holiday allowances, holiday entitlements and unpaid expenses. The other liabilities relate to various expenses that are still payable.

RECEIVABLES AND LIABILITIES NOT INCLUDED IN THE BALANCE SHEET

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 2017, the grants for 2018 had not yet been finalized. However, on the basis of long-term programmes, we have the intention to approve submitted plans totalling approximately € 6.8 million.

Consortium for Myanmar

We are a passive participant in a consortium dedicated to providing emergency and reconstruction aid in Myanmar. As we are not active in the current programme, Help a Child is not liable for any shortfalls arising from the programme activities in this country. No commitments have been made for new programmes.

Cooperative

In 2016 Help a Child, together with eight other organizations, set up Coöperatie PerspActive U.A. (see also the note to 'Other securities'). We contributed € 100,000.

If we decide at any time to withdraw from this cooperative, our share can be transferred to other participants. If other participants decide to withdraw, we may be requested to take over a share. This did not happen in 2017.

The general meeting can, on the proposal of the Board of Directors, decide with a two thirds majority to impose or

increase the obligation of members to pay an annual contribution and/or make an equity contribution.

Development programmes funded by institutional funds

We have entered into contracts for the implementation of long-term programmes with the following organizations:

- UKAid. This concerned a DFID programme in collaboration with our partner Across in South Sudan. This contract ran from 16 August 2013 to 30 April 2017 for an amount of £ 1,111,668, with Help a Child contributing £ 119,838 over the entire period. This programme has now been successfully completed.
- Positive Act for Children Fund for a programme in Malawi. This is a programme in collaboration with our partner LISAP in Malawi. The contract runs from 1 January 2015 to 31 December 2017. The total budget amounts to £ 239,646, with no contribution from Help a Child.
- Ministry of Foreign Affairs. This is the 'Addressing Root Causes' programme in Burundi that was started on 1 December 2016 and runs until 2021. The programme is being implemented by a consortium of aid organizations, with Help a Child acting as lead partner. The budget is € 8.1 million, of which 69% will be spent via consortium partners. Further details are contained in the appendix to the financial statements.
- ICCO. This concerns the 'Strategic Partnership Convening & Convincing' programme in Kenya and Uganda. The overall programme runs from 2016 to 2020. In 2017 we participated in this project in collaboration with local partners.

Help a Child is the principal applicant for these programmes and thus bears ultimate responsibility for the proper fulfilment of the contractual commitments with UKAID, Positive Act for Children Fund and, for the ARC programme, the Ministry of Foreign Affairs.

NOTES TO THE CONSOLIDATED STATEMENT FOR INCOME AND EXPENDITURE

The 2017 financial year ended with negative net income and expenses of € 0.7 million. In 2016 the balance of income and expenses was € 0.5 million negative. The budget for 2017 showed a budgeted negative balance of € 0.7 million. Total income in 2017 was 22% below budget and 19% lower than in 2016. The decrease is explained below.

Income from fundraising

Income from fundraising decreased compared to 2016 by 19% (€1.9 million). This income was over € 2.3 million lower than budgeted, particularly due to the fact that a large part of the subsidy for the ARC fund for Burundi was recognized in 2016 on the basis of a reporting period of 13 months. This had a negative impact of € 1.3 million.

The programme in South Sudan was completed last year. The budget assumed grants from new institutional funds which, however, were not allocated for 2017. This explains a decrease of € 0.4 million. In addition, donations from charitable funds were not realized (impact of €0.3 million). The income from bequests declined, partly because of the relatively high income from bequests in 2016 (negative difference €0.6 million) but was also €0.25 million lower than budgeted. The decline in sponsorship income of 3.7% (€0.2 million) was largely compensated by an increase in other donations (excluding donations for emergency aid). A relatively large number of emergency aid situations occurred, so that emergency aid donations were €0.2 million higher relative to 2016.

The 'Income from third-party campaigns' include the Income from other non-profit organizations (*amounts in €*):

Income from third-party campaigns	2017	2016
GZB / Health programme	-	3,500
ZOA	35,500	-
Emergency aid via EO Metterdaad	154,167	102,778
Total	189,667	106,278

Government subsidies

In 2017 the income from 'Other subsidies' was as follows (*amounts in €*):

Other subsidies	2017	2016
Ministry of Foreign Affairs – Addressing Root Causes Burundi	515,204	1,254,609
European Union - ENGINE programme Zambia	-	67,200
UKAid - 'Girls Education Challenge' – South Sudan	111,395	435,009
ICCO Strategic Partnership	40,000	10,000
Total	666,599	1,766,817

Help a Child works together in a consortium to spend subsidy funding granted by the Ministry of Foreign Affairs within the 'Addressing Root Causes' programme on development programmes in Burundi. More information on the grant and related expenditures is included in the table in the annexes on page 110.

INTEREST INCOME

The interest income is interest received on balances in freely available savings accounts.

Cost breakdown by purpose (*amounts in €*)

Costs	Total expenditure	Trained, ready for the future	Socially and emotionally developed	Healthy and strong
Programmes	5,328,527	1,687,920	1,688,475	1,134,924
Expenditures via ARC consortium partners	91,811			
	5,420,338			
Publicity and communication	180,446	-		-
Fundraising	285,328	-	-	-
Personnel	2,317,485	497,096	490,169	332,779
Travel and accommodation	107,714	24,812	24,466	16,610
Costs of vehicle	1,100	253	250	170
Housing	66,171	14,122	13,925	9,454
Office and networks	266,824	56,946	56,152	38,122
General	202,823	34,761	34,277	23,271
Depreciation	145,448	31,042	30,609	20,781
	8,993,680	2,346,951	2,338,324	1,576,111
Financial income and expenditure	1,857	-	-	-
	8,991,822			

COST BREAKDOWN BY PURPOSE

Expenditure on objectives

The expenditure on objectives was 20% lower than in 2016 and 24% lower than budgeted.

Total programme expenditures decreased by € 2.5 million compared to last year. This was mainly due to the fact that the ARC programme funding granted to consortium partners was already recognized in 2016 (impact of € 1.2 million). In addition, the UKAid-funded programme in South Sudan was completed in 2017 (impact approximately € 0.4 million) and we were not yet able to follow up this programme, though this was budgeted. In addition, 2016 was the last year of the implementation of an EU-funded programme in Zambia (impact of approximately € 0.2 million). Moreover, the programme expenditures in 2016 were higher because of the costs of various old programmes in India, Kenya and Ethiopia that were being discontinued (impact approximately € 0.3 million).

Compared to the budget, the programme expenditures were also lower, partly because institutional funds for new programmes had been budgeted (impact € 0.4 million). In addition, the 2017 budget had itemized a large portion of the country office costs under 'programme expenditures'. However, a further refinement of the accounting systems in 2017 meant that costs could be allocated more accurately to specific cost types instead of to programme expenditures (shift of about € 0.6 million). An amount of approximately

€1.1 million was budgeted for the country offices forming part of Help a Child. The costs for these country offices were just over €0.1m lower than budgeted in 2017.

Control over expenditure

Help a Child controls operational risks by devoting a great deal of attention to the quality of the internal organization and internal controls. In 2017 we implemented organizational changes, giving the country offices in Burundi, Kenya, Malawi and Rwanda a clear mandate to oversee the quality of the programmes and control of expenditures. Help a Child, in turn, monitors the quality of the supervision in the countries. Supervision of the operations in the countries where there is no country office is carried out directly from Help a Child. In India, our sister organization 'Help a Child of India' plays a central role in the supervision of the projects in India. An internal audit is performed from time to time by internal accountants or external auditors at each partner. In addition, each partner must have their annual figures audited by an external auditor.

The country offices provide direct support to partners where necessary so that partners are able to meet the requirements of back donors. For programmes in the countries without country offices, we have coordinators for handling the contracting with partners and to oversee compliance with contract conditions and specific donor requirements. In the case of more complex projects, a special project team has been set up with specific duties and responsibilities.

Hope & dignity	Emergency aid	Information and Awareness	Fundraising	Management and administration	2017	Budget 2017	2016
168,966	644,696	1,183	-	2,364	5,328,527	7,214,875	6,694,112
91,811					91,811	1,328,000	1,228,798
					5,420,338	8,542,875	7,922,910
-	-	135,335	45,112	-	180,446	138,000	130,759
-	-	-	285,328	-	285,328	332,500	225,006
51,596	22,303	166,212	438,531	318,798	2,317,485	1,660,208	1,753,441
2,575	1,113	6,846	16,684	14,607	107,715	89,475	100,756
26	11	70	170	149	1,100	-	
1,466	634	6,617	8,373	11,580	66,171	27,000	21,137
5,911	2,555	26,682	33,763	46,694	266,824	207,500	225,022
3,608	1,560	15,408	36,909	53,029	202,823	174,448	117,986
3,222	1,393	14,545	18,404	25,454	145,449	147,000	142,739
237,369	674,265	372,897	883,274	472,676	8,993,680	11,319,006	10,639,756
-	-	-	-	-	1,857	10,000	31,757
					8,991,822	11,329,006	10,671,513

Allocation of costs

Operational costs are allocated to our objectives according to the following principles:

- Personnel costs are allocated in proportion to time expenditure.
- Housing costs, travel and accommodation costs, office and general costs, depreciation costs, financial income

and expenses are allocated in the same proportion as the personnel costs.

- Costs for publicity, communication and fundraising are allocated partly to 'Information and Awareness' and partly to 'Costs of own fundraising'.

The table below shows the distribution of departments across our main activities:

Department	Target	Income generation	Management & Administration	Total	FTE
Board of Directors	50.0%	10.0%	40.0%	100%	0.9
Fundraising and communication	45.0%	55.0%	0.0%	100%	7.0
Institutional Fundraising	55.0%	40.0%	5.0%	100%	2.5
Sponsorship	90.0%	-	10.0%	100%	4.8
Programme support	90.0%	7.5%	2.5%	100%	3.7
Other staff	47.5%	10.0%	42.5%	100%	4.1
Total Netherlands					23.0
Country Program Directors	60.0%	25.0%	15.0%	100%	2.3
Sponsorship	90.0%		10.0%	100%	2.0
Programme Support	90.0%	7.5%	2.5%	100%	14.1
Other staff	47.5%	10.0%	42.5%	100%	1.9
Total country offices					20.3

Overview income own fundraising	2017	Budget 2017	2016
	€	€	€
Income own fundraising			
Income individuals	5,865,146	6,480,000	6,426,764
Sponsorship funding	3,806,838	4,241,200	4,056,284
Other donations	1,458,971	1,588,800	1,254,769
Bequests	296,024	550,000	911,330
Emergency aid	303,313	100,000	204,381
Income from businesses	503,138	400,000	395,033
Sponsorship funding	48,103	42,000	41,685
Other donations	381,995	358,000	339,248
Emergency aid	73,040	-	14,100
Income other organisations non-profit	1,227,836	1,350,000	1,550,084
Sponsorship funding churches	295,645	299,000	289,649
Sponsorship funding foundations	89,858	17,800	10,959
Other donations	142,637	303,200	45,639
Emergency relief churches and foundations	101,758	-	51,253
Trust funds	408,271	630,000	1,046,306
Third-party campaigns	189,667	100,000	106,278

Costs of communication and fundraising

The costs of communication and fundraising are made up as follows (amounts in €):

	2017	2016
Publicity and communication		
'Omarmen' Magazine	73,522	79,238
Promotion and awareness	87,458	39,255
Online communication	12,246	10,146
Other costs	7,220	2,120
Total	180,446	130,759
Fundraising		
Adverts	11,150	6,389
Telemarketing	5,622	5,376
Sponsorship	42,118	89,442
Mailings	75,849	81,765
Relationship Management and Institutional Fundraising	70,969	29,908
Emergency aid	22,498	-
Events and other costs	57,122	33,278
Total	285,328	246,158

The external communication costs were higher mainly due to the publication of the one-off magazine 'Kind' in order to give more background information on the programmes and raise further awareness among our supporters.

The fundraising costs show an intensification of our relationship management and institutional fundraising.

Personnel costs

The table below provides a breakdown of the personnel costs (amounts in €):

	2017	2016
Salaries	1,587,730	1,296,100
Social security costs	221,251	205,490
Pension expenses	122,982	111,603
Temporary staff	184,231	98,328
Costs of volunteers and interns	9,997	11,762
Training costs	29,095	28,382
Commute expenses	46,365	41,916
External policy support personnel	23,470	9,923
Costs of personnel management	70,804	76,669
Other personnel costs	21,560	25,441
Total	2,317,485	1,905,614

The total personnel costs increased notably because of the recruitment of new employees for the country offices.

The salaries of Help a Child employees are based on the Collective Labour Agreement for Welfare & Social Services. We are also grateful to have the services of volunteers (10 as at 31 December 2017). The conditions of employment at the country offices are largely based on the conditions of employment for comparable development aid organizations in the relevant countries.

Numbers FTE's

The FTE's can be allocated to focal areas as follows:

	2017	2016
Board of Directors	0.9	1.4
Fundraising and communication	9.5	9.3
Sponsorship	4.8	4.0
Programme support	3.7	4.5
Other staff	4.1	4.2
Total Netherlands	23.0	23.4
Average salary per fte	52,605	48,975
Country Program Directors	2.3	2.0
Sponsorship	2.0	2.0
Programme Support	14.1	2.8
Other staff	1.9	1.0
Total country offices	20.3	7.8
Average salary per fte	18,651	19,161

The average salary per fte in the Netherlands increased with 7.4%. This increase is partly related to a collective employment agreement increase. Furthermore the increase relates to a recalibration of several functions and granting of a higher salary grade.

The average of salaries of the country offices decreased with 2.7% and is caused by a different composition of staff. Most of the staff hired for direct programme support are compensated against a relatively lower salary.

Remuneration of the Board of Directors

The remuneration of our Board of Directors was as follows in 2017:

Name	A.M. Schuttinga		
Position	CEO		
Employment details			
Nature (term)	indefinite		
Hours	32		
Contract	Part-time		
Period	1/1-31/12		
Remuneration (EUR)		2017	
Gross salary	70,158		
Holiday allowance	4,784		
Year-end bonus	5,856		
Total annual income		80,798	
Social insurances (employer's share)		9,537	
Taxable reimbursements		712	
Pension expenses (employer's share)		8,256	
Total remuneration Board of Directors 2017 (incl. employer's costs)		99,303	
Remuneration (EUR)		2016	
Total remuneration Board of Directors		188,103	
Of which: Mr. L.D. Visser		103,567	
Mr. A.M. Schuttinga		84,536	

The total annual income of the CEO (converted into fte terms € 90,794) remains well within the maximum of € 114,247 (1 fte/12 months) as specified in the Remuneration Regulations of Goede Doelen NL.

Notes

- The higher remuneration is due to the fact that Andries Schuttinga was appointed as CEO in 2017, whereas he was still Operations Directors in 2016. Since the departure of Leo Visser, the Board of Directors has been reduced to one person.
- The annual income was determined in 2017 by the Supervisory Board of Help a Child and assessed on the basis of the 'Recommended Guidelines for the Remuneration of Charitable Organizations'. The Supervisory Board applies a norm with a bandwidth of 80-90% of this guideline of

Goede Doelen Nederland, taking account of the development that Help a Child has undergone in the past years.

- The taxable reimbursement is the kilometre 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 director has no remunerated ancillary positions.

Members of our Supervisory Board receive no remuneration. In 2017 they received reimbursements for expenses amounting to € 810 (2016: € 1,602). This mainly concerned kilometre allowances. No loans, advances and/or guarantees were extended to members of the Supervisory Board or the Board of Directors.

Financial income and expenses

The financial income and expenses were lower in 2017, mainly due to the lower interest rates.

Currency differences

Exchange rate differences constitute an important risk factor in the financing of programmes. We receive donations and sponsor contributions mostly in euros, while the programmes are paid for in local currencies. The exchange rate risks are borne primarily by the partner organizations, since the bulk of the contracts are concluded in euros. As Help a Child now also incurs local-currency costs via the country offices, Help a Child as a group also runs a currency risk in respect of this portion of the costs. Any currency risks are taken into account in the assessment and determination of the continuity reserve. In 2017 the negative effect of exchange rate differences amounted to € 8,806.

In 2017 we received subsidies in British pounds for two programmes. These were also contracted with our partner organizations in British pounds. The currency risks therefore formally rest with the partner organization. Insofar as Help a Child incurs costs in respect of these contracts, we do run a currency risk, but this only concerned a relatively limited amount in 2017. These two projects had both been completed and paid for when the financial statements were adopted, so that no further currency risks are run in this respect.

Related parties

Under the guidelines of the Dutch Accounting Standards Board, the annual reports of organizations that cooperate on a structural basis must meet certain requirements. The reason for this is that 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.

We see our sister organization 'Help a Child of India' (HACI) as a related party. We largely finance the activities of this organization. Last year the operational costs ran to approximately € 178,000. 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.

In the context of our cooperation, we require these related parties to have a competitive and market-consistent cost level. This cost level is subject to regular review.

NOTES TO THE CASH FLOW STATEMENT

The principal cash flows on the income side consist of:

- donations and sponsorship receipts from private donors
- subsidies
- income from third parties

These are itemized further in the Statement of Income and Expenditure.

Outgoing cash flows consist mainly of payments for the programmes in India and Africa, both directly to the implementing partner organization and through the country offices in Burundi (HAC Burundi), Kenya (HACA), Malawi (HAC Malawi) and Rwanda (HAC Rwanda) and our related party in India (HACI).



6.3 | COMPANY ONLY FINANCIAL STATEMENTS

INDIVIDUAL BALANCE SHEET

ASSETS	31-12-2017		31-12-2016	
	€	€	€	€
Intangible fixed assets				
Software	100,767		164,852	
Software under development	12,933		3,252	
		113,700		168,104
Tangible fixed assets				
Land and buildings	366,377		390,603	
Office fittings and fixtures	5,369		6,159	
Equipment	17,467		13,856	
		389,213		410,618
Financial fixed assets				
Other securities (PerspActive/ICCO)	100,000		100,000	
Other receivables	50,400		49,000	
		150,400		149,000
Receivables and accrued income				
Bequests receivable	175,933		409,925	
Receivable income from third-party campaigns	25,000		10,000	
Government subsidies receivable	114,949		396,358	
Prepaid to partners	1,309,628		-	
Other receivables	95,854		228,926	
Accrued items	54,476		160,860	
		1,775,840		1,206,069
Liquid assets				
Banks, current accounts	160,506		98,334	
Bank, savings accounts	3,133,866		3,793,174	
Cash in hand	3,316		3,511	
		3,297,688		3,895,019
		5,726,841		5,828,810

LIABILITIES	31-12-2017		31-12-2016	
	€	€	€	€
Reserves and funds:				
<i>Special purpose reserves:</i>				
Emergency aid	100,000		100,000	
Organizational development	29,429		158,762	
Programme development	115,340		317,914	
Transparency award	-		50,000	
Continuity reserve	1,805,704		2,466,873	
		2,050,473		3,093,549
Special purpose funds		511,626		398,476
Total reserves and funds		2,562,099		3,492,025
Provisions				
Provision for building maintenance		11,275		11,275
Long-term liabilities				
Prepayments	5,100		6,800	
Payable in respect of programmes	270,869		256,055	
		275,969		262,855
Short-term liabilities				
Subsidies received in advance	1,817,445		610,717	
Accounts payable	86,351		107,346	
Payable in respect of programmes	692,717		1,019,955	
Other liabilities	279,285		322,937	
Accrued items	1,700		1,700	
		2,877,498		2,062,655
		5,726,841		5,828,810

COMPANY ONLY STATEMENT OF INCOME AND EXPENDITURE

Income:	2017		Budget 2017		2016	
	€	€	€	€	€	€
Income from fundraising:						
Income from individuals	5,865,146		6,480,000		6,426,764	
Income from businesses	503,138		400,000		395,033	
Income from subsidies and governments	666,599		2,345,000		1,766,817	
Income from other non-profit organizations	1,227,836		1,350,000		1,550,084	
Total income from fundraising	8,262,719		10,575,000		10,138,698	
Other income		1,004		-		53,900
Total income	8,263,723		10,575,000		10,192,598	

Expenditure:	2017		Budget 2017		2016	
	€	€	€	€	€	€
Expenditure on objectives						
- Trained, ready for the future	2,446,109		3,332,937		3,182,560	
- Socially and emotionally developed	2,466,954		2,223,140		2,460,267	
- Healthy and strong	1,615,591		2,538,140		1,915,569	
- Hope and dignity	338,733		-		-	
	6,867,387		8,094,217		7,558,396	
- ARC consortium partners	91,811		1,328,000		1,228,798	
- Emergency aid	677,809		330,000		481,781	
- Information and awareness	320,973		286,803		280,772	
	7,957,980		10,039,020		9,549,747	
Costs of fundraising	867,400		935,204		773,392	
Management and administration costs	368,763		354,783		348,375	
Total expenditure	9,194,144		11,329,007		10,671,513	

Net before financial income and expenses	-930,420	-754,006	-478,914
Net financial income and expenses	1,192	15,000	5,683
Net income and expenses	-929,228	-739,006	-473,231

Surplus/shortfall added to/withdrawn from			
- Continuity reserve	-660,471	-131,350	-69,025
- Special purpose funds	113,150	-232,656	-185,882
- Special purpose reserves	-381,907	-375,000	-218,324
	- 929,228	-739,006	-473,231

Notes to the company balance sheet

If there are no material variances between the company figures and the consolidated figures, no separate notes are given below. Notes are provided for variances.

RESERVES AND FUNDS (amounts in €)

	Special purpose reserves						Total
	Emergency aid	Organizational development	Development programmes	Transparency Award	Continuity Reserve	Special purpose Funds	
As at 1 January 2017	100,000	158,762	317,914	50,000	2,466,873	398,476	3,492,025
Allocation of net income and expenses	-	-129,133	-202,574	-50,000	-660,471	113,150	-929,228
Other movements	-	-	-	-	-698	-	-698
As at 31 December 2017	100,000	29,429	115,340	-	1,805,704	511,626	2,562,099

The difference between the consolidated and company only financial position mainly relate to the net income and expenses of the country-offices and can be specified as follow (amounts in €):

Continuity Reserve Red een Kind	1,805,704
Net income and expenses HACA (Kenya)	54,401
Other adjustments HACA (Kenya)	52,091
Net income and expenses HAC Burundi	86,309
Net income and expenses HAC Malawi	664
Net income and expenses HAC Rwanda	22,006
Impact currency exchange differences	11,591
Other adjustments	8,350
Consolidated Continuity Reserve Red een Kind	2,041,116

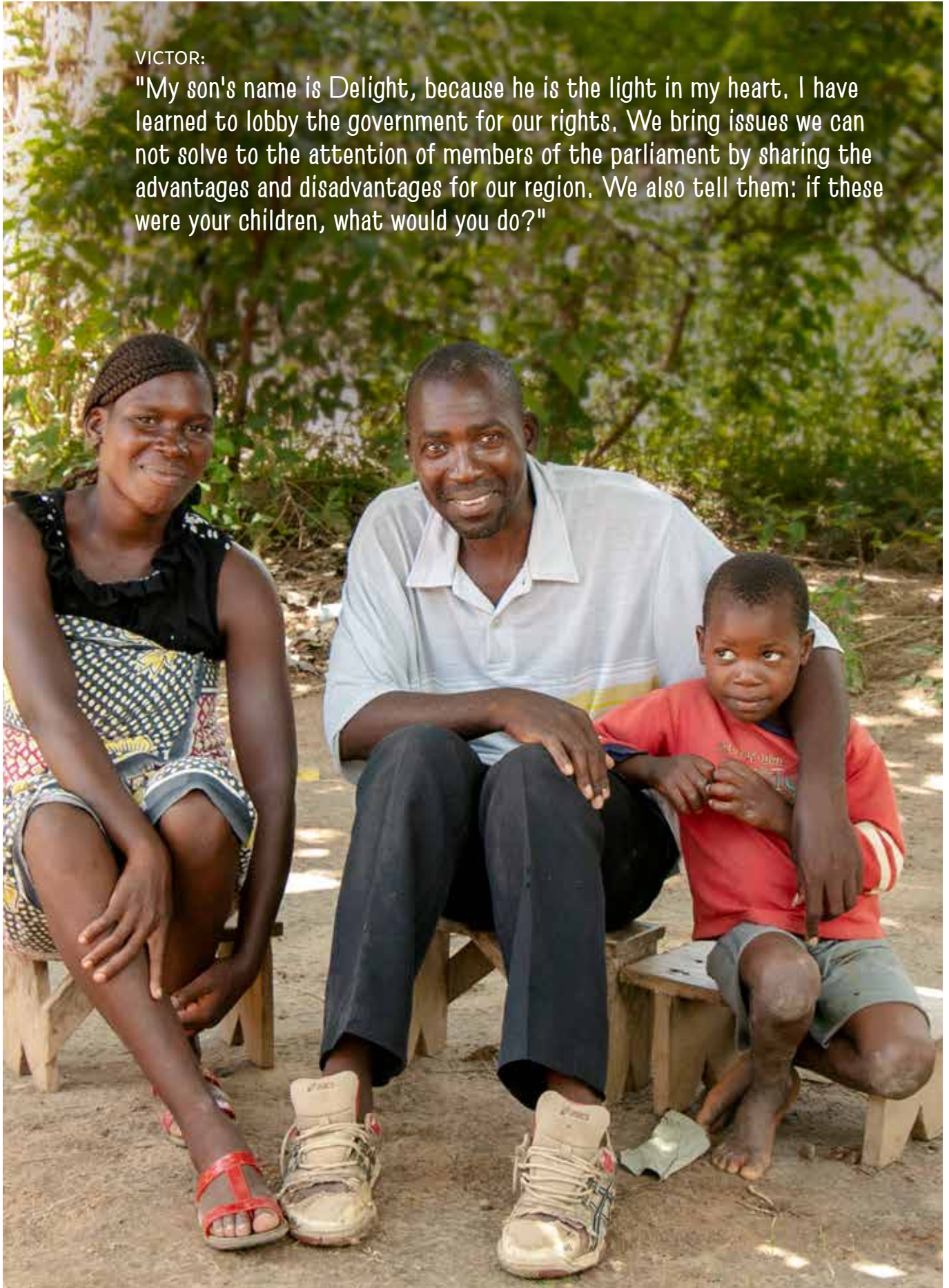
Notes to the company statement of income and expenditure

The variance between the net consolidated income and expenditure and the net company income and expenditure is mainly due to the fact that Help a Child has donated various assets (such as a car) to several Help a Child offices as an investment in the local organizations in order to promote the continuity of the programmes and local fundraising.



VICTOR:

"My son's name is Delight, because he is the light in my heart. I have learned to lobby the government for our rights. We bring issues we can not solve to the attention of members of the parliament by sharing the advantages and disadvantages for our region. We also tell them: if these were your children, what would you do?"



6.4 | OTHER INFORMATION

INDEPENDENT AUDITOR'S REPORT

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2017 INCLUDED IN THE ANNUAL REPORT

Our opinion

We have audited the financial statements 2017 of Stichting Red een Kind, based in Zwolle.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting Red een Kind as at 31 December 2017, and of its result for 2017 in accordance with the Guideline for annual reporting 650 "Fundraising Institutions".

The financial statements comprise:

- The consolidated and company only balance sheet as at 31 December 2017
- The consolidated and company only statement of income and expenditure for 2017
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

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

REPORT ON OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

- The report of the board of directors
- The report of the supervisory board
- The 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

Contains the information as required by the Guideline for annual reporting 650 "Fundraising Institutions"

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 Guideline for annual reporting 650 "Fundraising Institutions" and the additional requirements of the Centraal Bureau Fondsenwerving and the Dutch Standard 720. The scope of the procedures performed is 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 the Guideline for annual reporting 650 "Fundraising Institutions".

DESCRIPTION OF RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Guide-line for annual reporting 650 “Fundraising Institutions”. 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 mis-statement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company’s ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company’s ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company’s financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud.

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 judgment 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 company’s internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Concluding on the appropriateness of management’s use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause a company to cease to continue as a going concern
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- 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 those charged with governance 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.

Utrecht, 9 mei 2018

Ernst & Young Accountants LLP

Signed by M. Bruggeman

6.5 | APPENDICES

CONSOLIDATED BUDGET 2018

Income:	Budget 2018	Outcome 2017
	€	€
Income from fundraising:		
Income from individuals	6.160.000	5.865.146
Income from businesses	440.000	503.138
Income from subsidies and governments	3.862.684	666.599
Income from related international organizations	-	
Income from other non-profit organizations	1.295.000	1.227.836
Total income from fundraising	11.757.684	8.262.719
Other income	-	5.405
Total income	11.757.684	8.268.124

Expenditure:	Budget 2018	Outcome 2017
	€	€
Expenditure on objectives		
- Trained, ready for the future	2.704.459	2.346.951
- Socially and emotionally developed	2.379.606	2.338.324
- Healthy and strong	2.300.107	1.576.111
- Hope and dignity	452.850	237.369
	7.837.022	6.498.756
- ARC consortium partners	1.377.895	91.811
- Emergency aid	1.119.014	674.265
- Information and awareness	349.237	372.897
	10.683.168	7.637.729
Income generation costs	1.014.657	883.274
Management and administration costs:	483.605	472.677
Total expenditure	12.181.430	8.993.680

Net before financial income and expenses	-423.746	-725.556
Net financial income and expenses	-10.023	1.857
Net income and expenses	-433.769	-723.698

Surplus/shortfall added to/withdrawn from		
- Continuity reserve	-40.990	-454.941
- Special purpose funds	-242.779	113.150
- Special purpose reserves	-150.000	-381.907

Notes to budget 2018

The 2018 budget centres on the decentralization of activities to Kenya, Rwanda, Burundi and Malawi, the consolidation of our own fundraising and the expansion of Income from institutional funds.

Thanks to the accrued reserves in 2015 and the developments in 2016 and 2017, Help a Child is able to budget a negative result for 2018. This gives us scope to invest in decentralization and the expansion of our fundraising activities.

Activities are currently being undertaken from the country offices to ensure that, within one or two years, they raise sufficient funding to finance their own staffing requirements. The staff of the country offices are also deployed as programme staff in existing programmes. This will serve to reduce the budgets for the partner organizations. We are thus boosting the visibility of Help a Child and our ownership of the programmes.

SUBSIDIES AND OTHER INSTITUTIONAL FUNDS

Towards the end of 2016, Help a Child, in its role as consortium lead, was granted funding by the Ministry of Foreign

Affairs for a long-term development programme in Burundi. A large part of this programme is implemented together with other consortium partners. The related amounts are separately recognized in the financial statements. The income and expenditure are recognized in the financial statements in the reporting period mentioned in the grant document. The funding was granted in December 2016 for the reporting period for the subsequent 13 months. For this reason, no income is recognized in the financial statements for 2017. Any programme funding that has not yet been expended at the end of the year is added to a separate special purpose fund.

Organization	Description	Country	Contract amount	Received	Still to be received	Currency	Start date	End date
ViiV/Positif Action for Children Fund	Community Initiative for an HIV free	Malawi	239.646	161.209	78.437	GBP	2015	2017
VF - N.N.	Gwasssi Integrated Community Empowerment	Kenya	1.099.203	410.912	688.291	EUR	2016	2020
VF - N.N.	Gwasssi - Social programme	Kenya	860.000	860.000	-	EUR	2015	2017
EO Metterdaad	Food security emergency response	Malawi	100.000	90.000	10.000	EUR	2016	2016
EO Metterdaad	Kajo kEije Emergency Response	South Sudan	154.167	139.167	15.000	EUR	2017	2017
EU - Zambia	Engine	Zambia	672.009	672.009	-	EUR	2013	2016
UKAID	What's up Girls!?	South Sudan	998.726	998.726	-	GBP	2013	2017
Min. FA - ARC	Addressing Root Causes	Burundi	8.100.000	3.527.418	4.572.582	EUR	2016	2020
ZOA	Relief Syrian Refugees	Syria	35.500	35.500	-	EUR	2017	2017
ICCO	ICCO Strategic partnership C&C	Uganda /Kenya	100.000	-	100.000	EUR	2016	2020
Total amounts (in €)			12.359.251	6.894.941	5.464.310	EUR/GBP		



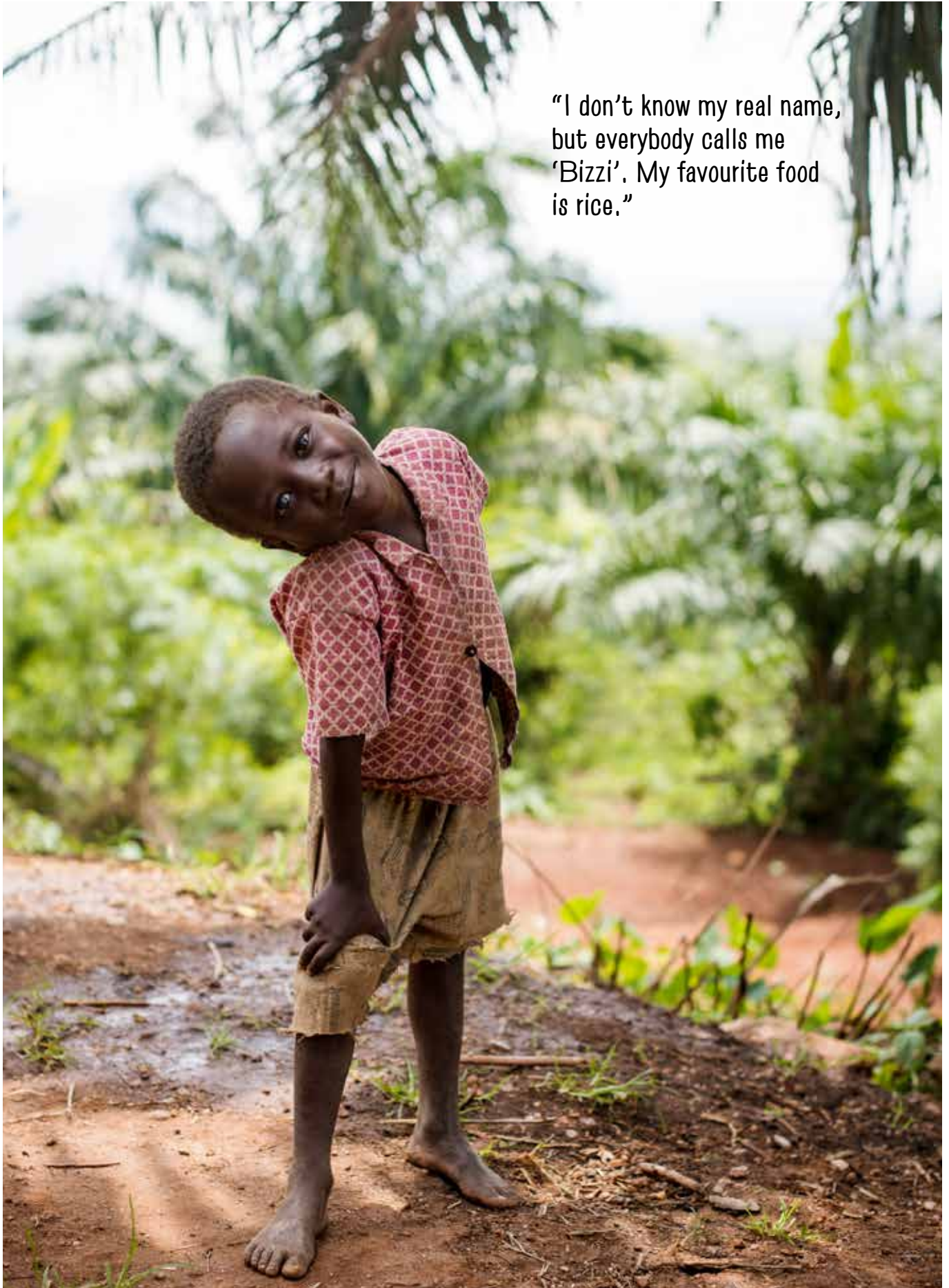
SUBSIDIES FROM MINISTRY OF FOREIGN AFFAIRS

Addressing Root Causes Building Bridges Burundi (amounts in €)

Consortium budget	Total budget	1 Dec '16 - 31 Dec. '17	2018	2019	2020	1 Jan '21 - 30 Nov. '21
Total budget	8.100.000	1.814.860	1.898.212	1.697.132	1.543.307	1.146.489
of which budget consortium partner						
CORD	1.864.250	436.701	430.888	357.297	367.647	271.717
American Friends Service Committee	1.864.250	455.973	461.698	455.666	332.853	158.060
Mensen met een Missie	1.864.250	427.938	447.608	360.730	332.548	295.426
Help a Child (lead partner)	2.507.250	494.248	558.018	523.439	510.259	421.286
Adressing Root Causes Building Bridges Burundi - start-up budget	24.000	24.000				
Total	8.124.000	1.838.860	1.898.212	1.697.132	1.543.307	1.146.489

OTHER EXPENDITURES OF INSTITUTIONAL FUNDS (amounts in €)

Expenditure of other institutional funds	2017	2016
European Union - ENGINE programme Zambia	-	169.000
UKAid - 'Girls Education Challenge' - South Sudan	89.603	511.068
ViiV Healthcare/Positive Action for Children Fund - Malawi programme	82.718	90.009
Total	172.321	770.077



"I don't know my real name,
but everybody calls me
'Bizzi'. My favourite food
is rice."

LONG-TERM BUDGET 2018-2020

Income:	2018	2019	2020
	€	€	€
Income from fundraising:			
Income from individuals	6.160.000	6.300.000	6.460.000
Income from businesses	440.000	460.000	480.000
Income from subsidies and governments	3.862.684	4.700.000	5.800.000
Income from related international organizations			
Income from other non-profit organizations	1.295.000	1.350.000	1.400.000
Total income from own fundraising	11.757.684	12.810.000	14.140.000
- Other income			
Total income	11.757.684	12.810.000	14.140.000

As is visible in the long-term budget, we mainly aim to grow our income by securing more subsidies via the local organizations of Help a Child in Africa. In this way, we can reach more children and communities.

The negative result in 2018 and 2019 is due to the investments made in these years. These investments can be paid from the available special purpose reserves. Whether this strategy is fruitful will become clear in 2019. The developments will be closely monitored in the coming years.

Expenditure:	2018	2019	2020
	€	€	€
To be expended on objectives:			
- Trained, ready for the future	2.704.459	2.900.000	3.300.000
- Socially and emotionally developed	2.379.606	2.600.000	2.800.000
- Healthy and strong	2.300.107	2.500.000	2.800.000
- Hope and dignity	452.850	450.000	600.000
- ARC consortium partners	1.377.895	1.350.000	1.350.000
- Emergency aid	1.119.014	1.350.000	1.450.000
- Information & Awareness	349.237	370.000	390.000
Total expenditure	10.683.168	11.520.000	12.690.000
Costs of fundraising	1.014.657	1.050.000	1.090.000
Management and administration costs	483.605	500.000	515.000
Total expenditure	12.181.430	13.070.000	14.295.000

Net before financial income and expenses	(423.746)	(260.000)	(155.000)
Net financial income and expenses	(10.023)	(11.110)	(11.920)
Net income and expenses	(433.769)	(271.110)	(166.920)

	2018	2019	2020
Withdrawal from:			
- Continuity reserve	(40.990)	-	-
- Emergency aid funds	(75.000)	(25.000)	-
- Bequests fund	(17.061)	-	-
- Other special purpose funds	(150.718)	(150.000)	(166.920)
- Special purpose reserves for programme and organizational development	(150.000)	(96.110)	-
	(433.769)	(271.110)	(166.920)

APPENDICES





I. ORGANIZATIONAL CHART HELP A CHILD INTERNATIONAL OFFICE



Andries Schuttinga
CEO

EXPERTISE & DEVELOPMENT:



Agnes Kroese
Manager Institutional Relations

FINANCE DEPARTMENT:



Peter Veenstra
Manager Finance

FUNDRAISING AND AWARENESS RAISING:



Anki van Bruggen
**Manager Fundraising and
Awareness**



Jesca van Dijk
Executive Secretary



Marga Baaijens
Advisor Child Development



Liesbeth Speelman
Advisor Child Development and Protection



Haike Haan
Project Administrator



Esther de Jong
Grant Writer / Security Officer



Geert de Jonge
Coordinator PMEL



Lineke Mook
International Communications Advisor



Pieter-Jan Bouw
Program & Sponsorship Advisor



Jan Wolthers
Advisor Agri Business



Tiny Hoving
Political Advisor



Inge de Kroon
Coordinator Knowledge Portal



Saskia van het Ende
Financial Officer



Klaasje Kooiker
Assistent Controller



Annemieke Bossenbroek
Coordinator Sponsor Team



Roelie Boxen
Sponsoring Officer



Hanna van Gemeren
Sponsoring Officer



Rita Hoekerd
Sponsor Contacts Officer



Jeanine Zwiggelaar
Sponsor Contacts Officer



Lammertina Klein Obbink
Marketing Strategist



Ilse van Dommelen
Advisor Communications



Tharin Doornbos
Advisor Online Communications



Ard-Jan Kok
Account Manager



Aafke Mesu
Communications Advisor



Jenne Minnema
Account Manager Youth and Schools



Henriët Seinen
Account Manager Business Relations



Thijs Waardenburg
Communications Officer

II. OUR MOST IMPORTANT PARTNERS

BURUNDI

- Help Channel Burundi
- FECABU (Fraternité Évangélistique du Christ en Afrique au Burundi)

D.R. CONGO

- ADED (Appui au Développement de l'Enfant en Détresse)
- Help Channel Congo

ETHIOPIA

- EKHC (Ethiopian Kale Heywet Church)
- EKHC SWZ (Ethiopian Kale Heywet Church South West Zone)

INDIA

- RPC NEI (Reformed Presbyterian Church North East India)
- Bethel
- HACI (Help a Child of India)
- CNI (Church of North India)
- VTRC (Vocational Training and Rehabilitation Centre)
- Anitha Methodist School

KENYA

- AICCAD (Africa Inland Church Child and Community Development)
- Undugu Society of Kenya

MALAWI

- LISAP (Livingstonia Synod Aids Programme; Church of Central Africa Presbyterian)
- WACRAD (Word Alive Commission for Relief and Development)

UGANDA

- SAO (Share An Opportunity)
- AEE (African Evangelistic Enterprise)

RWANDA

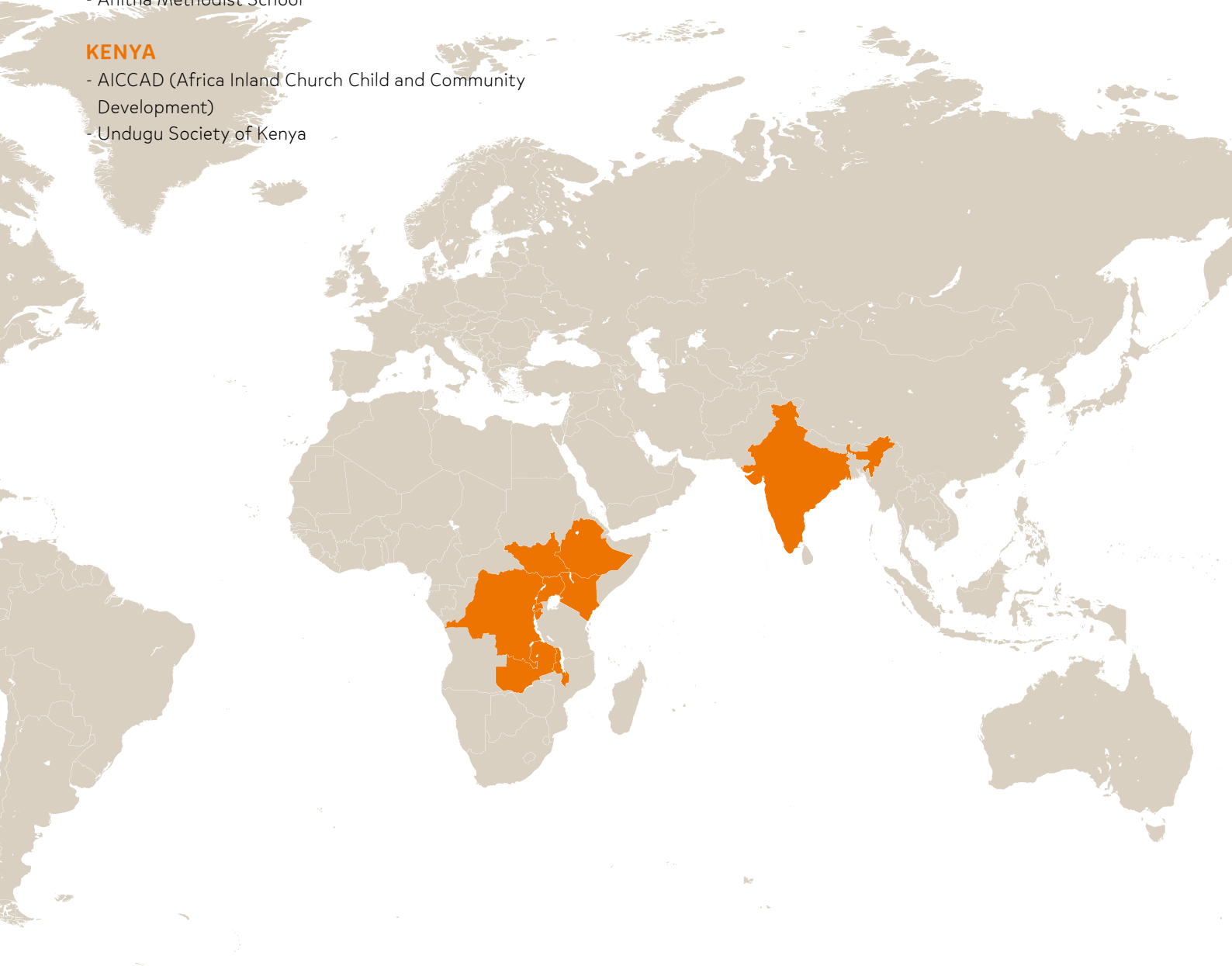
- AEE (African Evangelistic Enterprise)
- Bamporeze
- EPR (Église Presbytérienne au Rwanda)

ZAMBIA

- ROCS (Reformed Open Community Schools)

SOUTH SUDAN

- Across



III. PARTNERSHIPS

Working together with others is crucial to continue improving our organization. Our most important partners and partnerships are:

- **PerspActive**

Alliance of nine Dutch development aid organizations. The main objective is to support and strengthen people in developing countries.

- **Prisma**

Prisma is a development aid association of Christian organizations. They work together in the fields of identity, lobbying and advocacy.

- **EU-Cord**

This association of 22 European development aid organizations works together in the field of lobbying, advocacy, fundraising and programme consortiums. (www.eu-cord.org)

- **Christian Emergency Cluster**

The emergency relief cluster consists of the following organizations: Dorcas, Help a Child, Tear, Woord en Daad and ZOA. We conduct joint fundraising and expenditure activities in response to humanitarian disasters.

- **Partos**

The industry organization of Dutch development aid organizations whose activities include lobbying with the government and sector-wide quality improvement. (www.partos.nl)

- **Goede Doelen Nederland**

This association represents the general interests of national fundraising charities in the Netherlands. (www.goededoelennederland.nl)

- **Dutch Relief Alliance (DRA)**

A coalition of 16 Dutch aid and humanitarian organizations funded through a partnership with the Dutch Ministry of Foreign Affairs.

COLOPHON



'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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www.facebook.com/stichtingredeeenkind
www.twitter.com/redeenkind
www.youtube.com/user/redeenkind

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NL39 INGB 0001 5993 33

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Qroost Beeldmakers (p. 19, 22, 42, 76);
Ramón Sánchez Orense (p. 32, 71, 80, 113);
Red een Kind (p. 6/7, 46, 48, 54);
Robbert Klein Obbink (p. 86, 90);
Steve Waguwa (p. 2/3, 4, 24, 27, 40, 66,
68/69, 81, 92/93, 101, 106, 116)
Photo cover: Marjan van der Lingen
Design: idd.nu

Help a Child is certified according to the
ISO 9001:2000 standaard.

The certificate number is KSC-K40399/03

In 2017 we received funds from, among others,:





'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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IBAN

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