



STICHTING SIBUSISO

Annual Report 2019

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1 BOARD REPORT

1. Introduction

Stichting Sibusiso was founded in 2000 and has its registered office in Terneuzen, The Netherlands at correspondence address Oesterputten 2. Stichting Sibusiso is registered with the Dutch Chamber of Commerce for south-west Netherlands under number 22046082. Stichting Sibusiso is designated as a charity by the Dutch Inland Revenue under number 808778961.

The law governing Dutch charities was amended on 1 January 2014. A number of new measures aimed at increasing public confidence in the not-for-profit sector were introduced. Stichting Sibusiso complies with these measures in order to maintain its charitable status.

The Board of the Stichting Sibusiso consists of:

Chairman:	A.J. Aalbers
Secretary:	A.I.M. Hammer-Roos
Treasurer:	L.T.M. Wortel
Other members:	G. Kuperus, T. Selhorst and A. van Doornmalen

The Board meets in any case quarterly, but when necessary more frequently. Minimally once a year general policies and strategies are being discussed together with the Tanzanian management team. This year, the next 5-year plan has been jointly developed, the final document will be completed early next year.

2. Aims

Stichting Sibusiso Foundation strives to ensure the dignity of mentally disabled children from all cultural and religious backgrounds, to help them discover and develop their potential and to facilitate their integration into society.

For this purpose, Stichting Sibusiso established the Sibusiso Centre near Arusha, Tanzania, with the following objectives:

1. To offer special education to mentally disabled children to discover and develop their own capacities.
2. To teach the children's family members or caretakers how to care for, and interact with, the disabled child.
3. To assist, when needed, with referral to other support services like rehabilitation centres and (special) schools.
4. To provide necessary aids such as individually designed chairs or wheelchairs. These aids are manufactured by Sibusiso staff.
5. To improve the collaboration between Sibusiso and other (aid)organisations.
6. To raise awareness about the situation of mentally disabled children
7. To actively promote the rights of mentally disabled children.

In order to achieve these objectives, six programs were developed.

- During a Special Education program of six-months, teenagers learn social skills; they will be able to help their parents in the household and to become more independent in taking care of themselves.
- Every 3 months a group of young children are staying during week-days in the Sibusiso Centre with their parent/ caretaker. Parents/caretakers are trained in several methods to take care of and deal with their handicapped children. After these 3 months parents/caretakers are coming back on a monthly basis for follow-up in the Centre. Sibusiso's outreach teams are performing regular home visits, in which the interaction between parents/caretakers and children are observed.
- Those teenagers, that reach a sufficient level after the 6 months Special Education, are referred to regular schools with special education groups. Children with physical handicaps are referred to specialized organisations.
- Referral of children, that cannot be supported within Sibusiso to other organisations. Other organisations also refer to Sibusiso.
- The outreach teams and other 'Sibusiso ambassadors' make efforts to raise awareness about the work of Sibusiso in schools, health clinics and community centres.
- Lobbying government agencies and other organisations is done at local and regional level.

3. Activities

In 2019, the 3 months program has been completed four times and the 6 months program twice.

The Sibusiso Foundation in Tanzania has in 2019 again received a large donation of the Goodwill Community Foundation, to cover all costs for the outreach and all food supplies (including those for the therapeutic feeding program). The Board of Goodwill Community Foundation is very involved with the Sibusiso program. Also in 2019, a delegation of Goodwill representatives have been visiting Sibusiso in Tanzania. Dennis and Linda McLain came to The Netherlands, where they spoke with members of the Board of Stichting Sibusiso.

One of the highlights of the year were the Special Olympics World Games in Abu Dhabi in March 2019. The Tanzanian team, in which 2 children from the 6 months program were represented, was very successful. Due to months of preparation, co-facilitated by Sibusiso, the Tanzanian volleyball team won a golden medal. One girl, partaking in Sibusiso's 6-months program, came home with a golden medal for the 400m, an amazing accomplishment!

In July 2019, a delegation from Sibusiso Arusha consisting of two teachers, one social worker and the program coordinator, attended a conference on "Empowering persons with disabilities". The conference took place in Lushoto, Tanzania and hosted five hundred representatives from 33 countries. Sibusiso presented the topic "Inclusion: the real impact of society", in which Sibusiso gave a number of examples about the way inclusion is handled in Sibusiso.

After the conference, other employees of Sibusiso also received training on the subject of inclusion and followed an online course on the subject of autism. Subsequently, Sibusiso facilitated several meetings and workshops for other organizations, that work with mentally disabled children, about the topic of inclusion.

To achieve further knowledge transfer, Sibusiso succeeded in obtaining airtime at a regional Radio Station. Sibusiso employees provided information on various topics regarding mentally disabled children on a monthly basis. During this airtime, listeners could dial in to ask questions. With these broadcasting time Sibusiso reached a large audience for its message in the region.

In November 2019, a day was planned together with a dozen other local organizations as part of "The world disability day". The theme was "The future is possible: if we are supported enough we can". The highlight of the day was a march from the Sibusiso centre to the Tengeru market, in which more than two thousand people participated. Of the invited government organisations quite a big number attended the event. Guest of honour was the Tanzanian Minister responsible for people with disabilities, he was very impressed.

More emphasis will be given in 2020 during the 6-months program to promote inclusion of mentally disabled children in society. Ideas are to begin a choir and to form soccer- and volleyball teams, that participate in matches and events that are not specifically aimed at the mentally disabled.

A knowledge centre will be established to train and support various organisations in the care for mentally disabled children and the acceptance of this group in society.

4. Finance

Stichting Sibusiso is financially healthy. Its income is based on gifts, donations and the yield from investments. Sibusiso's financial policy demands that the Centre's running costs are covered by at least 200%. Stichting Sibusiso has a financial reserve which is conservatively invested. The Board is unable to access a portion of its capital (€ 930,670) because the donor specified that only the interest on this sum may be spent.

Given the size of the organisation, Stichting Sibusiso does not draw up an annual budget for steering. Therefore Stichting Sibusiso deviates from article 404 of the small fundraising organisations.

5. Investment Policy

At the end of 2013 the Board decided to change its investment policy because much of the capital was invested in subordinated bonds which did not meet the standards required by the new law regulating Dutch charities. Stichting Sibusiso asked both the Rabobank and the Deutsche Bank to propose a new investment policy based on investment products that meet the standards laid down in the UN Principles for Responsible Investment (PRI). This is an international code of conduct for responsible investment. Sibusiso also is obliged to respect standards for and compliance with socially responsible investment. The long-term investment policy aims to conserve capital.

The chosen investments are based on principles of risk reduction, investment horizon and risk profile. The selected risk profile is described as Very Defensive by the Rabobank and as Low Risk by Deutsche Bank.

6. Capital management and expenditure

Main principles:

- the Annual Accounts of Stichting Sibusiso are drawn up annually by the treasurer and audited by Schuiteman & Partners Register accountants B.V. who are providing an audit opinion.
- Stichting Sibusiso produces an annual Board Report and a performance report which is approved by the Board.
- expenditure relates to operational costs, building maintenance and projects of the Sibusiso Centre in Tanzania.

In 2020 the effects of Covid-19 are tangible all over the world. Sibusiso Centre in Tanzania has been shut down temporarily in accordance with government regulations. This is causing a slight delay in operational activities in the centre. The financial impact for Stichting Sibusiso is limited,

Terneuzen, 12 June 2020

Signed
Arie Aalbers
Chairman

Signed
Leo Wortel
Treasurer

Signed
Atty Hammer -Roos
Secretary

2 BALANCE SHEET AT 31 DECEMBER 2019

	Note	<u>31 December 2019</u>	<u>31 December 2018</u>
		€	€
Current assets			
Receivables			
Accrued assets	1	3	26
Securities	2	1,753,078	1,563,923
Cash and cash equivalents	3	<u>173,405</u>	<u>225,323</u>
Total current assets		1,926,486	1,789,272
Total assets		<u><u>1,926,486</u></u>	<u><u>1,789,272</u></u>
 Liabilities			
Reserves and funds			
Reserves	4	935,165	797,951
Funds		<u>983,670</u>	<u>983,670</u>
Total reserves and funds		1,918,835	1,781,621
Current liabilities			
Accrued liabilities	5	<u>7,651</u>	<u>7,651</u>
Total current liabilities		7,651	7,651
Total liabilities		<u><u>1,926,486</u></u>	<u><u>1,789,272</u></u>

3 STATEMENT OF INCOME AND EXPENDITURE 2019

	Note	2019	2018
		€	€
Income			
Income from private donations		25,126	86,245
Income from company donations		21,723	13,245
Income from other NGO's (not profit)		89,571	48,630
Total income		<u>136,420</u>	<u>148,120</u>
Expenditure			
	6		
<i>Expenditure on goals</i>			
Costs in Tanzania		129,562	128,270
Management fee		<u>55,800</u>	<u>55,800</u>
Total expenditure on goals		185,362	184,070
<i>Management and administrative costs</i>			
Costs in the Netherlands		8,933	9,501
Costs banks fees		11,587	6,045
Total expenditure on management costs		<u>20,520</u>	<u>15,546</u>
Total expenditure		<u>205,882</u>	<u>199,616</u>
Currency results on bonds and securities			
Dividend-bearing securities		23,417	11,618
Currency gains/losses on bonds/securities		183,257	-30,950
Interest received		<u>2</u>	<u>23</u>
Balance financial income and expenditure		206,676	-19,309
Balance of income and expenditure		<u>137,214</u>	<u>-70,805</u>
Appropriation of net income and expenditure balance:			
Balance is added to or deducted from:			
Freely disposable capital		137,214	-70,805
Designation fund		<u>0</u>	<u>0</u>
Total income		<u>137,214</u>	<u>-70,805</u>

4 ACCOUNTING POLICIES FOR THE VALUATION OF ASSETS AND LIABILITIES AND FOR THE DETERMINATION OF RESULTS

General accounting policies

The annual accounts have been prepared in accordance with the provisions of Title 9 Book 2 of the Dutch Civil Code and the Dutch Accounting Standards, issued by the Dutch Guidelines for annual reporting, published by the Dutch Accounting Standards Board. The most recent Directive RJK C2 has been followed. The accounting policies are unchanged against those of the preceding financial year.

The accounting policies applied for the valuation of assets and liabilities and for the determination of results are based on historical costs.

Continuity assumption

The accounting policies used for the valuation of assets and liabilities are based on the continuity assumption of the enterprise.

Due to the Covid-19 pandemic, the Dutch government has issued far-reaching measures to prevent the virus from spreading quickly. To counter the health, social and economic effects of the virus both the Dutch and the Tanzanian government have taken the necessary actions. Currently there are no financial effects for Stichting Sibusiso. However, there might be a delay in the implementation of operational activities in Tanzania, due to the (temporary) closure issued by the Tanzanian government. Because of this closure, staff and children are momentarily at home, until further notice. Despite the situation, the financial effects remain limited for the time being and Stichting Sibusiso applies a positive continuity assumption.

Accounting policies for the valuation of assets and liabilities

An asset is recognised in the balance sheet when it is probable that the future economic benefits will flow to the organisation and the asset has a value that can be measured reliably. A liability is recognised in the balance sheet when it is probable that an outflow of resources embodying economic benefits will result from its settlement and the amount thereof can be measured reliably.

Receivables, cash and current liabilities are carried at nominal value. A provision is formed if receivables are considered to be potentially uncollectible. Securities are valued at current value.

Accounting policies for the determination of results

Income and expenses are attributed to the period to which they relate.

Income

Donations, gifts and endowments of periodic payments are recorded in this report when they are received by Stichting Sibusiso.

Interest income represents the interest revenue attributable to the financial year.

Expenses

Expenditure on international activities is recognised as an expense in the statement of income and expenditure in the year to which the expenditure relates.

Management and administrative costs

Management and administrative costs include the organisation's own costs.

5 KEY FIGURES

The Dutch Guidelines for annual reporting RJK C2 and the Central Bureau on Fundraising (CBF) mandate the disclosure of a number of key figures, which are discussed in more detail below.

	<i>Norm</i>	Actual 2019	Actual 2018	Actual 2017	<i>Average 2016-2018</i>
Expenditure of income on goals	>90%	116.0%	115.2%	172,0%	111,4%
Costs of own organisation	<25%	4.8%	5,2%	7.5%	6.7%
Management and organisation costs	<6%	10.0%	7.8%	6.9%	7,5%
Fundraising costs	<25%	0%	0%	0%	0%

Expenditure of income on goals

This norm reflects the percentage of total income (excluding exchange results) that has been expended on the goals.

Costs of own organisation

This norm concerns the total costs of the own organisation in relation to the expenditure on its goals.

Management and organisation costs

This norm reflects the management and administrative costs as a percentage of total expenses.

Fundraising costs

This reflects the ratio of the costs between the costs of fundraising and the income realised from it. The CBF caps this percentage at 25, calculated on the basis of an average of the past three years.

6 NOTES TO THE BALANCE SHEET

Current assets

	31 December 2019	31 December 2018
1 Receivables		
<u>Prepayments and accrued income</u>		
Interest on savings accounts	3	26
2 Securities		
Rabobank bonds	698,930	624,015
Deutsche Bank bonds	1,054,148	939,908
	<u>1,753,078</u>	<u>1,563,923</u>
3 Cash and cash equivalents		
Rabobank 3858.35.442	7,417	62,137
Rabobank 3858.12.167	51,008	1,544
Rabobank 3554.81.049	5,025	1,746
USD account	2,182	2,140
Rabobank 3293.453.414	107,773	157,756
	173,405	225,323
	<u>1,926,486</u>	<u>1,789,272</u>
Liabilities		
4 Reserves and funds		
<u>Reserves</u>		
<i>Other reserves:</i>		
Balance as at 1 January	797,951	868,756
Balance of income and expenditure	137,214	-70,805
Balance as at 31 December	935,165	797,951
<u>Designation Funds</u>		
Balance as at 1 January	983,670	983,670
Balance of income and expenditure	0	0
Use of designation	0	0
Balance as at 31 December	983,670	983,670
5 Current liabilities		
<u>Accrued liabilities</u>		
Management note December	4,650	4,650
Accountant audit 2017 and 2018	3,001	3,001
	7,651	7,651
	<u>1,926,486</u>	<u>1,789,272</u>

Designation funds

Stichting Sibusiso receives earmarked donations from donors. Destined donations not spend at the end of the year are included in a designation fund. Designation funds are distinguished according to the identified objectives. The Stichting has defined the following objectives:

- The donor has indicated that the donation for an amount of € 930,670 is not intended to be spent, but to manage and to use the return on the objective;
- 53,000 euro is intended for the exchange program with the physiotherapists from Kaatsheuvel.

7 NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE

6 Income	2019	2018
<u>Expenditure on goals</u>		
Costs Tanzania	129,562	128,270
Management fee	<u>55,800</u>	<u>55,800</u>

This concerns the costs for the management in Tanzania.

Management and administrative costs

Costs in The Netherlands	<u>8,933</u>	<u>9,501</u>
Costs Banks	11,587	6,045
	<u>205,882</u>	<u>199,616</u>

7 Currency results on bonds and securities

The currency results on bonds and securities is positive in 2019 compared to a negative result in 2018. This is due to the recovery of the stock market and an improved exchange rate of the euro against the dollar.

8 OTHER NOTES

8.1 Events after the balance sheet date

The impact of Covid-19 is tangible everywhere in the world. To counter the health, social and economic effects of the virus both the Dutch and the Tanzanian government have taken the necessary measures. Currently there are no financial effects for Stichting Sibusiso. However, there might be a delay in the implementation of operational activities in Tanzania, due to the (temporary) closure issued by the Tanzanian government.

9 OTHER DATA

9.1. Result allocation

The 2019 results will be added to the other reserves. There is no addition to a designated fund or designated reserve.

9.2. Audit report



SCHUITEMAN

REGISTERACCOUNTANTS

Independent auditor's report

To: The management of Stichting Sibusiso

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

Our opinion

We have audited the financial statements 2019 of Stichting Sibusiso based in Terneuzen. In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting Sibusiso as at 31 December 2019 and of its result for 2019 in accordance with Part 9 of Book 2 of the Dutch Civil Code .

The financial statements comprise:

1. the balance sheet as at 31 December 2019;
2. the profit and loss account for 2019; and
3. the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards of 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 Sibusiso in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), 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.

Paragraph other matters

We would like to attend you on the justification of the total payment to the Sibusiso Foundation (Sibusiso) in Arusha (Tanzania) € 126.136,45 (2018: € 86.508). The actual expenditure on the objective is not included in our audit scope of Stichting Sibusiso.

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

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

- the management report;
- other information as required by Part 9 of Book 2 of the Dutch Civil Code.

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 Part 9 of Book 2 of the Dutch Civil Code.



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 Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

C. Description of responsibilities regarding the financial statements **Responsibilities of management and for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the 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.

Our responsibilities for the audit of the financial statements

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

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;



- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity 's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Ede, 15 juni 2020

Schuiteman & Partners Registeraccountants B.V.

Signed by

W. van Reenen RA