

Annual report 2019

Building.



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In a broken world full of poverty and injustice, Woord en Daad seeks to make the signs of God's coming Kingdom visible. The Christian perspectives of justice and compassion motivate us each day to contribute to a sustainable change that benefit all people.

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Overview Partners: 39



Per programme these logos show how our work contributed to the realization of one or more Sustainable Development Goals. These 17 global goals were set by the United Nations General Assembly in 2015 for the year 2030.





Foreword

Building

It still fascinates me as an adult: watching a child build a tower from wooden blocks. Totally committed, block by block. As the tower gets higher, the tension rises too. And then finally the moment arrives: there are no more blocks and the tower is standing. Sometimes so solidly that it continues to stand to the great excitement of those watching. Sometimes wobbly, as a result of which the tower is at risk of collapsing. We can often predict in advance how long the tower will remain standing. You can already see that with the first blocks the child places. How solid the rest of the construction depends on the bottom layer: the foundations.

This picture came to mind when I looked back at the year 2019. The large tower represents the work that Woord en Daad has been able to do for more than 46 years. The foundation, which is absolutely vital for building solid programmes, is our committed supporter base and strong network of partners.

In 2019, the supporter base demonstrated more willingness than ever before to help realize our work. Right across the board generous contributions were made in various ways. The voluntary work grew and locally Woord en Daad became visible at even more locations. The strong growth of the second-hand shops confirmed this concept is a stable source of income for our (building) work. Also churches, families and young people

demonstrated their commitment and many of them decided to take on the care of a sponsor child. In addition, entrepreneurs and large funds assumed responsibility for a large part of the foundation. Against the societal trend, the income from the supporter base grew. With a year in which the income from grants was somewhat disappointing, we realized more than before how richly blessed we are with this strong foundation.

Considerable investments were also made last year in another part of the foundation: leadership within the partner network of Woord en Daad. Via the so-called congruence trajectories, we challenged the local partners to convincingly demonstrate their talents and strengths. During the sessions, they became increasingly aware of their working context and they reflected upon their own positioning. This led to surprising results in which the partners also challenged Woord en Daad in the collaboration. In West Africa, the results were already visible in 2019 and our partners took the lead in large grant applications. In this report, you can read about all of these fantastic building works worldwide. Examples include the large Awash River in Ethiopia, where together with partners from government, industry and local organizations, we are helping to realize a decent water management system. Or in Burkina Faso, where a growing number of young people are acquiring a job via our Job Booster programme and the Minister of

Education has encouraged us to make suggestions for improving the education sector there.

All of our programmes were evaluated in 2019. In the majority of programmes, we are working with new concepts that are initiating system changes. The evaluations demonstrate that the concepts work and provide direct pointers about aspects that can be further improved. During a policy conference, we presented this to our partners and donors. We also discussed with them the new direction that we want to adopt in 2021. At the end of the week, we gratefully harvested a wealth of new insights and lessons.

In 2019, we built in the sunshine with a calm breeze, but also in storms and headwind. Terrorism and violence also affected our work, especially in Burkina Faso, Sri Lanka and Haiti. Nevertheless, it was surprising to see how the building work continued in those difficult circumstances and our partners nevertheless achieved good results.

We continue to build in the realization that we are called to do so. At the same time, we realize that we are not building a permanent city. Instead, we may look forward to a city that has foundations, and for which God is the Artist and Master Builder!

Rina Molenaar, CEO





The world of Woord en Daad

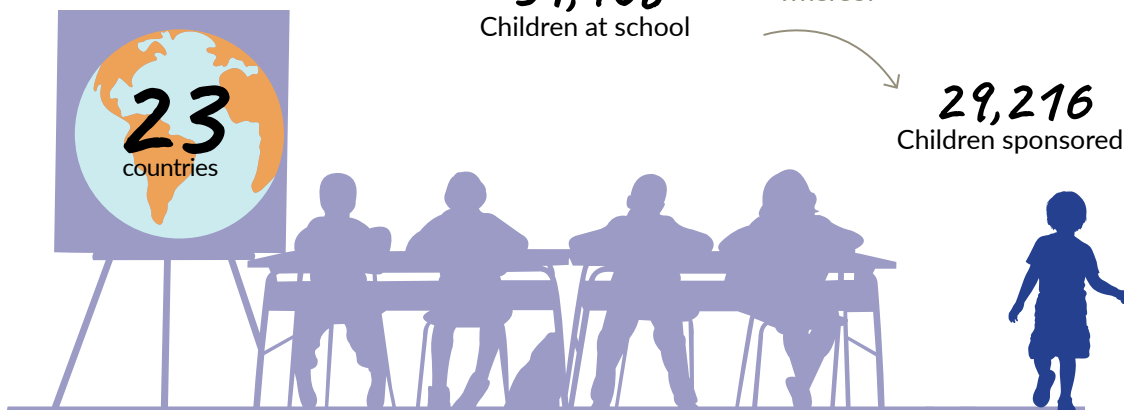
Results programmes

Impact in the
South

31,408
Children at school

whereof

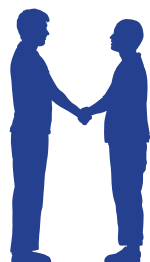
29,216
Children sponsored



3,111
Households
reached with
emergency relief



441,555
People reached with
sustainable water



30
Partner-
organizations



14,283
People
with a job



15,448
Farmers/
entrepreneurs
trained

US



HARA

€ 2,053,668

Children at school 6,028



Haiti

Guatemala

Nicaragua

Colombia

CLARA

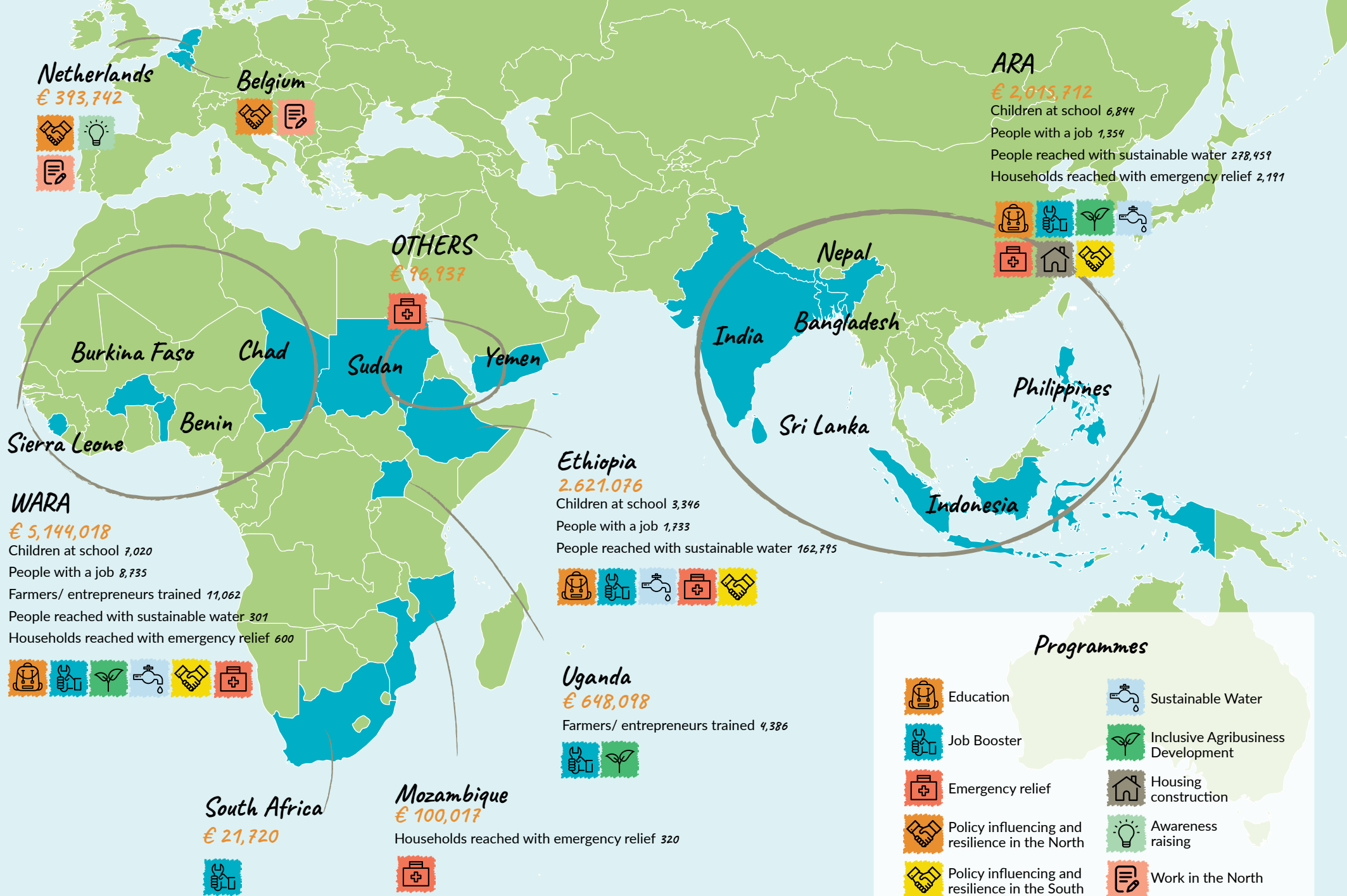
€ 2,693,726

Children at school 8,170
People with a job 2,461



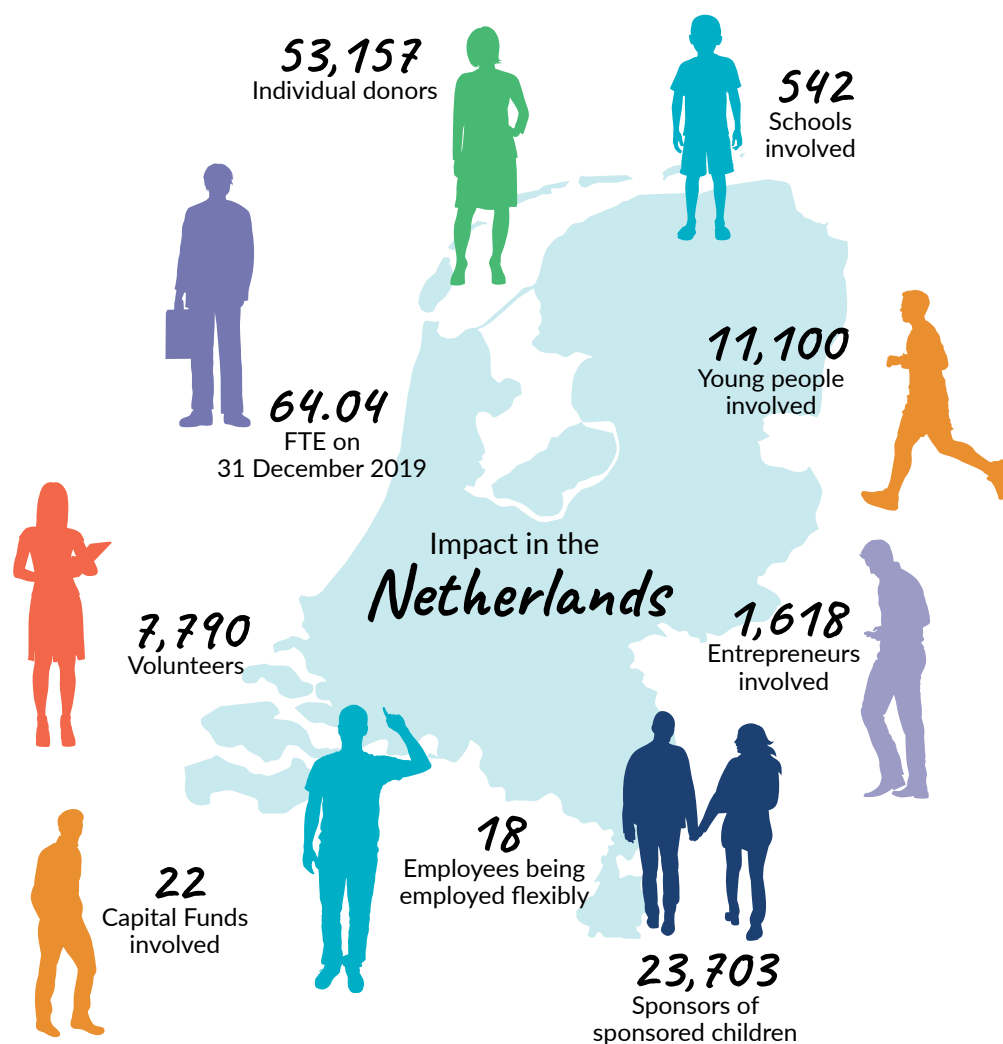
Regional cooperation

Woord en Daad collaborated in alliances in the following regions: Asian Regional Alliance in Asia (ARA), Haitian Regional Alliance (HARA) in French-speaking Latin America, Latin American Regional Alliance (LARA) in Spanish-speaking Latin America, and West African Regional Alliance (WARA) in West Africa. In Ethiopia and Uganda partner organizations also work together. The alliance SARA (Southern African Regional Alliance) has reorganized itself into the South African Learning and Transformation alliance, SALT.





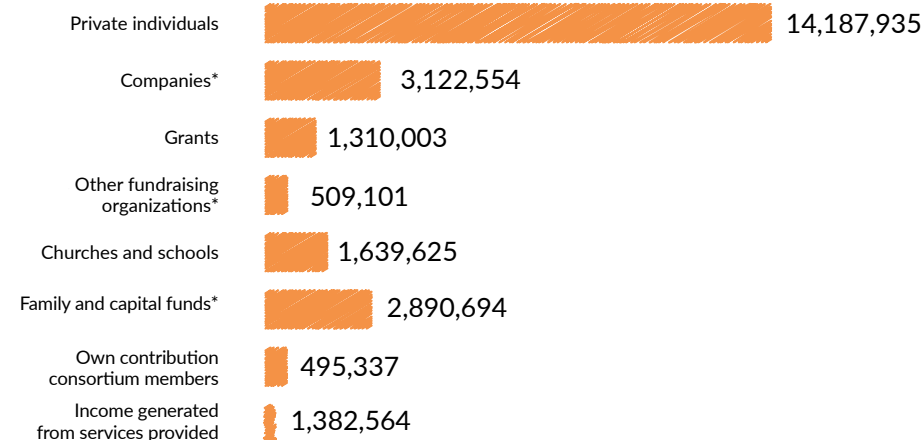
2019 Key figures



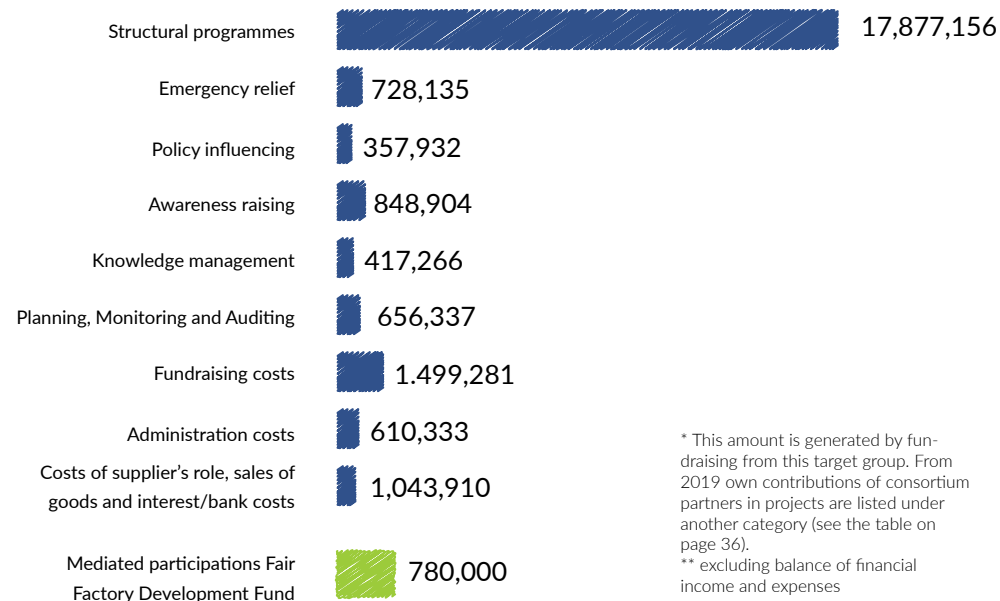
These figures give an impression of the social support of Woord en Daad in the Netherlands. The total number of individual donors is not the sum of the figures mentioned in this overview, because some groups

fall in several categories. The total number of donors decreased slightly. But the average amount given per donor has increased, which is reflected in a slight growth in individual donations.

Income 2019 in € **25,537,813**



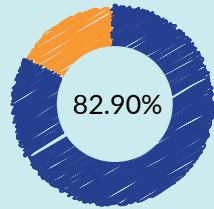
Expenditure 2019** in € **24,039,254**



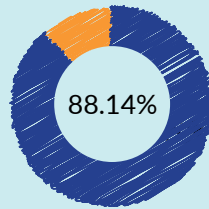
* This amount is generated by fundraising from this target group. From 2019 own contributions of consortium partners in projects are listed under another category (see the table on page 36).

** excluding balance of financial income and expenses

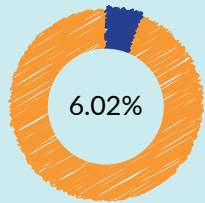
Summary



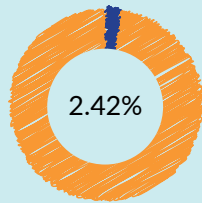
Target expenditure ratio
(expenditure on targets with regard to the total income)



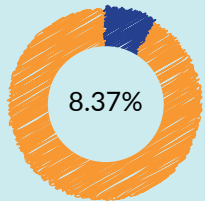
Target expenditure ratio
(expenditure on targets with regard to the total expenditure)



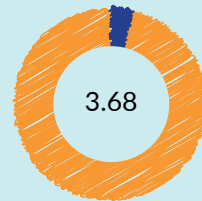
Costs own fundraising with regard to proceeds from own fundraising



Woord en Daad standard for management and administration (max. 3.1%)



Woord en Daad overheads standard (max. 7.5%)



Woord en Daad norm Result on Investment grants (min. 20)

We can see our work field changing in the countries where we realize our programmes. Now there is instability and turmoil in countries where it was previously relatively quiet. Although the impact can be felt, it is striking to see that our partner organizations continue their work with conviction. We are grateful that our programmes could frequently continue.

Within the Christian education network INCE, clear advances could be seen in Burkina Faso and Guatemala, for example. Our partners also worked with the team Education on a programme that supports extra vulnerable children. In 2019, we started with a sponsor programme in Chad and we selected a new partner organization in Uganda. The number of applications for new sponsors in the Netherlands rose by 30 percent compared to 2018.

With the programme Sustainable Water we worked, amongst other things, on an ambitious water project around the Awash River in Ethiopia, together with water boards, government bodies, non-profit organizations and companies. Within Job Booster we increasingly found where we could be most effective in the tailored training of young people and job placement. With the project "Christian profession" we investigated how a Christian attitude can be given form in the training of young people. We will also use the lessons learned from this in our own organization.

Our team Inclusive Agribusiness Development (IAD) investigated sectors in which we could further specialize. The theme International Responsible Business Conduct (IRBC) received attention, for example, in the research into and development of a method concerning a living wage. With our programme Emergency relief and resilience we set up a project for the first time without a disaster being the cause of that. In that project, we are trying to limit the consequences of future periods of drought in the arid Ethiopian Shalla.

Our team Policy influencing once again worked in the Netherlands and Belgium on lobbying policy issues that affect the lives of people in our project countries. For example, we were successful in lobbying for responsible business conduct. With Awareness raising we focused in the first half of the year on food wastage with our campaign "At the Table!". Throughout the year, we were also active with presentations and publications in the area of awareness raising.

Woord en Daad is an organization with a supporter base. In 2019, we thankfully realized an increase in income from the private individuals target group. Among the target group entrepreneurs, we also saw a growth in trust. Unfortunately, we had less success with grant applications although we are in a good starting position for 2020. At the same time, we see plenty of opportunities in the coming period due to our good contact with embassies, for example.

In 2019, the importance of regional volunteers was also clearly visible. At the Woord en Daad shops, we saw a strong growth in figures and the number of volunteers involved in the organization.

The report year was a year of looking ahead because we were working on a new policy plan for the period after 2020. All programmes were evaluated. Furthermore, we chose three policy themes that will acquire a place in our work in the coming years. In this context, we organized a policy conference in November together with representatives from our strategic partner organizations and external experts. During the development of the new policy, including during the conference, we discussed with colleagues how identity is made visible in our work and what we can learn from our partner organizations in the project countries.

Value creation model Woord en Daad

Approach

Sources

Capacity per 31-12

- Projects 41.58 fte
- Funds 7.39 fte
- Support 14.07 fte
- Executive Board 1.00 fte
- Flexible pool 1.25 fte
- Office volunteers 21 persons

Finances

- Private individuals € 14,187,935
 - Companies € 3,122,554
 - Grants € 1,310,003
 - Other fundraising organizations € 509,101
 - Churches and schools € 1,639,625
 - Family and capital funds € 2,890,694
 - Own contribution consortium partners € 495,337
 - Interest/income from supplier's role/awareness € 1,382,564
- € 25,537,813**

External capacity

Collaboration in realizing programmes in the South with government bodies, companies and microfinance institutions, (often Christian) NGOs, knowledge partners, thematic networks, TVET schools and civil society networks in 23 countries.

Knowledge

Concrete knowledge requirements and objectives (both overarching and thematic) have been formulated. These will be tackled by a combination of different approaches.

Mission

In a broken world full of poverty and injustice, Woord en Daad seeks to make the signs of God's coming Kingdom visible. The Christian perspectives of justice and compassion motivate us each day to contribute to a sustainable change that benefit all people.

Core values

- Co-responsibility
- Fellow creature
- Compassion
- Stewardship
- Interdependence

Development principles

- Ownership
- System change approach
- Sustainability
- Partnership
- Innovation

Strategy

- Via Education, Job Booster, Sustainable Water, IAD, Emergency Relief and Resilience
- Policy influencing
- Joint awareness
- Joint fundraising

Key activities

- Deepening knowledge about local contacts, developments and opportunities, and providing specific knowledge and expertise (partner role)
- Facilitating collaboration with several interested parties (role as connector)
- Mobilizing and providing financial support in context-related programmes of high quality (donor role)
- Providing paid services to professional organizations (supplier role)

Aim

Long-term objective

Integration and sustainable transformation of poor and marginalized people.

Through:

- Focus on context: a more stimulating environment
- Focus on people: strengthening people at different levels
- Focus on mentality: contributing to the mentality and higher aspirations at different levels in society

In order to:

- Improve the livelihood and to build up a decent and dignified life
- Participate in society
- Take and bear responsibility
- Experience restored relationships

Mission and core values

Mission

In a broken world full of poverty and injustice Woord en Daad seeks to make the signs of God's coming Kingdom visible. The Christian perspectives of justice and compassion motivate us each day to contribute to a sustainable change that benefits all people.

Vision

Woord en Daad connects people worldwide in their efforts to overcome poverty and to realize a dignified existence for every individual.

Core values

Five core values can be derived from our mission, vision and strategy. These guide our choices at various levels. The key values determine our policy. Our core values are:

- **Co-responsibility** - Responsible for yourself, your neighbour and creation
- **Fellow creature** - Creature of God, equal and unique
- **Compassion** - Close to and alongside people who suffer
- **Stewardship** - Treating human beings, resources and the environment with care
- **Interdependence** - Independent in choices, dependent in collaboration



1

Strategy, vision and policy: we continue to build

Building.

'Even in areas where it is difficult and few other organizations are present, our projects still continue. I am genuinely proud of that! People are reached in areas where it is dangerous to live and work, and that is the benefit of working with local partner organizations. However, we see that our working field is changing. In countries where it was relatively quiet, there is suddenly (greater) instability and turmoil. Examples are Haiti, Ethiopia and Burkina Faso. It is amazing to see how our partners continue their work with conviction and achieve good results, thanks in part to the enormous commitment of our supporter base.'

Rina Molenaar, CEO

Solid presence

In recent years, we have received various large grants for our projects. Those projects are now being realized and further developed, alongside the other projects. Rina Molenaar: 'Thanks to our way of working with local governments, the private sector and knowledge institutions, we are now very clearly present in the countries in the fields of expertise that we are known for. Woord en Daad is increasingly looking for strategic contacts who can ensure that we can be more solidly present in the country. 'I visit parties who can realize genuine change at the national level. A good example? The collaboration with energy company Aneareé in Burkina Faso, which asked us via the Job Booster programme to write a curriculum for training solar panel fitters. We did that together with the Hoornbeek College. Then you see the connections arise between the Netherlands and Burkina Faso, which have an impact at the national level.'

Committed supporter base

Rina: 'We started the year on 19 January 2019 with the Woord en Daad World Day, where we met our committed supporter base. The day clearly revealed how people believe in the work of Woord en Daad. The vitality from that day continued throughout the year in the Netherlands as well as in the countries where we work. We see that the committed supporter base of Woord en Daad continues to grow, whereas the trend in the Netherlands is that donors are becoming less committed to charitable organizations.' In 2019, the importance of regional volunteers was also clearly visible. Rina: 'We realized a further professionalization at the Woord en Daad shops. Here we see an enormous growth in figures as well as a considerable growth in volunteers who feel committed to the organization. We notice that we are increasingly visible, also in regions that are new for us. Thanks to the shops there is a physical location where people can meet each other. Local volunteers are raising the profile of Woord en Daad.'

Entrepreneurs and capital funds

'Woord en Daad is an organization with a supporter base. I am very pleased to see that we have realized an increase in income from private individuals in 2019. We also saw a growth in trust among entrepreneurs', says Rina. 'We notice that entrepreneurs identify with the projects of Woord en Daad. We are thankful for the considerable growth in income from this target group. There was also a moderate growth under the capital funds. Unfortunately, grant applications were less successful this year. We missed out on large grants and, of course, we find that disappointing. Yet, at the same time, we can see that the pipeline is well filled. We have good contact with embassies. And for the first time ever, an

embassy has approached us directly to request collaboration. That offers opportunities for the future.'

Policy development

The report year was a year of looking ahead because we were working on a new policy plan for the period after 2020. We commissioned various programme evaluations, established a knowledge trajectory with The Broker and invited external parties to review things with us. Rina: 'Our project-based approach to working is definitely reaping benefits. This is not only confirmed by our partners and experts, but also by all programme evaluations. Various areas for improvement were also identified of course. An awful lot is happening in the world and so we need to carefully examine what is happening in the countries where we work and how we can fulfil our role within those circumstances.'

Policy conference

In November, we organized a policy conference with representatives from our strategic partner organizations and external experts. Rina: 'I consider it to be one of the highlights of the year. We had valuable conversations with our partners. The three themes chosen for our new policy period – reaching the unreached, opting for a system approach and making the poor resilient against the consequence of climate change – were recognized and confirmed by our partners. They also see an entrepreneurial role for Woord en Daad within this. At the same time, the partners want to continue to be challenged and we will need to organize leadership on these themes in the countries where we work.'

Team

Finally: 'We work with a highly committed team on a joint objective. Everybody fulfils his

or her role with considerable passion. I can see that colleagues know their target groups both worldwide and in the Netherlands. They form the face of Woord en Daad and use various means for this. Such as the team Awareness raising, which at schools is managing to realize considerable awareness for Woord en Daad as well as a growing income. The team Policy influencing works in The Hague and Brussels and knows how to exert influence on policy that has an impact on people who live in poverty. But also the project leaders who, in various countries, manage to bring together local organizations, embassies, local governments, knowledge institutions and the private sector to actually realize our big ambitions.'



2 Dynamics in the work field: our programmes

Building.

2.1 Education

Education lies at the basis of each person's development. For Woord en Daad the child in its own unique living environment always takes centre stage. Children form a country's future. Therefore not just access to education, but also the quality of education is important. The quality of education plays a decisive role in a child's future. Woord en Daad works to improve the quality of this education. The school, community and society all play a determining role in what the child receives. We therefore collaborate in consortia with educational organizations and the government in the countries where we work so that we are not only significant for the individual child, but can also improve the quality of education at the system level.



In the year reported, we defined three subthemes that we consider relevant within the programme Education: the educational programme, which

our sponsor children also fall under; the International Network for Christian Education (INCE); and a programme that focuses on support for extra vulnerable children. In mid-2019, three internal development teams set to work on further elaborating these themes.

Programme evaluation and outcomes

In 2019, a programme evaluation was performed by an external party. The evaluation confirmed that INCE is a good concept but

that various aspects could be better aligned with each other. Many concrete learning points were stated in the report. One of the most important recommendations is that we better align the subthemes defined above so that the various education projects of Woord en Daad can strengthen each other within countries and across national borders. The subdivision of the programme within the three subthemes was supported by the evaluation.

Developments in INCE countries

Woord en Daad established INCE several years ago together with Driestar educatief. The aim of INCE is to improve the quality of education in each of the project countries at the national level. We do this by training teachers, establishing accreditation and educational advisory services, grouping schools in networks and lobbying for better education.

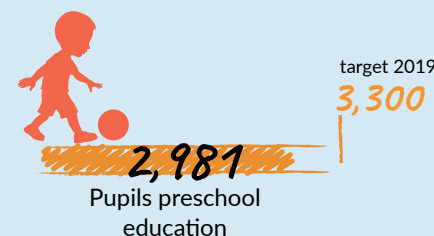
In 2019, superb developments were seen in the Christian education network in Haiti, despite the political unrest in the country. There is now a solid consortium there with which we held a kick-off meeting in the Netherlands in June. Amongst other things, the consortium established a joint vision and action plan with which we can get down to work. In May, the kick-off meeting of INCE Guatemala took place. Jacob Jan Vreugdenhil, programme leader Education: 'I see Guatemala as a country where we have taken the biggest steps. Here we are working with a powerful consortium that manages to realize a lot in the country. The collaboration with the government in Guatemala is going really well.' After the start-up meeting, the INCE team in Guatemala set to work on a manual for teachers. In this we are working actively with the Ministry of Education in Guatemala.

We are also maintaining good contacts with the government in Burkina Faso. The Burkinabe Minister of Education was a guest at the joint kick-off meeting where he showed a considerable interest for our INCE ambitions in the country. In the autumn of 2019, six school advisers were trained. They carry out quality inspections at schools in Burkina Faso. Together with the schools, they establish a quality improvement plan. Before the training the inspectors mainly fulfilled a "police officer" role, whereas during the training they learned how to collaborate better with the schools. In Nepal, the programme established a year previously, is now up and running. For Benin and Sierra Leone, the kick-off has been prepared: in these countries INCE will start in 2020.

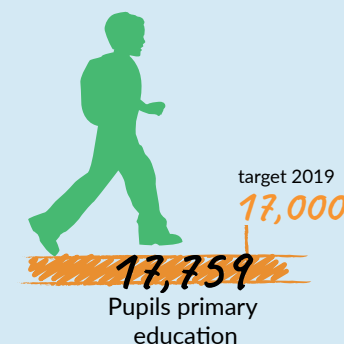
Collaboration and networks

As already stated, considerable investments have been made in INCE in the collaboration with ministries and governments. For example, at the request of the Burkinabe government, Driestar educatief trained professional school inspectors who will encourage the progress of development plans at the schools we work with. 'We are convinced that access to good education will help our country to advance', said the Minister of Education, Prof. Stanislaw Ouaro. 'The INCE approach fits seamlessly with the vision of the ministry. Furthermore, Christian schools are well known for their quality. This year it was no surprise that the 1st, 2nd and 3rd Excellence prizes went to Christian schools.' In all forms of collaboration, much attention is devoted to the position of programmes and the impact at sector level, for example through means of lobbying.

Results Education



313 adults followed a literacy course



4.703 pupils attended informal education

Extra vulnerable children

In 2019, representatives from partner organizations met each other in Ethiopia around the theme "exploited children", children who are exploited or who are at risk of being exploited. Partners from Haiti, Chad, the Philippines and Bangladesh were present. At partner organization Hope for Justice in Ethiopia, an organization that works among street children, they exchanged ideas with each other and compared different approaches. In each of the countries stated, this theme has a place in the education programme, with the exception of Bangladesh where this has yet to become tangible. The development team formed in the Netherlands is, amongst other things, further elaborating the urgency of involving communities in reaching these children, and the partner organizations will set to work on this.

Funds and funding opportunities

Jacob Jan: 'In 2019, we submitted several grant applications. The team invested a lot of energy in these, but unfortunately no large grant was awarded. However, we did receive several small grants, such as an amount of € 24,000 for supporting partner organization AMG Philippines in providing a training about sex education based on Christian values. At the start of 2020, we evaluated with the help of the feedback from granting bodies what we can learn from the rejected grant applications, and we will examine how we can increase our chances of being awarded large grants in the future.'

Expenditures Education in €

Bangladesh	288,887
Benin	1,443,023
Burkina Faso	1,196,771
Colombia	711,007
Philippines	770,680
Ethiopia	1,216,315
Guatemala	1,714,690
Haiti	1,978,545
India	781,863
Netherlands	72,110
Nepal	52,094
Uganda	312,142
Sierra Leone	752,837
Chad	50,794
South Africa	20,198
Total costs	11,361,958
Project management	585,668
Total	11,947,626

2.2 Sponsor programme

Worldwide many children grow up in considerable poverty. Via the sponsor programme of Woord en Daad, children in developing countries gain access to education and have their basic needs met. That allows these children to work towards a good future. In 2019, 30,000 children could go to school thanks to the support of a sponsor in the Netherlands. The number of registrations for new sponsors rose by 30 percent in the year reported compared to 2018.

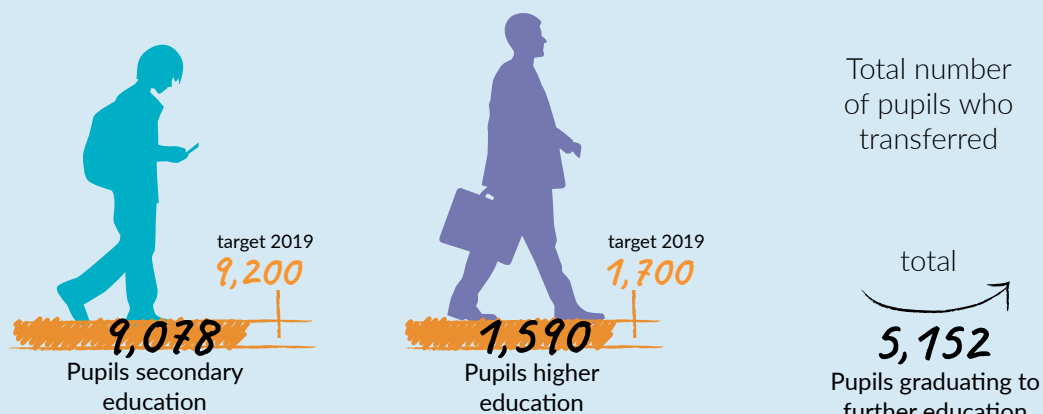


New countries

In 2019, we started with a sponsor programme in two new countries: Uganda and Chad. Jaco Ottevanger, programme leader Sponsoring: 'A lot

of preparations were made in advance. In which countries do we have an inroad? Where is the need the greatest? We made various visits in advance to talk with potential new partner organizations.'

In Chad, we sought collaboration with new partner organizations that can help us to shape the sponsor programme in this country. This led to two new concrete partner relations, namely with the organizations Fondation Dieu Bénit (FDB) and Initiative Humanitaire pour le Développement Local (IHDL). With the sponsor programme in Chad, we are focusing on a new target group: extra vulnerable children, who are or are at risk of becoming the victim of exploitation. The poverty in Chad



29.216 of these children were supported by sponsors from the Netherlands

is considerable, but relatively few international organizations are active there. Children are already left to fend for themselves at a young age and end up on the streets in the capital city. In rural areas, parents see no other way out than to sell their children. Some of these children are temporarily looked after by FDB and, where possible, they are placed back in their own family. In September 2019, we started with a sponsor programme for 82 children. Partner organization FDB was also coached in organizing the administrative and financial processes.

In December 2019, we selected the partner for the new sponsor programme in Uganda: AMG Uganda. This partner organization has possibilities to further expand into remote areas, such as North Uganda. We can see that throughout Uganda, but especially in the north of the country, there is a considerable need for improving the quality of education and the practical support of children and families who live in poverty. We will follow up on that in 2020.

Optimizing the system

In 2019, we made a start on optimizing our systems to further improve the contact between sponsors and sponsor children. 'We are making the switch to more online communication. The online tool MijnWD, in which sponsors can find information about their sponsor child and can correspond with him or her, for example, plays an important role in this', says Jaco. With our partner organizations, we are working on the setting up of an improved administrative system for the sponsor administration that will also be made available off-line in our project countries. That means it can also be used in areas with limited Internet access so that the information can be processed faster and the processing time is reduced.

2.3 Sustainable Water

Within the programme Sustainable Water, Woord en Daad works on access to clean water and a healthy living environment for everybody. In addition, we realize projects in the area of water for agriculture and good water management. We do that together with partner organizations, companies, government bodies and water boards.



In 2019, we changed the name of the programme from WASH (Water, Sanitation and Hygiene) into Sustainable Water. 'Sustainable' stands for how we set up the projects: financial sustainability by contributing to water services and encouraging entrepreneurship among the local water users by working together with the local government bodies, and also the further development of the ecological sustainability. For the programme Sustainable Water, 2019 was a consolidating year in which we further deepened the existing projects and focussed on evaluation and further internal development.

Programme evaluation

The programme Sustainable Water was evaluated in 2019. Marius Otte, project leader Sustainable Water: 'The evaluation revealed that we are on the right track with Sustainable Water. Our approach is aligned with our

ambition to realize system change. A point for improvement is that we must work with longer term projects that will enable us to realize that system change, because it takes time to involve local government bodies and influence the structures in a country.'

Water projects in Ethiopia

The Awash River is a lifeline for millions of inhabitants of Ethiopia and an important stimulus for employment in the neighbouring areas. With six consortium partners, we are working on improved water management around the river for families and agriculture. For example, we are doing this by introducing a revenue model and facilitating improved irrigation methods. Marius: 'This project was initiated in 2019. At the end of the year, we received the good news that the project had been awarded funding by the Netherlands Enterprise Agency (RVO) and that we may continue the project for the next five years.'

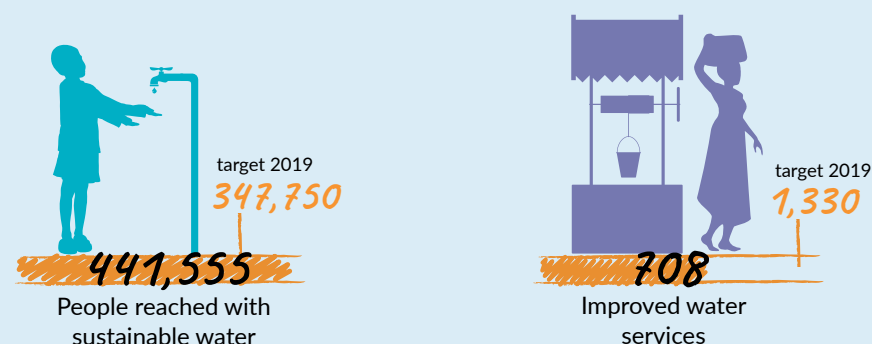
In Ethiopia, in the region of Tigray, we are ensuring with the iWET project that almost one

million people are provided with clean water in a sustainable manner. AFAS Foundation has been a strategic partner in this project since 2017. In the iWET project, we saw a strong commitment from the local government developing in 2019. We presented our system approach at a symposium of IRC in the Netherlands. During that symposium, an exchange was established for an Ethiopian team to visit an initiative in Uganda. That further inspired the project (and the government) to implement institutional changes in Tigray and to further improve the systems maintenance model.

Water for food

In Burkina Faso and Benin, countries in the arid Sahel region, the weather is becoming increasingly unpredictable. With the project Drops for Crops, we are working on improved water management for farmers and their families. For example, we are ensuring the realization of a new infrastructure for the storage of water and we are training farmers in the use of innovative irrigation techniques.

Results Sustainable Water



Marius: 'Together with the donor, we have developed a growth strategy in Burkina Faso with the local organization ADR, which provides training courses paid for by the farmers. The income generated in this manner is used to provide new training courses. With this approach, a growing number of farmers can be trained and the funding required for this can be reduced.' In 2019, Woord en Daad made preparations to establish a Drops for Crops project in a third country.

Geographical Information Systems

In the area of water management, the team is active in managing geographic information systems. Ernst Sonneveld, project expert, says the following about this: 'With a geographic information system, we are trying to visualize how much water is available in a certain area within a certain period. We are also mapping where the water demand in the area is. With these water data, we know when a lot or a little water is available and we can maintain a

balance between these two factors. This information is presented to the people who live in this region. We want to realize an integral form of water management that also involves the water users. Together we realize a plan to ensure the water use is as optimal as possible.'

AsWAS Bangladesh

The AsWAS project in Bangladesh will be concluded in mid-2020. With the project, we are helping entrepreneurs to start up a company in sanitary products and we are supporting the marketing of these products. Through information campaigns people are made aware of the importance of good hygiene and clean water. Marius Otte: 'In the project, many people have been helped to acquire sanitary facilities. Local entrepreneurs are trained and continue with their work. This project was also included in the programme evaluation performed. This revealed that the three-year duration of the project was actually too short. In 2019, we therefore examined

Expenditures Sustainable Water in €

Bangladesh	214,009
Benin	170,842
Burkina Faso	239,103
Ethiopia	163,175
Haiti	47,916
Uganda	94,850
Total costs	929,895
Project management	434,076
Total	1,363,970

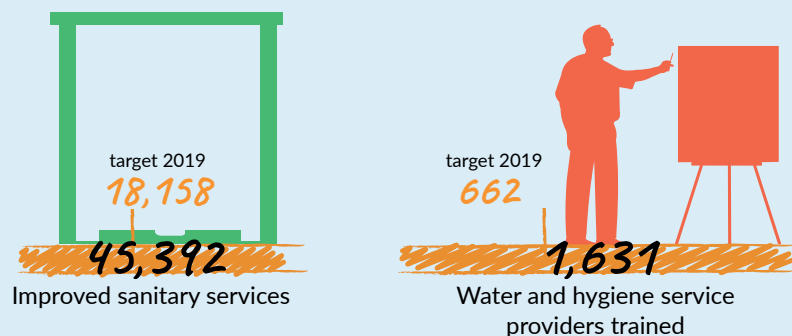
whether follow-up steps are possible for this project, which included searching for a sustainable solution for wastewater.'

Collaboration and networks

Sustainable water projects are realized with consortia of parties from industry, non-profit organizations, government bodies and water boards. For the Awash project in Ethiopia, we started collaborating in 2019 with the Zuiderzeeland water board, which provides specific expertise in the area of water rates. Marius: 'With this water board, we are also making fantastic steps in the area of communication: all data from the Awash project are portrayed on an interactive platform as a result of which we can present the results clearly.' (awashbasinplatform.org).

Funds and funding opportunities

We welcomed two new donors for the Water Entrepreneur project in Benin. In 2019, we worked together with Red Een Kind in the PerspActive cooperative on the DINU call, a large funding opportunity from the EU. Unfortunately, this proposal was rejected. Parts of this proposal were subsequently used in other proposals.



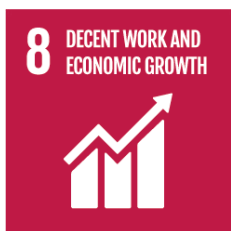
Impact Story



A bilu (28) is a farmer and cultivates maize, onions and teff on a piece of land along the Awash River in Ethiopia. 'It is dry for most of the year but in the rainy season everything floods. That is a big problem: at certain moments we have too little water and at other times too much. I have lost my harvest twice in recent years. We are very dependent on the river. Thanks to an overflow, excess water in the rainy season can now be stored and then released in the dry season. This water storage helps us considerably.'

2.4 Work and training (Job Booster)

Job Booster focuses on a complete approach to employment in which the demand from the market is leading. Work provides self-esteem, income and the hope of a good future. We offer young people coaching towards a job and job placement, with an additional vocational training where necessary. This always takes place in the context of spiritual formation based on Christian values. The local demand from employers is leading.



Worldwide, youth unemployment continues to be a significant problem and it is receiving increasing attention from policymakers and governments. In various countries and

different contexts, Job Booster makes a contribution to youth employment. In 2019, "Job Booster Nederland BV" was registered and became operational. As a shareholder, it will make it possible to convert Job Booster projects into social enterprises. Working as a social enterprise will ensure that the sustainability of the Job Booster activities is safeguarded. In the year reported, the first local social enterprise was set up in the Philippines.

Positively appreciated

The Job Booster projects in Burkina Faso, Colombia and Sri Lanka, for example, grow each year. The Employable Youth in Ethiopia (EYE) programme is also achieving good

results. Each year, more young people find a job through these projects. In addition, Job Booster is positively appreciated in these countries and recognized by governments and other parties that play a role in youth employment. Cees Oosterhuis, project leader: 'In Burkina Faso, companies, some donors and also the government seek contact with us for job placement and the training of young people to become employees and independent entrepreneurs. That is a great development.'

Jobs in agriculture

A large proportion of the young people trained eventually start their own company. In West Africa there are many opportunities for companies in the agricultural sector. In 2019, we developed two Job Booster projects that are specifically aimed at the sector. Cees: 'In West African countries, the agricultural sector is very important, but a job in agriculture is not so attractive for young people. We want to help young farmers to become not just self-sufficient but also commercial so that they can generate their own sustainable income. They do this by selling their agricultural products to restaurants, for example.'

In Chad, we did a lot of lobbying during the rolling out of the Job Booster activities. Following that, the government in Chad decided to change its policy so as to facilitate young people in starting their own company: young entrepreneurs do not have to pay any tax over the first five years. We saw a similar example in Benin, where we started with AgriJob Booster in 2020. The plan for this was written in 2019 and the EU decided to jointly fund this project. The plan seamlessly matched the government policy for agriculture in the regions where we work and provides an opportunity for many young people.

Accreditation and development database Due to requirements for the accreditation of vocational colleges we made steps in the year reported to work according to tendering procedures. Cees: 'If an employer approaches Job Booster with the request to train young people, then we ask various vocational colleges in the country to submit a tender for an additional training. The vocational college with the best price:quality ratio is subsequently chosen to provide the training for the employer. By working according to this principle, we increase the effectiveness.' In addition we have taken the first steps in Burkina Faso towards accrediting a selected number of vocational colleges. Furthermore, we are developing a database with which we can simplify the matching between employers and young people who seek a job.

Programme evaluation

In 2019, the Job Booster programme was

evaluated. The report revealed that within the commercial approach of Job Booster it is difficult to devote sufficient attention to improving the quality of the vocational education. Therefore, in 2019, we decided to separate Job Booster from the supply and quality improvement of vocational education. In 2019, a project leader Technical Vocational Education Training (TVET) was appointed and we drew up a year plan for several vocational schools. Furthermore, it transpired that the financial sustainability of the programme is not yet sufficiently safeguarded. The evaluation also revealed that young people who start a company need extra coaching to ensure they can actually earn their own income. In new projects, we immediately put these lessons into practice.

Collaboration and networking

We see the need for collaboration with other non-profit organizations and the government,

Results Job Booster



target 2019

32,533

31,155

Students in training



target 2019

24,633

29,575

Graduated students

- Of which short course (<3 months)
- Of which medium-length course (3 -12 months)
- Of which long course (>12 months)

but also collaboration with entrepreneurs and our project countries. In 2019, we signed partnership agreements with various local SME networks. We worked together with the Hoornbeeck College in Amersfoort, which in consultation with Dutch industry wrote a curriculum for vocational colleges in Burkina Faso. In Burkina Faso, we made contacts with a network of people with a physical handicap who can call upon Job Booster for support in producing a business plan and applying for credit. Cees: 'This form of collaboration ties in with the objective of our organization to also reach the poorest of the poor in the countries.'

Funds and funding opportunities

The importance of lobbying was once again clear when the Dutch embassy in Burkina Faso took the initiative to ask us to submit a grant application. Cees: 'In West Africa there is a lot of attention for youth employment

due to the security problems in the Sahel region. Young people who have no work are easily recruited by gangs or terrorist organizations. If they acquire a job or start their own company, then you can prevent escalation. We also see that donors are making funds available for youth employment programmes. We submitted a draft proposal for Job Booster Burkina Faso to the embassy and a proposal for Job Booster Benin to the EU. Furthermore, we submitted a grant application for Chad to the Netherlands Enterprise Agency, with which we have reached the following round.'

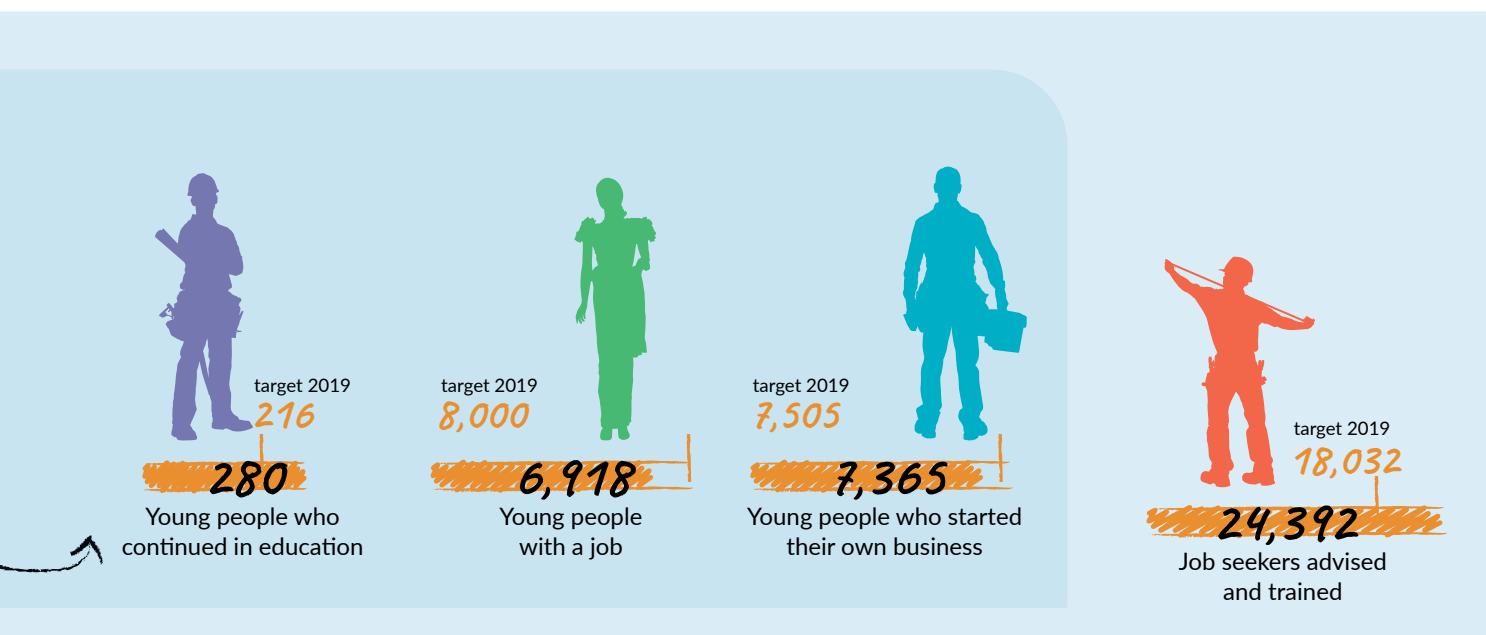
Expenditures Job Booster in €

Bangladesh	100,512
Benin	74,602
Burkina Faso	445,774
Colombia	239,004
Philippines	129,133
Ethiopia	324,510
Haiti	14,816
India	122,556
Mozambique	33,149
Uganda	80,507
Sri Lanka	93,250
Chad	85,358
South Africa	1,522
Total costs	1,744,691
Project management	539,784
Total	2,284,475

Impact Story



Palash Mondal (15) grew up in a poor family in a small village in Bangladesh. He says: 'I wanted to do a technical vocational course but my parents could not afford that.' However, when Palash heard in the market about the training courses of partner organizations of Woord en Daad, his life changed. He says: 'The leaflets from those organizations grabbed my attention. I regained my desire to study.' Palash was admitted and started this year on the course automotive engineering. 'I chose this course because I'd like to open a garage in our village. With the money that I earn after my study, I can ensure that my little brother can study too.'



2.5 Inclusive Agribusiness Development (IAD) and Fair Factories

We believe in the strength of farmers in developing countries. Therefore we support farmers and their families. With training courses we teach farmers how to increase their harvest in a sustainable manner. We connect them to the market so they can earn more with the sale of their products. In doing this, we only cooperate with factories that work according to the Fair Factory concept.



Within the Inclusive Agribusiness Development (IAD) programme we carried out various projects in Africa and Central America during the year reported. In Sierra Leone, we trained rice and mango farmers to improve their harvest. In Benin and Burkina Faso, we supported rice and maize farmers to increase their production. Furthermore, we invested in

a sustainable chain for cashew nuts in these countries. Farmers in Guatemala were united in farmer groups, as a result of which they have joint access to the world market for beans and legumes.

In Uganda, the honey production is bringing about major changes for farmers: many farmers can now work as beekeepers, as a result of which the food security is increasing and the biodiversity rising. We brought 1500 farmers together in farmer groups. The honey from the farmers is collected and sold to a Ugandan honey factory. A lot of indirect employment is arising around this project.

Programme evaluation

The IAD programme and several Fair Factory projects were evaluated in 2019. Corstiaan van Aalsburg, project leader: 'We are pleased to have received a very positive evaluation in general. We initiate projects within the programme in two ways. For local economic development, we start at the household level: access to water, integration with other farming activities, connecting with a short value chain, et cetera. Via the Fair Factory concept, we start with an SME that wants to increase the production and which we can link farms groups to. The evaluation revealed that both approaches work well. However, it is important that we carefully examine per context why we choose a certain method and that we strengthen the coherency between projects.'

Fair Factory

The Fair Factory Development Fund invests as a shareholder in factories in developing countries. With this we ensure that the farmers and factory workers also benefit from the factory as an economic flywheel. In the year reported, we further clarified the roles of

Woord en Daad and the investor Inluvest within the Fair Factory concept. In addition, we actively worked on implementing the Fair Factory concept in several projects. Corstiaan: 'Meanwhile various projects have been organized in this new manner, such as Chico Meat in Ethiopia and a rice project in Sierra Leone. All project leaders have been trained so that they can further supervise the implementation process at the partner organizations.'

Focus on sectors

Within the IAD programme we work in various sectors. The IAD team investigated which sectors we can further specialize in. Corstiaan: 'Internally, we carefully evaluated which sectors we consider to be our key sectors. The conclusion was nuts, rice and bees. In several sectors we also want to make a substantive contribution. Then you need to have a good knowledge of the sector: which issues does it face, who are the important players, what are

the opportunities and threats in the various project countries?'

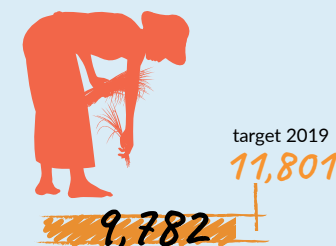
Living wage

A living wage is one of the subjects in which you can develop as a company within the theme international responsible business conduct. In 2019, Woord en Daad developed and implemented its own method for the concept of a living wage. Corstiaan: 'The outcome is a method that you can use in specific contexts to determine what a living wage is. Meanwhile, the studies have been completed and we will now use the model in other areas. It is a complex theme because paying out a living wage does not always go hand in hand with competitiveness. That gives rise to tensions. Woord en Daad considers its role to be making this discussable among the parties concerned and working towards a feasible solution for everybody involved. This ultimately benefits the employees.'

Results Inclusive Agribusiness Development



Farmers/entrepreneurs trained



Farmers/entrepreneurs selling to companies supported by our projects

Collaboration and networks

Corstiaan: 'We work with a good concept because we strategically collaborate with the investment partner Incluvest and, as a result of this, collaborations arise between companies and non-profit organizations around Fair Factory. Furthermore, there is a good collaboration with Fair Match Support, for example in Sierra Leone. Where possible, we are actively working to expand our network, for example by adding larger SMEs to our Fair Factory concept. This is because the further growth of the Fair Factory concept requires collaboration with larger companies to create more impact.'

Funds and funding opportunities

The team worked hard on grant applications, amongst others for the Philippines and Ethiopia, but these were unfortunately rejected. From the EU we were awarded a grant for the project "Cashing in on cashew" in

Sierra Leone. This is a € 600,000 grant for a three-year project that we will realize with a consortium of six parties including our partner organization CTF. We have also acquired € 1,000,000 in new funds from various donors for the Fair Rice project in Benin.

Expenditures IAD in €

Benin	266,982
Burkina Faso	50,423
Philippines	14,811
Ethiopia	770,538
Guatemala	29,025
Netherlands	13,008
Uganda	128,232
Sierra Leone	33,738
Chad	80,521
Total costs	1,387,278
Project management	390,962
Total	1,778,240



Farmers/entrepreneurs with access to finance

Impact Story



Sorie Conteh (55) is known in the village for being straightforward. He is a farmer and headman of the community in Masongbo, Sierra Leone. 'I want to serve God by making an end to poverty in our community.' Sorie proudly shows his farm where, amongst other things, he grows rice and mangoes. 'The fruit is transported directly to the factory of Sierra Agra, where the mangoes are processed into juice and concentrate. As farmers, we are trained to select and harvest the right mangoes, but also to store them in the appropriate manner.'

2.6 Emergency relief and resilience

Worldwide, the consequences of natural disasters are becoming more severe. Woord en Daad wants to support people in vulnerable situations after acute disasters as well as disasters that unfold more slowly. We do that by means of emergency relief with a focus on resilience.



After the tsunami of September 2018, we started an emergency relief project on Sulawesi, Indonesia, for the restoration of houses and agricultural lands. We worked

together in a consortium that included ZOA and international partners. Tineke Morren, programme leader: 'We see that with the emergency relief and resilience programmes more overlap is arising with other programmes, such as Inclusive Agribusiness Development and Sustainable Water. That is a great development because we very much believe in the link between emergency relief and development cooperation: not only help after disasters, but also resilience for the longer term. In this work, we focus on reaching the poorest of the poor.'

Programme evaluation

The programme Emergency Relief and Resilience was internally evaluated in 2019. Tineke: 'An important recommendation that emerged from the report is that we need to state more explicitly exactly what the element of resilience entails. It is also important that we include our partner organizations in this

process and that we can realize specific funds for this. For PMEL, indicators are being set up that we can use to measure the resilience of people based on the previous situation and the situation after the project.'

Mozambique

In 2019, we provided initial emergency relief after hurricane Idai in Mozambique, which occurred in March. We also worked together with a consortium of four partners on developing a resilience project in this region. This project focused on economic resilience through the construction of irrigation systems, planting fruit trees and generating a good sales market. Tineke: 'In this way we want to ensure that people can care for themselves if a new disaster occurs in the future. Unfortunately, this project achieved less than we had hoped for in 2019. From this we learned that it is important to develop more expertise in the setting up of resilience trajectories in areas where we do not (yet) have partner organizations. In 2020, we hope to realize a good continuation of the project.'

Ethiopia

A new element in 2019 was the starting of a "stand alone" resilience project without a preceding disaster. This was the case in the Ethiopian Shalla, a very arid area where we want to help limit the consequences of a new drought period for 145,000 people. We will not only provide clean drinking water and hygiene, but will also work on permanent changes: with the government, in the capacity of water companies, with a clinic and a school and with the actual community. For this project, we formed a consortium with four partner organizations and local government bodies, which will also make a substantial contribution to the funding. In November, the representatives from these organizations came to the Netherlands for a joint kick-off meeting.

At the end of 2019, the project in Shalla started after all the preparatory activities.

Crisis situations

'It is striking that in a growing number of projects we are confronted with conflicts or crisis situations', says Tineke. 'This was the case, for example, in Burkina Faso, where the violence against Christians is increasing. But also, for example, in South Sudan, Southern Ethiopia and Haiti. Due to disturbances and political instability, the planning of projects sometimes needs to be changed. In 2019, we started to develop a training module with which partner organizations can be better prepared for this so that they can properly complete projects as much as possible.'

Collaboration

Development cooperation projects are nearly always realized through consortia: several parties commit themselves to a single project with a joint objective and each makes its own contribution. Tineke: 'It is clear that the formation of consortia for emergency relief requires more attention, especially in the building up of networks around possible future disasters. The challenge lies in getting both development organizations and emergency relief partners to come on board.' For many emergency

Expenditures Emergency relief and resilience in €

Bangladesh	-6,673
Burkina Faso	1,764
Philippines	6,851
Ethiopia	134,281
Haiti	-11,437
Indonesia	453,011
Yemen	65,639
Mozambique	66,868
Nepal	-45,149
Sudan	31,298
Chad	31,670
Total costs	728,123
Project management	82,853
Total	810,976

relief projects, Woord en Daad collaborates within the Christian Emergency Relief Cluster in the Netherlands. In 2019, we worked together with the Cluster in Indonesia and South Sudan.

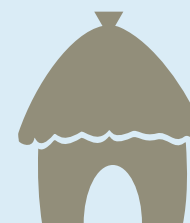
Funds

We are most fortunate to have a supporter base that reliably gives donations for emergency relief projects when a disaster occurs. Amongst others, we also work with committees from three large church organizations and we are exploring the possibility of institutional funds.

Results Emergency relief and resilience

2,191

Households that, with help, build up their (economic) lives again



920

Households helped with initial emergency relief after a disaster



2.7 Housing construction

With the Housing construction programme we focus on the last step in the definite escape from poverty: housing. We tackle this commercially by providing microcredits. Where the context allows, we realize housing construction in a sustainable and ecological manner.

Bangladesh

Last year, Woord en Daad concluded its role in the housing construction project in Bangladesh. Now a business that builds standard houses is active in this country and there is another business that produces sustainable building blocks. The funds are revolving, which means that the money lent is paid back so that it is made available again for new loans. The project in Bangladesh is now managed by Incluvest. The successful project will be used as a good teaching case for the rest of the programme.

Haiti

In 2019, we investigated whether it is possible to start a housing construction project in Haiti with a revolving fund. Maarten Nieuwenhuis, project leader: 'Due to the political turmoil in the country this proved unfeasible in the short term. Other factors in this country also complicate the matter, such as a shrinking economy and the lack of good financial structures. Furthermore, in recent years many homes have been constructed that were given away free of charge. This means that a change in mentality needs to occur in which it is normal to receive a loan that has to be paid off each month. We hope that the project in Haiti can be followed up on at a later stage.'

Ethiopia

We have also investigated the possibilities for housing construction projects in other countries. In Ethiopia there is a positive economic growth as a result of which we estimate the chances of a successful housing construction programme to be high. The policy of the government also seems to offer good opportunities. In 2020, we will take concrete steps in this area.

Expenditures Housing construction in €

Bangladesh	-55,932
Haiti	16,125
Ethiopia	-15,860
Total costs	-55,667
Project management	19,300
Total	-36,367

2.8 Policy influencing

Collaboration with governments is very important for realizing sustainable change for people in our project countries. After all, the policy that governments follow exerts a lot of influence on people's lives. Therefore, political advisers from Woord en Daad are continuously in discussion with civil servants and politicians to convince them to carry on investing in sustainable development worldwide.

At the start of 2019, the Dutch government adopted the so-called SDG test. In concrete terms this means that for each new law, civil servants must examine what the effects of it are for developing countries and the Sustainable Development Goals (SDGs). When the expected effects are negative, then measures must be taken to prevent those. Eddie Krooneman, programme leader Policy influencing: 'Woord en Daad has pressed for this test for a long time. We are therefore pleased with the outcome, especially because in the recent tax legislation we saw that this SDG test was actually applied! It provides us with extra possibilities to facilitate good effects for developing countries.'

Lobby for responsible entrepreneurship

Woord en Daad has contributed towards the realization of the IRBC covenant Food Products. This is a partnership between companies, the Dutch government and civil society organizations to encourage International Responsible Business Conduct (IRBC). Eddie: 'Slowly but surely we can see good things happening. Yet, at the same time, as far as we're concerned things

are not yet happening fast enough. We are therefore lobbying together with the MVO Platform and other organizations for legislation that compels companies to systematically investigate risks in their operations and to tackle these. We can see a lot of interest for this subject in both The Hague and Brussels. Ultimately, you can only demonstrate good outcomes if the legislation requires companies to take action. Woord en Daad is therefore involved in legal explorations too. These preparations are important for being able to enter into discussions with the Ministry of Foreign Affairs about the effectiveness of the covenant.'

Programme evaluation

In the first half of 2019, we commissioned a programme evaluation for the period 2013-2018. This assessed four different lobby trajectories for effectiveness and impact. The outcome of the evaluation is that the lobbying of Woord en Daad is effective. Eddie: 'We have a good political network and are well known for providing reliable, high-quality information to decision-makers at the right moment. I think it's fantastic that people recognize that Woord en Daad does what it says. I also consider that reliability to be very important in view of our Christian identity.' Furthermore, the evaluation yielded implementable recommendations, for example about planning and monitoring and involving our own supporter base. We will use the lessons from the evaluation to further improve our lobbying.

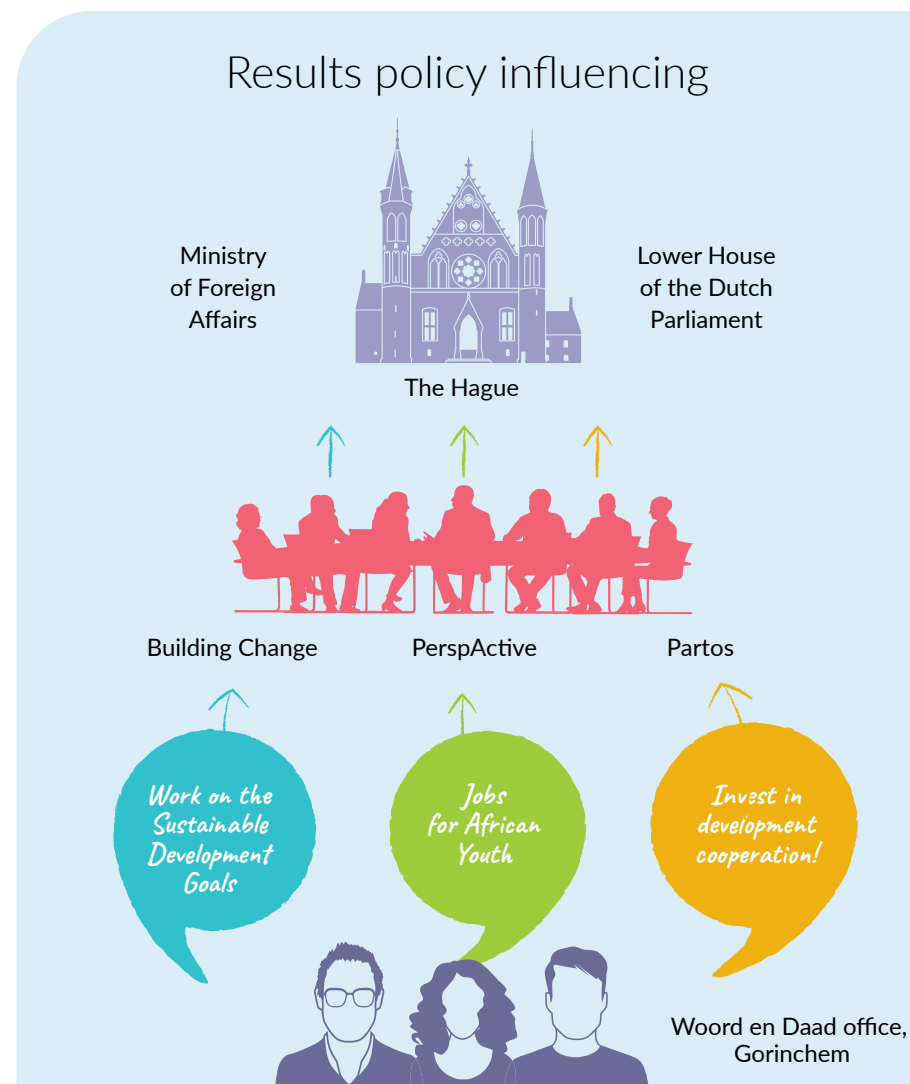
Cooperating and networking

Lobbying is collaboration. We therefore work together in Building Change and we have an active strategic partnership with ICCO, Prisma and sector organization Partos, for example. Within the corporation PerspActive, we have also been active in lobbying for the theme work and income.

Funds and funding opportunities

In 2019, we received a grant from the Netherlands Enterprise Agency so that we could contribute to the IRBC covenant Food Products. With Power of Voices, a funding programme from the Ministry of Foreign Affairs for lobbying and policy influencing in the area of development cooperation, there is a good funding

opportunity for 2020. The year 2019 was partly used to realize preparations for this grant application. The lead for this application lies with partner organization Spong in West Africa. Furthermore, Woord en Daad is an alliance partner within the Civic Engagement Alliance. This application is being led by ICCO.



2.9 Awareness raising

With our Awareness raising programme we request attention in the Netherlands for the importance of our work in the South and a sustainable lifestyle in the Netherlands. Making honest choices is in the interest of people who live in poverty, and such choices have positive effects worldwide. We initiate this awareness by holding presentations, organizing activities and producing publications in various media.

The "At the Table!" campaign about the responsible use of food was completed in mid-June 2019. Nienke Boone, programme leader: 'This campaign yielded a lot of commitment and was regularly written about in the media. Furthermore, we intensively worked with primary school pupils on awareness by using a new series of lessons

about food waste, and we organized a clothes swap campaign with students that was linked to the theme "fair fashion".

Bees in Uganda

In the autumn of 2019, we devoted attention to the theme "Bees in Uganda" in collaboration with the Dutch TV programme EO Metterdaad. Nienke: 'The bees project in Uganda offers an integrated method of making people resilient to climate change and has a large impact in terms of sustainability. Besides explaining the project, we also posed the question as to how we can make good choices in the Netherlands, for example, by making entrepreneurs aware of the importance of green areas and biodiversity.' September was "sustainable month", which Woord en Daad concluded with a fundraising campaign.

Programme evaluation

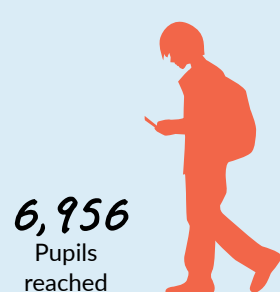
In the year reported, the Awareness Raising programme commissioned an internal evaluation.

This examined the effectiveness of the programme over the past five years. One of the recommendations from the evaluation was to better measure the impact of awareness campaigns in the future. The recommendations from the evaluation and a knowledge task linked to these will be incorporated in the following policy period.

New awareness raising theme

In 2019, we worked on a new awareness raising theme: migration. At the policy conference in November, we discussed the underlying causes of migration in different countries with the employees of the various partner organizations present. This theme will be further elaborated at the start of 2020.

Results Awareness raising





3

Accountability, learning and innovating: progress in development

Building



The year 2019 was the pre-ultimate year of our current policy plan. With a new policy period in front of us, this year was about preparing for a new strategic plan. Three main activities were part of this strategic process in 2019: we commissioned a futures exploration study, we performed internal and external programme evaluations, and we organized a policy conference. Knowledge strategist Wim Blok together with, amongst others, colleagues from the strategy team and PMEL, was closely involved in this process.

Foresight study

We asked an external party, The Broker, to produce a futures exploration study for us. This took place in three phases: first, a broad exploration was done into subjects that require attention in the world and the sector. After that, we discussed these trends and chose three relevant focal policy themes for Woord en Daad from these. The themes chosen are important for all of our programmes in the coming years. These concern reaching the unreachable, increasing the resilience of poor people against the consequences of climate change and working on value-based systemic change.

Programme evaluations

For our programmes Policy Influencing, Education, Job Booster, Inclusive Agribusiness Development and Sustainable Water, we commissioned an external evaluation. The programmes Awareness Raising, Sponsoring and Emergency relief and resilience were evaluated internally.

Wim Blok: 'Normally, for programme evaluations you look back over a certain policy period and determine whether or not your objectives were achieved. For this evaluation, we chose a different approach. As our work became fully project based in 2016, several of our programmes were already in a transition. The Education programme underwent a transition with the adoption of the INCE concept, the TVET programme transformed into the Job Booster programme, the Sustainable Water programme exhibited strong growth in a short time, and the Fair Factory concept has been integrated into the IAD programme. Consequently, we could not yet evaluate over a longer period. That means we now mainly wanted to find cases from which we expected to be able to learn the most for the new policy.'

The evaluation report confirmed that our way of working is particularly relevant at this time. Wim: 'However, you can see that we are still very busy rolling out the new concepts in practice. We have several fine examples, but there are also points for improvement, of course.' The evaluation reports were discussed at the policy conference with all parties involved in realizing the various programmes. At the start of 2020, the course for the next five years will be further elaborated.

Policy conference

In November 2019, we organized a four-day conference around the theme: "Reach far, be

near." We thought about various policy themes together with representatives from our strategic partner organizations, collaborative partners and experts. On the first day of the conference, we focused on the three focal policy themes already stated. In the discussions, it was confirmed that the partners present also considered these to be important issues for the coming years.

Wim: 'In the conference, the emphasis was on collecting input for our new policy plan. We invited various external speakers to obtain input from them as well. In various sessions, we discussed with those involved how we could give the themes a place at the programme level. Due to the wide range of subjects and the setup that we chose, we obtained a

rich harvest of outcomes. This meant that thinking through the contours for the new policy became a genuine joint process. The discussions gave us pointers to further develop the strategy for the themes chosen.'

Furthermore, the Christian identity of Woord en Daad played an important role in the programme. In the history of Woord en Daad, which was described at the policy conference, this identity was visible as a golden thread. This theme was further talked about in various sessions. Wim: 'One of the outcomes of this is that in our new policy we will more explicitly state how the identity is expressed in the various programmes.'





4

Organization and governance: consolidating strengths

Building



4.1 Organization

4.1.1 Project-based working

Our organization model and our project-based approach to working are developing organically. In 2019, we concluded that the organization model enables us to implement changes that increase the effectiveness of our work without having to change the entire structure.

4.1.2 Employees

In 2019, a team of talented and passionate colleagues once again worked on the mission and vision of Woord en Daad. During 2019, HRM tackled, for example, the following issues:

- Our open, entrepreneurial and project-based approach to working requires a certain mindset, specific skills and (sometimes) specialist knowledge from colleagues. The Woord en Daad Academy has been established to develop these elements and to embed this manner of working in the entire organization. In this Academy, courses, training sessions and moments of inspiration will be offered each year that match the direction Woord en Daad is taking and the needs of colleagues;
- The employment conditions regulation and house rules of Woord en Daad were rewritten so that these match the entrepreneurial and results-focused manner of working. The employment conditions and house rules have, insofar as this is possible and desirable, a flexible approach, and assume mutual trust, integrity, flexibility and loyalty, and also contribute to employee satisfaction;
- In April 2019, an employee satisfaction survey was performed. The average satisfaction among employees rose to 8.4 in April 2019 (compared to 8.0 in September

2018). Various points for improvement were also stated. A start was made on these in 2019, and that will be continued in 2020.

We regularly called upon the expertise and knowledge represented in the flexible pool. The efforts of these individuals fit in the project-based approach to our work and will also be important in the coming years. The flexible pool was also consulted for the brief temporary replacement of absent colleagues.

4.1.3 Integrity

Background

Integrity cannot be viewed independently of our Christian identity. In 2018, the development sector was put on alert when reports emerged about violations of integrity and abuse. The sector responded immediately and agreed, amongst other things, that every organization must work on the establishment and further development of an integrity system aimed at preventing every form of integrity violation. For Woord en Daad, the news reports in 2018 mainly emphasized the importance of open culture and a clear structure which fits our identity and in which people feel comfortable to engage in frank discussions, identify problems and resolve them, as befits our identity.

Integrity system

In 2019, Woord en Daad worked on the further development of its integrity system. We further refined the integrity policy, which describes how Woord en Daad tries to prevent abuses. In accordance with our Christian core values, we believe it is vital our work takes place with integrity. Therefore, in 2019, we also drew up a code of conduct. Furthermore, in our integrity statement we described how Woord en Daad views the term integrity: as a professional responsibility that concerns

acting with integrity, our chain responsibility, the right mentality and awareness around decisions that are taken daily. At the same time, an assessment and evaluation system is needed with clear rules and agreements. These are extensively described in the integrity policy.

Code of conduct

Based on our core values, the new code of conduct describes how we expect those involved in the work of Woord en Daad to act with integrity. The code shapes our actions.

Direct and indirect responsibility

The integrity system focuses on those involved in the Woord en Daad organization, volunteers, donors and the local partner organizations we work together with. Woord en Daad works together a lot with (local) partner organizations who have their own responsibility towards their stakeholders and the target group. In the case of a direct responsibility, Woord en Daad can primarily decide about the setup, manner of working, behaviour and the sanctioning of actions. Where Woord en Daad has to trust the systems of stakeholders and partner organizations, then this is a case of indirect responsibility. In those cases, Woord en Daad takes its responsibility through performing audits on the functioning of the (integrity) systems of partner organizations. In 2019, the policy for assessing (partner) organizations that Woord en Daad works together with was further developed.

Reporting system

As it is important in applicable cases that those involved can report violations, the reporting system was updated in 2019. Both internally and externally, the various

reporting points and how reports are dealt with was made clearer.

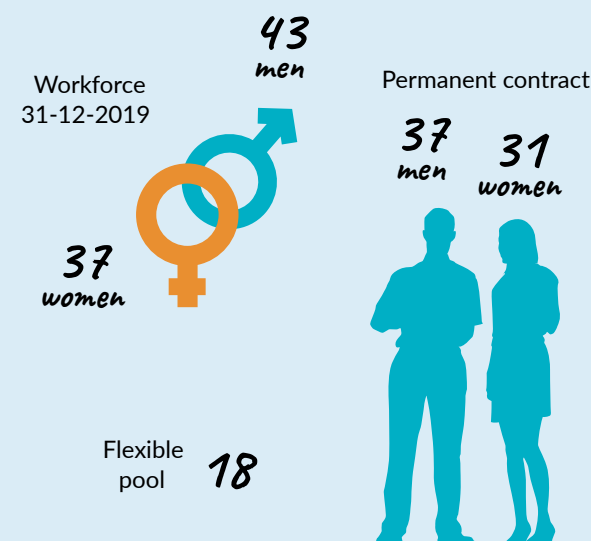
Awareness

Woord en Daad cannot prevent violations of integrity from occurring. However, we do everything possible to prevent unethical conduct. Therefore various initiatives have been formulated that we can use to work with colleagues and other persons involved in raising awareness with respect to acting with integrity. This mainly concerns internalizing the underlying values. In the coming years, we will regularly devote attention to this theme.

Reports 2019

In 2019, we had one concrete report of a suspected case of abuse of financial resources

Staffing



at a partner organization in West Africa. After the report had been received in November, Woord en Daad immediately commissioned an investigation by an external party. Once the final report has been received, measures will be taken in 2020. In 2019, we also received a report about a service provider that Woord en Daad works together with. The investigation revealed that there was no fraud, but there were a number of irregularities. These have been discussed and tackled with the party concerned to prevent a recurrence.

4.1.4 Works council

The works council is at full strength. It represents the most important units of the organization. Since 2019, the works council represents more “daughters” of Woord en Daad more. That means employees of Woord en Daad Shops and the Job Booster units can also count on the works council. Last year, the works council updated its regulations, and constructive talks were held about the new employment conditions regulation and integrity policy. There was open communication between the works council and colleagues and between the works council and the CEO.

Income per target group in €

Target group	Objective 2019	Realisation 2019	Realisation 2018	Difference 2018-2019
Total private individuals	€ 15.798.769	€ 14.187.935	€ 13.446.500	€ 741.435
projects	€ 5.863.696	€ 4.888.095	€ 3.933.012	€ 955.083
sponsorship	€ 9.085.073	€ 9.068.923	€ 9.096.800	-€ 27.877
emergency relief	€ 850.000	€ 230.917	€ 416.688	-€ 185.771
Other fundraising organizations	€ 230.000	€ 509.101	€ 573.685	-€ 64.584
Churches	€ 2.046.000	€ 1.639.625	€ 2.156.431	-€ 516.806
Capital funds	€ 3.918.441	€ 2.890.693	€ 2.326.171	€ 564.522
Companies	€ 4.316.049	€ 3.122.554	€ 2.216.590	€ 905.964
Grants	€ 389.701	€ 1.310.003	€ 4.460.585	-€ 3.150.582
Own contribution of consortium partners	€ 424.257	€ 495.337	€ 2.989.189	-€ 2.493.852
Total	€ 27.123.217	€ 24.155.248	€ 28.169.151	-€ 4.013.903

4.2 Policy and governance

4.2.1 Policy and supervision

In line with the Code Goed Bestuur voor Goede Doelen [Good Governance for Charitable Organizations] Woord en Daad has separated governance and supervision from each other. When members are appointed to the board of supervisors and the executive board, their involvement with the supporter base is taken into consideration. Only people, who are actively involved in the life of the Dutch Reformed Church, and on the basis of this wholeheartedly support the basic principles and aim of the foundation, are eligible for appointment. Woord en Daad works on a project basis: there is no management team and projects are managed by programme and/or project leaders. A strategic consultation regularly takes place in which the CEO discusses themes with a strategic character with colleagues from various disciplines. Which colleagues are invited depends on the agenda points. In addition to this, the CEO regularly has a governance meeting about non-strategic subjects together with relevant persons. The CEO has delegated responsibilities and competencies to programme and project

leaders and self-managing (supporting) teams for the realization of the work. The procedures for this are recorded in the Organization Handbook. Compliance with the procedures is checked via internal audits and is reported by the internal auditor to the CEO.

4.2.1.1 Administrative accountability CEO

From a statutory perspective, the CEO is responsible for the organization at a policy level. In 2019, R.F. (Rina) Molenaar MSc was the CEO of Woord en Daad.

Supervisory board

The supervisory board approves the policy proposed by the CEO and oversees that the mission and vision of Woord en Daad are realized. It also appraises the functioning of the CEO. The supervisory board met on ten occasions in 2019 in the presence of the CEO.

Appraisal CEO

In the December meeting, the supervisory board appraised the functioning of the CEO. The evaluations of various parties (advisory group private individuals, advisory group companies, partner network and works council) were included in the appraisal.

Financial audit committee

The financial audit committee advises the supervisory board about financial matters. This committee met on three occasions in 2019.

Accountant

The supervisory board commissions the CEO and the organization to be externally and independently audited by an accountant. This year, Dubois Accountants provided the external audit of the annual accounts.

4.2.1.2 Remuneration and salary CEO

The supervisory board determines the size of the CEO's remuneration and other salary components based on the remuneration policy established for this. In determining the remuneration policy and the remuneration awarded, Woord en Daad adheres to the “Regulation remuneration of directors of charitable organizations” of Goede Doelen Nederland. The actual gross income of the CEO is well under the maximum established for Woord en Daad.

4.2.2 Quality management

- Woord en Daad set up its quality management system in accordance with the principles of ISO 9001 and the Partos standard 9001 (sector-specific ISO standard). In September 2019, the follow-up audit of our external auditor Certiked was successfully completed. No recommendations emerged from this.
- Two internal auditors performed five audits on different internal processes to check the functioning of the quality management system and where possible to improve this. Deviations and points for improvement were reported and followed up on.
- The Handbook Organization (including all process diagrams, procedures, manuals and other documents) has been kept up-to-date in collaboration with the colleagues responsible for this.
- Various colleagues have held client satisfaction surveys, and the satisfaction of donors about trips, events, meetings and about Woord en Daad has been measured.
- Complaints, signals and compliments were registered and responded to.
- In May 2019, the assessments of suppliers were carried out.
- In July 2019, the strategic team carried out the annual management review. The

conclusion was that the quality management system is perfectly adequate. Points of action per subject were registered and followed up on.

- In October 2019, an EDP audit on Woord en Daad's ICT system was performed by the external accountant. Recommendations about the access security and authorizations in the ERP system for the realization of the annual accounts audit were acted on in February 2020.

4.2.3 Complaints, signals and compliments

In 2019, the complaints, signals and compliments received were registered and answered according to our "Procedure for complaints, signals and compliments".

4.2.4 Codes of conduct and certification

Woord en Daad subscribes to the following codes and adheres to the following guidelines:

- Code of Conduct of the International Red Cross, an international code of conduct for relief organizations
- Sphere Standards for emergency relief and resilience
- Code of conduct Goede Doelen Nederland
- COSO: the system is mainly aimed at a critical management of the fundraising and fund expenditure processes and reliable reporting in the annual accounts. This is realized through a satisfactory administrative organization and the internal management measures described in this.

Woord en Daad has the following certifications:

- CBF quality mark, integrated with the Code Goed Bestuur voor Goede Doelen [Code of Good Conduct for Charitable Organizations] (Wijffels code). The quality mark poses requirements on governance, policy, fundrais-

ing, information communication, expenditure of resources, and reporting. Via the new Erkenningsregeling [Recognition regulation] that became effective in 2016, Woord en Daad is recognized as a charitable organization that satisfies the CBF requirements.

- ISO: this quality mark is used by Woord en Daad for a critical management, adaptation and optimization of processes. Woord en Daad is also Partos-9001 certified (sector-specific standard based on the ISO standard 9001).
- Gouden Oor [Golden Ear]: this is an assessment framework for listening to and responding to clients. In May 2019, an audit was performed in which we achieved level 2 and therefore scored several points higher than in 2018.

4.2.5 CSR policy

Our policy in the area of corporate social responsibility (CSR) influences the choices we make as an organization concerning the environment, economy and society. For example, we compensate the total CO2 emission of our organization. In our corporate social responsibility policy, we follow the ISO 26000 guideline.

4.2.6 IRBC policy

Woord en Daad considers stewardship and shared responsibility to be important. We respect people, resources and the environment in both the Netherlands and the South. International responsible business conduct (IRBC) is given a place in various ways. With our commitment to the IRBC covenant Food Products we demonstrate our efforts to limit violations of human rights and environmental damage in the production of food products. We were actively involved in the realization of this covenant. Gerjan Agterhof, IRBC expert: 'IRBC is about a

range of themes, such as employment conditions, corruption, environment, child labour, et cetera. The people who we work for have a higher risk of being exploited, and so we want to undertake efforts to minimize the negative effects for them. In 2019, we wrote a policy to give this theme a structural position within the organization. Woord en Daad collaborates a lot with companies in consortia and projects. In doing this, we assume the companies conduct their business responsibly and therefore contribute to sustainable development. However, if you look at the overall operation, for example how a company also deals with the environment and nature, then the total picture sometimes portrays a different view. Within the cashew project, research was done into a living wage. This revealed that we still need to take considerable steps. In the coming period, we will further integrate this theme within the projects. If we want to give IRBC a structural position, then we also need to impose conditions on the companies that Woord en Daad works with. That is also part of the new policy.'

4.2.7 Gender policy

In 2019, Woord en Daad formulated a policy on the theme of "gender". Judith van den Bogaard, one of the theme experts on gender: 'The main line of our gender policy is that we want to elaborate on how we make the core value "fellow creature" tangible. Gender concerns the question: do you see that person as a person, irrespective of his or her context, and do you look at the possibilities for that person to flourish? From the Biblical perspective that men and women are created equally in the image of God, men and women complement each other in family relationships as well as in society. In this theme, we also give a position to the value of family and strong positive mutual relationships.' At the policy

conference in November, we discussed the theme gender together with partner organizations in relation to reaching the poorest of the poor: do we reach people who would otherwise not be reached with our projects? Judith: 'It is important to note that this concerns equality between people. We want to understand the context so that we can respond adequately to it. In many projects, we can see that the concept of gender has already been very well incorporated. With this gender policy, we are investing in the structural inclusion of this theme. For example, not only by giving it a place in the preliminary research into new projects but also in the evaluation of completed projects.'

4.3 Supporters base, events, communication and marketing

The results that we achieved were only possible thanks to our committed supporter base: young and old, sponsors, volunteers, churches, entrepreneurs et cetera. In terms of income, we grew among private individuals, entrepreneurs and capital funds.

4.3.1 Volunteers

In the year reported, the number of volunteers grew explosively with 368 volunteers in the Woord en Daad shops. We are grateful that as an organization, we can once again count on the considerable effort of many volunteers. In 2019, thousands of volunteers made a contribution to the work of Woord en Daad. They did that as part of one of the 61 commitments, as one of the 38 sales points of Woord en Daad products, in one of the 27 shops, as a delivery person, translator, office volunteer, Young Ambassador or event volunteer.

4.3.2 Entrepreneurs

In 2019, we saw a growth of commitment

among the entrepreneurs in terms of the expertise contributed as well as the number and size of donations. For example, the income from the RegioOndernemers [Regional Entrepreneurs] groups rose by 13% compared to 2018, and the number of members grew by more than 6%. In 2019, 25 entrepreneurs accompanied us on a trip. Of the entrepreneurs involved, 95 companies are a member of a Business Platform and the 13 RegioOndernemers groups counted 658 members. These platforms and groups organize activities of an informative and/or fundraising nature in their own environment to which new entrepreneurs are often invited.

4.3.3 Events

On 18 January 2019, we organized the Woord en Daad World Day in Barneveld, with various speakers from our project countries. In September, 186 participants climbed the Mont Ventoux in France during the event Sport for Others. Participants walked, cycled or ran the climb of 1917 metres and each collected a minimum of € 1,000 in sponsoring. Together, they raised a sum of € 300,000 for the release of child slaves in Haiti.

4.3.4 Marketing

In 2019, we started with an internal "Bureau Marketing". The three marketeers were used by various internal clients. For example, the sponsor programme acquired a new recruitment approach and the communication flow towards newly registered sponsors was optimized. Further, the Bureau Marketing worked on data analysis, optimizing the website and online marketing. Also, the process of welcoming new donors was improved. A plan was drawn up for the reactivation of ex-donors, which will be rolled out further in 2020.

4.3.5 Design

The team Design worked in 2019 on 322 different internal jobs in the area of design that supported various projects. This concerned, for example, flyers, video material, visualizations, advertisements and furnishing stands at fairs. As a result of this, Woord en Daad did not need to call upon the services of an external bureau.

4.3.6 Communication

In 2019, the team Communication also worked for the various target groups and project teams, which was appropriate to the project structure of Woord en Daad. In the year reported, we worked more intensively on measuring customer satisfaction and customer orientation. This means that we far more explicitly considered the feedback of our donors with respect to our communication strategy. The Gouden Oor award has partly contributed to this by providing us with the pointers we need. Furthermore, we had a renewed focus on publicity in newspapers and (professional) magazines. We also focussed more on our online communication on social media channels and our own website.

Communication with our supporter base



Online/magazines



- Unique visitors to the website: **135,173**
- Number of sessions: **333,187**
- Unique page visits: **563,354**
- Followers on social media (4 channels): **10,700**
- Readers printed magazines (4 magazines): **168,690**





5 Financial accountability: a solid balance sheet

Building.



Income

In 2019, the considerable commitment of Woord en Daad's supporter base was once again apparent: regular income from private individuals, companies, churches and capital funds grew considerably or remained stable. In terms of grants, 2019 was a difficult year because the income from grants proved to be considerably lower, as equally the associated income from the partners in consortia. Emergency relief income from the supporter base was also lower in 2019. However, from the 2019 pipeline, a considerable grant was awarded at the start of 2020. In the areas where Woord en Daad operates there were no large-scale emergency relief situations in 2019.

Private individuals and shops

Private income (excluding incidental categories such as emergency relief) grew by as much as 8%. This was due, amongst other things, to the considerably higher legacies; the second-hand shops also contributed 54% more than in the previous year. The net contribution from the second-hand shops to the projects of Woord en Daad rose more strongly than their turnover, because shops became more profitable and new and larger shops were added. The Sport for Others event was independently managed and yielded a fantastic amount in gifts, namely more than € 300,000. The income from child sponsoring stabilized, as a result of which the decrease of many years definitely seems to belong to the past.

Companies and capital funds

Income from companies revealed a superb growth of 41%. The work of Woord en Daad appeals to entrepreneurs, which translates into structural contributions, but also new companies who feel connected with the work of Woord en Daad. Besides the gifts, an amount of € 780,000 was acquired as investment

capital for the Fair Factory Development Fund, which makes the commitment towards these donors even greater still. Capital funds exhibited a healthy growth of almost 7%. Woord en Daad has a strategic partnership of several years with a number of capital funds, which is given shape via the sharing of knowledge, networks and funds.

Churches, schools and other fundraising organizations

Regular income from churches, schools and other fundraising organizations remained the same. In 2019, less income for emergency relief was realized because there were no large emergency relief campaigns. In collaboration with EO Metterdaad, a documentary was made about the bee projects in Uganda, which besides raising the profile of Woord en Daad's work also yielded more than € 100,000 in income.

Grants

In 2019, we worked hard on various grant proposals. Three of these were awarded funding in 2019. The EU awarded € 500,000 for the Job Booster programme in Benin and € 600,000 for the Cashew programme in Sierra Leone. Furthermore, a grant was awarded for the IRBC Covenant Food Products, which Woord en Daad will use together with other parties to strengthen the covenant's implementation. Besides these new grants, multiannual projects were realized for which grant income had already been booked once in previous years.

Woord en Daad works with strong consortia in various countries and together with these consortia it submitted grant proposals from various programmes. However, not all of these were awarded funding. Woord en Daad will therefore make a considerable effort in the

coming period to realize good relations with embassies and institutional donors. The pipeline of submitted proposals was well filled at the end of 2019, which at the start of 2020 already led to a provisional award from the Ministry of Foreign Affairs for a Job Booster grant in Burkina Faso worth 6 million euros. Woord en Daad was invited to submit a proposal for this in view of its good track record and good contacts. As the drafts and programmes fit the grant opportunities, the prospects are highly promising.

Expenditure

As is clear from the previous section, incomes can fluctuate considerably and not always in a predictable manner. The previous section also shows that Woord en Daad has a stable source of income from a reliable supporter base. Woord en Daad uses a system that strongly links expenditure with income to manage fluctuations in income. This system once again worked well in 2019. In addition, some multiannual awards of grants were linked to receivables in the balance. This means that the expenditure for these programmes is covered and that benefits the stability of the activities. The education programme grew: this was partly due to the INCE concept for quality improvement in education that Woord en Daad realizes with Driestar educatief, but also through the starting up of new education programmes and the expansion of existing programmes. The Job Booster concept was further rolled out in 2019. Expenditures within the programme Sustainable Water were lower in 2019, but that was mainly because several multiannual grants were awarded in 2018 for which the activities could also continue in 2019.

Most of the congruence trajectories, in which we work together with partners on an

entrepreneurial mindset and project-based approach to working, were completed in 2019. These have had a clear positive impact on the entrepreneurship and collaboration in consortia with partners. In 2019, we worked entirely through the project-based approach in which project leaders with their (international) team assumed integral responsibility for both the funding and realization of their projects. This created a lot of entrepreneurship and ownership in the project teams. ProjectConnect, a web application, played an important role in reports and monitoring. Further investments were made in this software 2019 so that more complex projects with several parties can also be properly supported.

The vast majority of expenditure on objectives was for structural programmes concerning poverty alleviation (86%) and emergency relief (3%) in the South. In addition, Woord en Daad believes it is important to give the poorest of the poor a voice and a face within political circles, and that poverty alleviation acquires a place in the lives of people in the Netherlands. That is why awareness raising and policy influencing in the Netherlands and Europe account for 6% of the expenditure on objectives. Further, Woord en Daad attaches considerable value to the high quality of its programmes in which expenditure is tightly monitored, and the lessons learned from the field are incorporated in new projects. That is why Woord en Daad has invested 5% of the target expenditure on objectives in knowledge management and audits. The policy conference in 2019 also provided important input for the further improvement and continued development of programmes.

New budgeting system

Data from the revised budget 2019 have been incorporated in the annual report. This budget

was established via the new budgeting system, which is appropriate to the changing context and approach of Woord en Daad, in which the focus is shifting from linear plans to navigating. The distinction is made in the regular budget (with the associated standards for overhead costs in relation to income, for example) and a business development budget for new funding opportunities in the coming year. The standard budget is published and concerns the regular income from private individuals, companies, churches, capital funds and grants already known. The business development budget uses return on investment (ROI), in which the investment made to submit a proposal is set against the expected total income from this grant and the own contribution from consortium partners. The ROI is standardized at a minimum of 20. Income from the business development budget should therefore be at least 20 times the cost of submitting a proposal. The business development budget functions as an internal guidance document that is continually updated. In the annual report, the costs and income realized with respect to new grants is reported on.

Balance of costs and benefits

The balance of the costs and benefits is almost € 1.5 mln. This balance is affected by the higher benefits from legacies that became known later that year and have therefore not been used yet. Further, the personal and organizational costs were € 584,000 lower than budgeted, which, amongst other things, was due to a non-budgeted Dutch VAT rebate (€ 191,000) on mixed costs from previous years. In 2019, there was also a strict monitoring of project expenditure after the necessary funds had been acquired.

Reserves and funds

The total reserve position of Woord en Daad

was stronger in 2019, which amongst other things was due to the higher undesignated legacies. The income from legacies differs considerably per year. The general project reserve at the end of 2019 was € 549,771 and is available for project expenditure in 2020. The general project reserve should be between 0% and 7.5% of the total income and Woord en Daad strives to use gifts from this fund for projects within a reasonable period of time. Therefore, in 2020, the general project reserve will be used for project expenditures for which it is difficult to raise funds for individually. There is a strong buffer for exchange rate risks. The exchange rate risks, which are not included in the exploitation, are covered by Woord en Daad via this reserve. From 2020 onwards, the projects will no longer add to this reserve each year, because the current level is sufficient to cover any possible exchange rate losses. Both exchange rate gains and exchange rate losses are for the benefit/cost of the exchange rate reserve. In the long term, exchange rate gains and losses remain reasonably in balance at the overall level.

The designated funds have remained more or less the same. The INCE funds have been filled from sponsor money and will likewise be used in the coming years for quality improvement in education projects. In 2019, we worked towards operating on a break-even basis in the countries concerned so that from 2020 onwards no additional INCE funds from sponsoring will need to be used in the existing INCE countries. Throughout 2018, the fund matchers have, in close consultation with project leaders and fundraisers, sought to realize an optimal match of income and expenditure. The use of grant managers also ensured a thorough monitoring of budgets within the projects.

Due to the importance of qualitatively good grant proposals, a reserve for Business Development was formed at the end of 2019, which can be used to pre-fund the costs of grant proposals from 2020 onwards. If the application is successful, the costs incurred can be included in the acquisition objective of the project and with this, the Business Development reserve will once again be filled so that funds remain available for investing in new proposals.

Liquidity

The liquidity position of Woord en Daad remained about the same as in 2018 and is more than enough to temporarily satisfy obligations. How Woord en Daad manages liquidity has proven to be effective for the project-based approach to working.

Cost percentages/ratios and Return on Investment (ROI)

Woord en Daad manages strictly on the basis of cost percentages. This management is based on two standard percentages. The first is the standard for management and administration (M&A). Woord en Daad follows the advice from Goede Doelen Nederland and the prescribed model in the RJ 650 guideline on reporting. Woord en Daad has standardized the maximum percentage for management and administration at 3.1% averaged over a period of three years. In 2019, the actual percentage was 2.42%, which was more or less the same percentage as in 2018. However, higher incomes were realized then. The total overheads (fundraising costs and management and administration) may be no more than 7.5% of the total costs according to Woord en Daad's own standard. In 2019, this figure was 8.37% at Woord and Daad, which was mainly due to the income being lower than the budgeted amount. The overhead realized was € 372,000

lower than the figure for 2018, which, amongst other things, is due to the Dutch VAT rebates over previous years but also cost savings. The realization averaged over three years was 8%. Increasing use is made of a flexible pool if specific expertise is needed or in the case of peaks with respect to grant proposals. Due to the well-filled pipeline, it is expected that the average standard exceeded will be more than compensated in 2020. The target expenditure ratio (expenditure on objectives divided by total expenditure) decreased slightly to 88.14% (2018, 89.95%).

The costs of producing grant proposals for institutional donors versus the revenues from grants awarded was standardized with an ROI that must be at least 20. This means that overall, the grant benefits must be at least 20 times the costs of writing the proposal. With this approach, we will be far more critical about whether not a grant proposal should be written so as to ensure a healthy balance between the costs and the expected revenues. The ROI was 3.68 in 2019 due to disappointing grant incomes in that year. Woord en Daad wants to focus on larger grant proposals in the coming years as then greater efficiency and impact can be achieved.

Annual accounts 2019

Consolidated balance sheet per 31 December (after result allocation)

Assets	2019 €	2018 €
Fixed assets:	11,151,971	14,229,732
Intangible fixed assets (1)	1,167,959	1,284,375
Activation of website/software development in the course of business		
Tangible fixed assets (2)	331,646	262,568
In the course of business		
Financial fixed assets (3)	9,652,366	12,682,789
Loans /equities/ other receivables	2,239,926	2,512,603
Receivables from income contracts in the course of the target	7,412,440	10,157,839
Current assets	13,711,271	13,637,505
Stocks (4)	820,439	687,241
Goods supply in the course of business		
Receivables (5)	6,467,665	6,338,042
Liquid assets (6)	6,423,166	6,612,221
Total assets	24,863,242	27,867,236
Liabilities		
Reserves and funds	8,436,931	6,938,374
Reserves (7)	4,559,495	3,106,608
Foundation capital	272	272
Continuity reserve	2,731,599	2,655,323
Designated reserves		
Exchange rate reserve	927,853	679,738
Reserve participation results realized		-212,798
Reserve Business development	350,000	
General projects reserve	549,771	-15,927
Funds (8)	3,877,436	3,831,766
Sponsor funds	615,239	575,454
INCE funds	517,805	524,921
Guarantee funds		8,904
Designated funds for emergency relief	506,329	830,477
Other designated funds	2,238,063	1,892,011
Provisions		
Long-term debts (10)	6,590,588	10,486,113
Short-term debts (11)	9,835,723	10,442,749
Projects and programmes	7,288,204	7,783,686
Deferred sponsor funds	756,836	765,391
Other debts and accrued expenses	1,790,683	1,893,673
Total liabilities	24,863,242	27,867,236

Consolidated statement of income and expenses for 2019

	Current financial year €	Estimated financial year €	Prior financial financial year €
Income			
Income from private individuals (12)			
- collections	148,685	200,000	159,863
- legacies	1,889,641	1,200,000	895,866
- sponsor programme	9,068,923	9,085,073	9,096,800
- other donations *	3,080,686	3,813,696	3,293,971
Total income from private individuals	14,187,935	14,298,769	13,446,500
Income from companies (13) *	3,327,906	4,316,049	3,897,390
Income from government grants (14)	1,310,003	389,701	4,460,585
Income from other non-profit organizations (15) *	5,329,404	7,118,698	6,364,676
Total income acquired	24,155,248	26,123,217	28,169,151
Income from the provision of products and services (16)			
Income from supplier's role and awareness raising			
Gross profit sale of goods	260,596	287,780	403,087
Sum of the income generated from services provided	1,121,968	1,317,009	814,854
Total income*	1,382,564	1,604,789	1,217,941
Balance of income and expenses*	25,537,813	27,728,006	29,387,093
Expenditure			
Expenditure on targets:			
Structurele programma's (17)	17,877,156	20,770,138	22,706,064
Education (EDU)	11,361,971	11,831,963	9,698,060
Vocational Education and Training and Job Booster (AVET/JB)	1,744,691	2,289,406	1,393,942
Inclusive Agribusiness Development (IAD)	1,387,278	941,642	2,913,679
Water, Sanitation and Hygiene (WASH)	929,895	2,576,403	6,252,881
Health programme (HEALTH)	10,219		21,975
House Construction programme (LCH)	-55,667	250,000	109,418
Policy Influencing (PI)	27,350	20,000	121,992
Capacity Building (SPN)	788		
Innovation programme		235,000	85,735
Regional Alliances	305,884	235,000	157,944
Other	262,212	230,000	222,854
Partner role in the Netherlands (2016: incl. Knowledge management)	1,902,535	2,160,724	1,727,584
Emergency relief (18)			
-support provided through organizations/local agencies	728,135	1,500,000	1,003,804
Lobby (19)	357,932	271,180	407,193
Awareness raising (20)	848,904	796,955	873,911
Knowledge management (21)	417,266	260,768	182,940
PMA (22)	656,337	683,236	406,233
Total expenditure on targets	20,885,731	24,282,277	25,580,145

	Current financial year	Estimated financial year	Prior financial financial year
		€	€
Expenditure (continuation)			
Acquisition of income: (24) and Appendix 3)	1,499,281	1,670,682	1,609,958
Costs of own fundraising	1,337,095	1,487,388	1,507,254
Costs of grants from governments	162,186	183,294	102,703
Costs supplier's role (23)	178,263	223,140	284,127
Costs of sales of goods (16)	317,231	305,000	271,465
Management & Administration costs (26)	610,333	656,930	871,935
Total expenses	23,490,839	27,138,029	28,617,628
Balance of income and expenses	2,046,973	589,977	769,464
Balance of financial income and expenses (27)	-97,087		-13,843
Balance of results from organizations participated in (28)	-451,329		-100,194
Balance of income and expenses **	1,498,557	589,977	655,427
Designation balance income and expenses:			
Transfer to or from:			
- Continuity reserve	76,276		250,910
- General reserve	565,698	144,856	-190,037
- Exchange reserve sponsor programme	212,798		-100,194
- Sponsor funds	248,115	219,048	-41,600
- INCE funds	39,785		-66,133
- Designated funds emergency relief***	-7,116	35,138	275,334
- Guarantee funds enterprise development	-324,148		84,169
- Reserve provisions	-8,904		6,635
- Other designated funds		100,000	
- Fonds aanvraag/voorfinanciering subsidieprojecten	350,000	200,000	
- Other designated funds	346,052	-109,065	436,343
	1,498,557	589,977	655,427

* For which total income emergency relief in 2019 € 574,610 (Budget € 1,953,337; 2018: € 1,302,598), accounted for under donations from individuals, companies and other non-profit organizations.

** Excluding family and capital funds and donors as these are included in costs own fundraising.

Valuation Principles


The principles of valuation and of result determination are drawn up in accordance with the Dutch Accounting Standard for Fundraising Institutions (RJ650). For a further description of the principles of valuation of the assets and liabilities and for the determination of results, see the notes to the consolidated financial statements in the Dutch Annual Report (page 61 to 64).

Consolidated cash flow for 2019

	2019	2018
Cash flow operational activities		
Balance income and expenses:	1,498,558	655,426
Adjustments concerning:		
Amortization intangible fixed assets (1)	280,430	289,080
Depreciation material fixed assets (2)	60,706	86,261
Change provision of loans(3)	36,015	-24,951
Writing off loan u/g (3)		
Result provisions(3)	451,329	100,194
Adjustment changes in operational capital:		
Changes in stocks (4)	-133,198	-163,454
Long-term receivables from funding agencies (3)	2,745,399	1,511,558
Changes in receivables (5)	-129,623	-2,009,439
Long-term project obligations (10)	-3,875,320	-1,049,431
Changes in short-term project obligations (11)	-495,482	1,476,767
Changes in sponsor funds received in advance (11)	-8,555	82
Changes in other debts and costs yet to be paid (11)	-102,990	622,631
Cash flow from operational activities (A)	327,270	1,494,723
Cash flow from investment activities		
Investments in intangible material fixed assets (1)	-164,015	-140,512
Investments in tangible fixed assets (2)	-129,784	-157,917
Divestments material fixed assets (property, plant and equipment)		109,446
Cash flow from operational activities (A)	-293,799	-188,983
Cash flow from investment activities		
Provision of loans to partner organizations (3)	-213,767	-8,941
Repayments received on loans provided (3)	283,947	61,802
Other mutations in loans provided (3)	80,047	
Advanced payment long-term lease periods (3)	-80,047	
Loans provided to /input in participations (3)	-272,500	
Long-term liabilities received (10)	3,274	73,274
Repayment long-term debts (10)	-23,479	-25,000
Cash flow from funding activities (C)	-222,525	101,135
Change liquid assets (A + B + C)	-189,055	1,406,911
Liquid assets per 1 January	6,612,221	5,205,310
Liquid assets per 31 December	6,423,166	6,612,221
Change liquid assets	-189,055	1,406,911

- Since 2013 the depreciation is on activated costs for software development since the end of 2012. In the software development after 2013 the depreciation will be realized in such a manner that the entire investment is written off by the end of 2024.
- The receivables on funds from income contracts and the obligations to partner organizations have both strongly increased and are divided into amounts with a short-term and a long-term character, as a consequence of multi-annual income contracts and multi-annual pledges to partner organizations.
- The liquid assets have remained approximately the same compared to 2018. Over the years the liquidity position improves, partly due to the annual depreciation of the capitalized costs for software development.

Auditor's statement



dubois + co
REGISTERACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To: the Management Board and the Supervisory Board of Stichting Reformatrische Hulpaktie Woord en Daad in Gorinchem.

The accompanying summary financial statements, which comprise the summary statement of financial position as at 31 December 2019, the summary statements of comprehensive income, changes in cash flow for the year then ended and related notes, are derived from the audited financial statements of Stichting Reformatrische Hulpaktie Woord en Daad for the year ended 31 December 2019. We expressed an unqualified audit opinion on those financial statements in our report dated 30 March 2020.

The summary financial statements do not contain all the disclosures required by the Guidelines for annual reporting 650 "Fundraising Organisations" of the Dutch Accounting Standards Board. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Stichting Reformatrische Hulpaktie Woord en Daad.

Board's responsibility
Board is responsible for the preparation of a summary of the audited financial statements in accordance with the general notes to the financial statements.

Auditor's responsibility
Our responsibility is to express an opinion on the summary financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standard on Auditing 810, 'Engagements to Report on Summary Financial Statements'.

Opinion
In our opinion, the summary financial statements derived from the audited financial statements of Stichting Reformatrische Hulpaktie Woord en Daad for the year ended 31 December 2019 are consistent, in all material respects, with those financial statements, in accordance with the general notes to the financial statements.

Dubois & Co. Registeraccountants
Amsterdam


Valid Signed door G. Visser RA
Op 30-04-2020

G. Visser RA

Dubois & Co. Registeraccountants is een maatschap van praktijkvennootschappen. Op alle opdrachten die aan ons kantoor worden verstrekt zijn onze algemene voorwaarden van toepassing. Deze voorwaarden, waarvan de tekst is opgenomen op de website www.dubois.nl, bevatten een aansprakelijkheidsbeperking.

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Internal financial control

Internal audit

Part of the handbook Administrative Organization is the procedure "Assessment Internal Audit" (Procedure 9.3.1). Every six months, the internal auditor of the unit Finance and Control (F&C) assesses how the internal management measures function so that risks and processes relevant for the categories in the annual accounts can be redressed to an acceptable level.

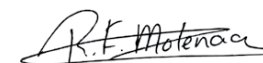
The assessment framework for the internal audit focuses on the key processes: income processing, recording and handling obligations, the national and international payments, the processing of sponsor income and the reminder and collection process, the processing and management of the revenues of committees, postage stamp sales and the management of master data of creditors. Also the substitution of sponsored children, application of Chamber of Commerce mandates and CBF rules are considered.

There are both data-oriented and system-oriented checks via random samples or integral assessment. Authorizations and mandates are also involved in this, as established in the software package. During the assessment, the correct and full application of the established procedures (by the authorized persons) is considered as well as the recording and documentation of this in systems.

The internal auditor reports the findings about this to the board of directors and makes concrete proposals for improvement. The external accountant makes use of these reports and any actions linked to these during the assessment of how well the internal audit

system functions. The external accountant also publishes an assurance report, which shows that the internal audit testing has taken place in accordance with the procedure. Two assessments were carried out during 2019. Both resulted in the conclusion that there were no significant deviations with respect to the established procedures and mandates. During the internal audit assessment in 2019, the follow-up of the findings from the management letter from the external accountant over 2018 were assessed, for example the audit and management of cash by shops and the timely and full completion of timesheets for projects, which is now enforced by the system.

In 2019, an EDP audit was performed by the external accountant. This covered issues such as access security, cyber security and roles and responsibilities in the software, and recommendations were made. There were no major risks although several procedures were tightened and authorizations adjusted. During the year-end audit at the start of 2020, the external accountant established that all recommendations had been enacted.



CEO
Rina Molenaar

December 2019

Overview partners

This overview shows the core partner organizations of Woord en Daad. In addition, we work with a wide range of other networks, alliances and consortia.

Partner	Country	Organization
AEAD	Burkina Faso	WARA
AESEB	Burkina Faso	WARA
AMG Haiti	Haiti	HARA
AMG India	India	INRA
AMG Philippines	Philippines	ARA
AMG Guatemala	Guatemala	CLARA
ADP	Uganda	KUSSRA
CCT	Philippines	ARA
CSS	Bangladesh	ARA
Conviventia	Colombia	CLARA
CTF	Sierra Leone	WARA
COUNT	India	INRA
CRECH	Haiti	HARA
CREDO	Burkina Faso	WARA
DEDRAS	Benin	WARA
EFSL	Sierra Leone	WARA
FDB	Chad	WARA
HOPE	Ethiopia	GHARA
Hope for Justice	Ethiopia	GHARA
Mfesane	South Africa	SARA
ODE	Burkina Faso	WARA
P&A	Haiti	HARA
PCAR	Chad	WARA
Restavek Freedom	Haiti	HARA
TWA	Ethiopia	GHARA
WDI	India	INRA
YGRO	Sri Lanka	ARA





See the annual report online at:
www.woordendaad.nl/annualreport2019



CREDITS

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Woord en Daad is a registered charity (ANBI) under Dutch law. For legacies, our address is Stichting Reformatorische Hulpactie Woord en Daad, Gorinchem. Our charity is registered under number 41118168 at the Dutch Chamber of Commerce in Utrecht and our finances are audited by a registered accountant. We bank with the Rabobank: account number NL64 RABO 0385 487088, account holder Woord en Daad, Gorinchem.

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