



2023 Annual Report & Annual Accounts

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LIST OF ABBREVIATIONS

| | | | |
|----------|---|-----------|---|
| BOT | Bachelor of Occupational Therapy | MPUH | Medicine and Pharmacy University of Ho Chi Minh City |
| BT | Ben Tre province | NIOPH | National Institute of Public Health |
| CANTEEN | Collaboration And Networking To Enhance Education and Nutrition | NSA | Nutrition Sensitive Agriculture |
| CB | Cao Bang province | OT | Occupational Therapy |
| CBF | Central Bureau Fundraising | PAM | Program Assessment Memorandum |
| CBO(s) | Community Based Organization(s) | PDR | People's Democratic Republic |
| CBR | Community Based Rehabilitation | PFES | Payment for Forest Environmental Services |
| CD | Country Director | PFZW | Pensioenfonds Zorg en Welzijn |
| CDF | Community Development Fund | PPC | Provincial People's Committee |
| CHC(s) | Commune Health Centre(s) | PT | Physiotherapy/physiotherapist |
| CHW(s) | Commune Health Worker(s) | PWD | People with Disability |
| CMH | Community Mental Health | PY | Phu Yen province |
| CMH(L)D | Community Managed Health (Livelihood) Development | QT | Quang Tri province |
| CRC(s) | Community Rehabilitation Centre(s) | QTFSCGA | Quang Tri Smallholder Forest Certification Groups Association |
| CSO(s) | Civil Society Organization(s) | REDD+ | Reducing Emissions from Deforestation and Forest Degradation |
| CU5 | Children under 5 years | RVO | Rijksdienst voor Ondernemend Nederland |
| CWD | Children with Disability | SFM | Sustainable Forest Management |
| DL | Dak Lak province | SALT | Speech and Language Therapy/Therapist |
| DOET | Department of Education and Training | SB | Supervisory Board |
| DPO | Disabled People's Organization | SEA | South East Asia |
| EC | European Commission | SRHR | Sexual and Reproductive Health and Rights |
| ED | Early Detection | UHS | University of Health Sciences |
| EMCD | Ethnic Minority Community Development | UNFPA | United Nations Population Fund |
| EO | Exact Online | VDC | Village Development Committee |
| Fte | Full time equivalent | (V)DF(s) | (Village) Development Fund(s) |
| FSC | Forest Stewardship Council | VPA/FLEGT | Voluntary Partnership Agreement on Forest Law Enforcement, Governance and Trade |
| HDMU | Hai Duong Medical University | VHW(A) | Village Health Workers (Association) |
| IE | Inclusive Education | VUA | Vrije Universiteit Amsterdam |
| IG(A) | Income Generating (Activity) | WE | Women Empowerment |
| Lao TPHI | Lao Tropical Public Health Institute | | |
| LEARN | Lao Equity through Policy Analysis and Research Networks | | |
| MoH | Ministry of Health | | |
| MOT | Master of Occupational Therapy | | |
| MPH | Master of Public Health | | |
| MT | Management Team | | |

INTRODUCTION

The year 2023 marked mid-term of MCNV's strategic plan 2021-2025. We remained focused on the four themes including: (1) Health & nutrition, (2) Quality service for people with disability and elderly, (3) interventions in the context of climate change adaptation, and (4) Livelihoods. In 2023, we organised a visit to Vietnam for member(s) of the supervisory board and the board of director. We carried out several discussions among staff in different offices and took the opportunity to re-visit the idea of localisation of our Vietnam programme, which was indicated that we would do mid-way of our strategy. At the end of the process, we concluded with recommendation for MCNV to remain as the Dutch NGO in Vietnam for at least until the end of 2026. During this period, MCNV management and supervisory board will hold discussion(s) about what need to be improved or clarified in our current governance practices.

MCNV's total expenditure in 2023 was 2,510,888 Euro, spent over a total number of 11 projects (10 in Vietnam and 1 in Laos) of difference scales. The total income in 2023 was 2,803,083 Euro. Our funding contributions in 2023 are from our private donors in the Netherlands, foundations (such as Hulza, AFAS, Tante Popfonds and others) and institutional donors (such as USAID through sub-grants and the Dutch Government).

In 2023, MCNV was audited and received certification of qualified charity seal for the period 2024 – 2026 by the Dutch Central Bureau of Fundraising (CBF).

MCNV's overall performance regarding actual expenditures vs. budgeting in 2023 presented a more positive image compared to previous years thanks to our continuing efforts in improving our annual planning and budgeting. The percentages of total spending per objectives vs. budget is at 92%.

This report follows the same structure as previous reports which includes 6 chapters. Chapter 1 explains the policy and strategy of MCNV. Detailed reporting on program implementation and management in Vietnam and Laos can be found in chapter 2. Chapter 3 explains MCNV's governance structure, provides information about the members of the Supervisory Board, their rotation schedule, etcetera. Chapter 4 pays attention to issues concerning transparency and accountability of MCNV. Here, information can be accessed regarding external complaints, risk- and quality management. Chapter 5 offers information on what MCNV accomplished in terms of communication, public relations and fundraising during the reporting year. Finally, chapter 6 shows the financial policy and annual accounts of MCNV.

Cecilia Maria Keizer (Chair of Supervisory Board) & Huyen Thi Hoang (Board of Director)

1. POLICY AND STRATEGY

In our strategic plan for 2021 – 2025, MCNV identified the following.

1.1 Legitimacy

The following three aspects justify MCNV's legitimacy for its work in the coming 5 years:

1. **The needs:** In Vietnam, although the general development has been much better large disparities remain among vulnerable groups, particularly in the quality care for people with disabilities and elderly, livelihoods and nutrition improvement for ethnic minority people and those who are affected by climate change. In Laos, high rate of poverty and very low outcomes of health care including primary health care, including poorly trained health personnel. Child death and child malnutrition remain the highest in the region. In addition, climate changes and related environmental problems are urgent for both countries. MCNV continues to prioritise our support towards vulnerable groups of people in Laos and Vietnam, including ethnic minorities, children, women, people with disabilities, etc.
2. **MCNV's technical capacity:** this strategic plan is evolved around the existing and past technical capacity of MCNV as an organisation, including that in the area of health, nutrition, livelihood and support to people with disability as well as promoting health research.
3. **MCNV's capacity to mobilize financial resources:** the focus and scale of the strategy is also made in relation to funding opportunities and the analysis of MCNV's ability to mobilize the financial resources to support addressing the identified needs. In addition to our long-term committed individuals in the Netherlands, we will include in our fund-raising plans foundations and institutional donors, in the Netherlands as well as abroad.

1.2 Thematic focus, Vision and Mission

in 2023, we continued with our on-going projects and programs which have been also aligned to the four thematic focus that are stated in MCNV's strategic plan 2021-2025. These includes:

- **Health & nutrition**
- **Quality care service for people with disabilities and elderly**
- **Interventions in the context of Climate Change Adaptation**
- **Livelihoods**

Our vision: "We envision a world in which the society supports all people in their development to the maximum well-being and full social position. Especially in countries in South East Asia which are in a phase of transition, marginalized groups need to be empowered to obtain equitable access to health care, education, housing and food security, so that they can influence the processes, systems and individuals that presently limit their development"

Our mission: Our mission is to enhance the equitable and sustainable access of marginalized people to resources and services that improve their health and inclusion in developing countries in South East Asia.

2. COUNTRY PROGRAMS AND MANAGEMENT

2.1 Programs and management in Vietnam

In 2023 MCNV Vietnam implemented ten (10) projects. During the course of the year, three (3) projects were completed including Prosper (Feb 2023); Occupational Therapy (Sept 2023) and Inclusion 3 (Sept 2023). There was one new project that was newly implemented, which is the project: Capacity Building for the Special School Hy Vong in Binh Dinh province. During the year, we received two (2) new sub-grants including Inclusion 1- phase 2, and Inclusion 2 – phase 2 with a total amount of about 4 million Eur for until the end of 2026. These are parts of an overall project named “Improving the quality of life of the people with disability living in the Provinces heavily sprayed Orange Agent” which started in 2022 and funded by USAID and implemented in 8 provinces of Vietnam including Quang Tri, Thua Thien Hue, Quang Nam (Inclusion 1), Binh Dinh, Kon Tum (Inclusion 2), Tay Ninh, Binh Phuoc, and Dong Nai (Inclusion 3). MCNV implemented sub-grants under the management of different Prime Grantees: The Centre for Creative Initiative on Health and Population (CCIHP) manages Inclusion 1; For Inclusion 2: the first phase was managed by CCRD, then by Humanity and Inclusion (HI) for phase 2; Centre for Social Initiatives and Promotion (CSIP) managed Inclusion 3. Most of the Inclusion sub-grants were managed under the Fix Amount Agreement (FAA), meaning sub-grantees such as MCNV pre-finance project expenditures, and then claim for reimbursement. Although MCNV had experienced with this FAA approach under I-THRIVE project, it was still quite a challenge for us to start three Inclusion 1,2,3 FAA sub-grants at the same time in 2022. However, in 2023, we could manage very well all of these sub-grants with pre-financing.

In 2023, following several discussions, during the visit of the Board of Director and a member of the Supervisory Board to Vietnam in combination with the Vietnam annual staff meeting in August, we discussed again the question on what legal status MCNV should be after 2025 given the context of fundraising and its challenges in the Netherlands. After all of these discussions and consultation, at the end of the visit, the Supervisory Board suggested to remain MCNV Vietnam’s operations under the umbrella of the Dutch organization as it is currently until the end of 2026. The future of MCNV after 2026 is open for further discussion.

List of projects as of December 31st, 2023

| | |
|--|---|
| Programs and projects: a total of 10 projects have been implemented in 2023. | 6 projects under disability programme including OT,ST, Inclusion 1,2,3; and Support Special School in Binh Dinh Province. 04 other projects including BIJPO (in Phu Yen); Ethnic Minorities Community Development in Quang Tri; PROSPER in Quang Tri and Improvement of quality of tropical fruit in Vietnam funded by Netherland Government through RVO. |
| Total number of staff | 25 staff (14 in Hanoi office, 5 in CVN, 06 field staff in provinces of Quang Tri, Thua Thien Hue and Quang Nam). |

| | |
|--------------------------------------|----------------------------|
| Total of income (budgeted) | EUR 1,931,790 |
| Total of expenditure | EUR 1,896,940 |
| Direct beneficiaries in estimation | About 6,500 people |
| Indirect beneficiaries in estimation | N/A (not able to estimate) |

Country leadership: in 2023, there was no change in country leadership of MCNV in Vietnam, which contributes greatly to maintain and develop our programme and operations steadily and successfully.

Program management including fund raising/acquisition: In 2023, all projects and programs in Vietnam demonstrated good performance and in line with the strategic direction of the organization for 2021-2026 period. MCNV Vietnam continued to show high independency in program management, quality control, organizational development, governance, and fundraising. The project teams and Hanoi office have gained so much experience in implementation and management of FAA projects which required high level of capacity in finance management and result-based administration. In the year 2023, we looked into possibilities to apply the web-based data method, which was developed for the Inclusion project, for improving our information management in other projects. Regarding fundraising, the team has made great efforts to approach potential opportunities for projects that were scheduling to end in 2023. At the end of 2023, we received confirmation of funding for the new phase of Inclusion 1 and 2, for the period 2023-2026. Unfortunately, despite a lot of efforts, we could not secure funding to continue our work on sustainable forest management in Quang Tri after 2023.

Financial management: by MCNV team in Vietnam continued to be smooth and under good control practices and procedures. The external audit in 2023 in Vietnam had very positive conclusions on the accounts and MCNV's current practices and procedures.

Communication & Branding: in 2023 the administration and maintenance of MCNV's website is successfully handed over to the team in Vietnam. We recognized the improvement of organizational communication through Facebook and website management, and the exchange of information with donors, visitors, and partners. The communication on specific programs/projects has much improved in 2023, especially on our Inclusion projects. A lot of media products for communication were produced and disseminated in the year which facilitated better networking.

2.2 Programs and management in Lao PDR

In Lao PDR, during 2023 MCNV remained having a small team that implemented the only one project funded by AFAS foundation for mother and child health improvements in Nong and Sepone districts, Savannakhet province. After a long delay in the project approval by local authorities in 2022, we accelerated well and a lot of activities and achievements have been achieved by the end of 2023.

Overview key figures as per December 31st, 2023

| | |
|--|--|
| Number of projects | 1 |
| Total number of fte staff | 4 |
| Total number of direct beneficiaries | Mother and Child Health: 90 village health volunteers, 120 health workers from health centres and district, 740 children under 5y, 1,238 villagers (adults and children) from 20 villages in Sepone and Nong. |
| Total number of indirect beneficiaries | Mother and Child Health: 3,968 villagers |

Country leadership

In 2023, we continued with the distance – management support from Amsterdam, with MCNV's Amsterdam based general director acting as country director for Laos. Coordination of work and priorities is made through bi-weekly virtual meeting with senior local staff. During 2023, the general director also made two (02) field-trips to Laos to visit the programmes, partners and provided technical support as needed to the team there.

Program management

There is no change in the programme management during 2023 as compared to 2022. We remained having one project implementation team (for Mother and Child Health project) which includes one project manager and two project officers. After long process for MOU approval by local authorities in 2022, during 2023, the team could accelerate the project activity implementation and achieved a lot. Detailed reporting about the project implementation can be found under Annex B1.

Fund raising/acquisition

In 2023, we did not submit any major proposal for new funding for Laos but we raised small funding from our private donors and family foundations for additional needs, particularly for food security, water and hygiene related activities in Sepone and Nong districts.

Financial management

There is no change in the financial management in Laos in 2023. The work is coordinated well by the Finance and Operations Manager. Audit of the expenditures in Laos is added as a part of the group audit with Amsterdam office.

HR management

In 2023, we continued with the same team as in 2022, with one project team consisting of three staff (one project manager, 2 project officers) and the project team was supported by one operations manager. In total, the team in Laos consisted of four (04) local staff. As mentioned under leadership, the distance support from the general director based in Amsterdam continued into 2023.

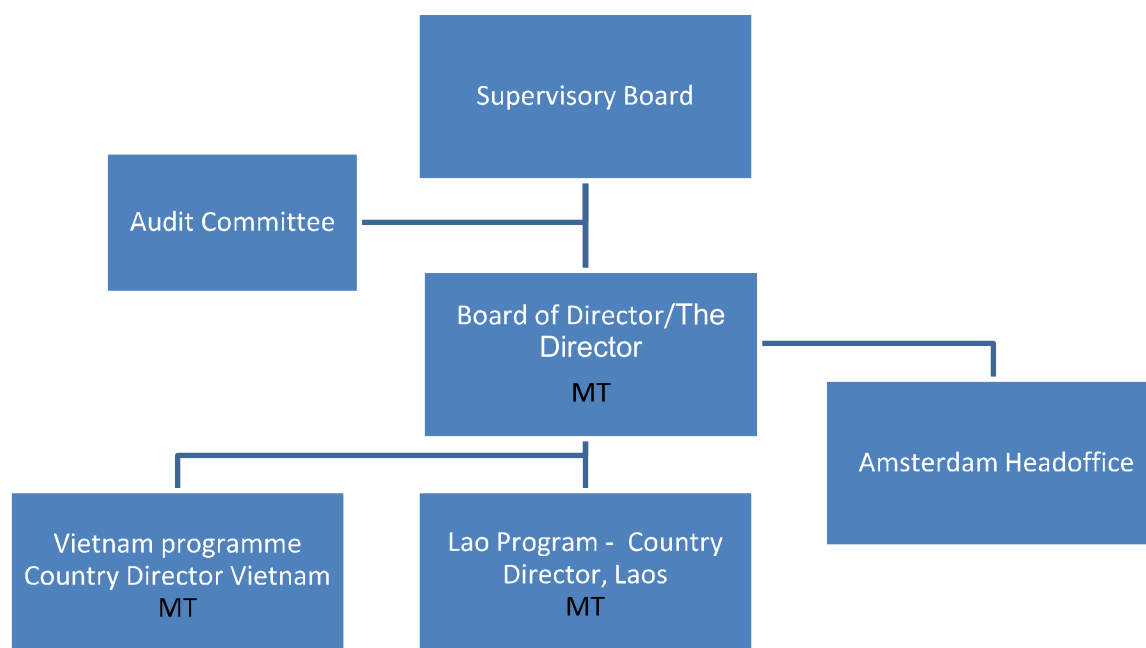
Communication & Branding

Even with limited staffing, in 2023 we could remain regular update on our MCNV Laos Facebook page with stories and updates from the mother and child health project. The stories from Laos are also updated in MCNV's website and quarterly magazines to our private donors in the Netherlands.

3. MCNV – ORGANIZATION

3.1 Governance structure

In 2023, the governance structure of MCNV remains the same as in 2022. Since 2021, we did not have a country director based in Laos and the Amsterdam based Board of Director co-acts this role:



The functions of supervision and management are formally separated and stated in the statute. The roles of the various sections within the organization are defined in the Code of Good Governance, which is based around the Wijffels Code and the Central Fundraising Bureau Quality Seal. Supervisory Board and the Board of Director together ensure that (apparent) conflicts of interest are avoided.

Board of Director

In 2023, Ms. Huyen Thi Hoang stayed in the position of Board of Director (also referred to as General Director) of MCNV. She has also acted as country director for Laos since 2021. Ms. Hoang remains as one-person Board of Director providing overall management for MCNV and being responsible for the implementation of its programs and activities in compliance with the relevant law and the Articles of the Foundation. The Board of Director is also responsible for the programmatic and financial management of MCNV through periodical evaluation of financial, narrative/programmatic and performance (team) reports. The consolidated annual account showed MCNV's expenditures and financial position. The Board of Director informs the SB in written reports on quarterly basis. These written reports include announcements and decisions made by the Board of Director during the concerned period. All announcements and decisions made in 2023 by the Board of Director are registered in the SB meeting document folder.

Supervisory Board

The structure and functions of the Supervisory Board are stated in MCNV's Articles of Association. The SB's functions and duties are separated from the Board of Director. The main responsibilities of the SB are to review and approve the key resolutions proposed by the Board of Director, which include multi-year strategic plan, annual plan and budget, annual reports and any decisions that are outside the day-to-day management authority of the Board of Director. Membership of the SB is voluntary. Apart from direct costs of travel, members of the SB receive no remuneration.

In 2023, there were five (05) members and the composition of MCNV's Supervision Board remained the same as in 2022, with Mrs. Keizer being the chair of MCNV's Supervisory Board and also a member of MCNV's audit committee. The table below provides the list of the members of MCNV's Supervisory Board, their term dates and functions as of 2023:

| Name | Function | Date of Appointment | Date of Reappointment | Date of Resignation |
|-------------------------|------------------|---------------------|-----------------------|---------------------|
| Lucian Roeters | Financial expert | 01-02-2021 | | 01-02-2025 |
| Agnes Gebhard | Member | 21-06-2018 | 21-06-2022 | 21-06-2026 |
| Pieter van den Hombergh | Member | 16-06-2016 | 16-06-2020 | 16-06-2024 |
| Cecilia Keizer | Chair (present) | 01-02-2022 | | 01-02-2026 |
| Nathalie Veenman | Member | 01-02-2022 | | 01-02-2026 |

Audit committee

MCNV's audit committee consists of two Supervisory Board members Mrs. Lucian Roeters and Mrs. Cecilia Keizer. In 2023, the audit committee held two meetings, one in May 2023 to discuss the management letter from the annual audit, and the other at the end of November 2023 to discuss key figures related to the 2024 annual plan and budget. Key recommendations from these meetings are documented in the meeting minutes and shared with the Board of Director and Supervisory Board members for appropriate actions.

Evaluation

The Supervisory Board and the Board of Director evaluated themselves annually. The results of this self-evaluation were shared in a Supervisory Board meeting. Below are overviews of the self-evaluation by the Supervisory Board and the Board of Director for 2023.

Self-evaluation by Supervisory Board: was conducted in the first quarter of 2024. The Supervisory Board is satisfied with the five members who have the right amount of experience and knowledge. There is overall satisfaction with the way the meetings are managed and with the information provided by the board of director for the Supervisory Board to perform their duties. The advisory role to the Board of director is functioning well and the meetings are conducted in communicative and participative way. There is space for critical questions and timely solution of issues is made possible. The audit committee and evaluation of the Board of director function well. There was a visit to Vietnam by one SB member in 2023 and the Supervisory Board members attended an annual MCNV Vietnam staff meeting. This gave a good picture of the successes and challenges of MCNV, and it showed the appreciation as well for MCNV in Vietnam.

Self-evaluation by Board of Director: In 2023, we decided to close the position of business manager in Amsterdam to further the process of streamlining our head office operation. This, however, did not affect our operations in Vietnam and Laos which were carried out by our local teams as smooth as usual. In terms of programme implementation, the Board of Director is happy with what we could achieve, especially what we could support the groups of vulnerable people in Laos and Vietnam. There were good and open communications among the different offices. The board of director also received great support and advices from members of the Supervisory Board.

3.2 Executive organization

In terms of executive organisation, MCNV remained the same in 2023 as compared to 2022. Our operations are managed through the head office in Amsterdam, and representative offices in Vietnam and Laos. All of our staff who are based in Laos are local staff. The country director for Laos is not local but she is based in Amsterdam, co-holding the positions of MCNV's Board of Director and country director for Laos. In Vietnam all of our staff are Vietnamese, which is the same as in 2022.

The Management team (MT), which officially consists of the Board of director and two country directors from Vietnam and Lao PDR, meets regularly to coordinate activities, provide updates on programmes and communicate directives and plans approved by the Supervisory Board to all staff. In practice, the MT meeting is always attended by the head of the CVN (Central Vietnam) office and done via skype calls or sometimes via emails. Meeting minutes or email updates are recorded in shared MT meeting folder.

Approach to monitoring and evaluation

There is no change in MCNV's approach to monitoring and evaluation in 2023. The performance of the projects, programs and other operational activities is monitored through MCNV quarterly and annual planning and reporting system. The activity plan includes the objectives and expected results and outputs each of the projects want to achieve as well as accompanying resources. The annual plan and budget are prepared by the country teams, consolidated by the Amsterdam office and then approved by the Supervisory Board. The quarterly reports include key performance indicators (technical and financial, in line with objectives/expected results/outputs and resources set out in the annual plan) under each of the area of work, and each project or program. This provides information on how progresses are made towards achievement of these key indicators, justification for variance if any and actions to be taken in the next quarter. This report is prepared and reviewed by concerned staff including the project coordinator, program manager, fund raising advisors, country directors, Board of director and the Supervisory Board members.

In addition, specific program and project monitoring and evaluation was done according to the requirements of the donor and the size of the program. Institutional donors and foundations received reports in writing as per agreed frequency and format. In case of a labelled private donation, the donor received a written report at the end of the activity. In addition, MCNV reported to our private donors and other stakeholders in her newsletter and in the annual report.

Human resource

In 2023, MCNV employed a total number of 32 staff, equivalent to 25.83 full time employee (FTE). In particular, we had 1.42 FTE in Amsterdam office, 20.41 FTE in Vietnam and 4 FTE in Laos working for MCNV. In 2023, MCNV does not have any defined expat staff based in any of our offices. All of our staff is local. An overview of MCNV's 2023 staffing, their duty station and staffing cost is shown below. MCNV's staffing cost structure consists of salary and other legal contributions as per local labour law. In the Netherlands, MCNV applies a salary scale with reference to the average salary index for non-profit in the Netherlands, while the salary scales of MCNV in Laos and Vietnam are constructed with reference to the periodical local salary survey among similar international NGOs such as CRS, Plan International, etc working there.

| Staff from Amsterdam office | Number | FTE (average 2023) | Total staff cost in 2023 (Euro) |
|---|----------|--------------------|---------------------------------|
| Board of Director MCNV | 1 | 0.6 | 51,876 |
| Sr. Advisor Fundraising & Communication | 1 | 0.6 | 59,731 |
| Business Manager | 1 | 0.22 | 29,630 |
| Subtotal | 3 | 1.42 | 141,237 |

| Staff from Vietnam | Number | FTE (average 2023) | Total staff cost in 2023 (Euro) |
|----------------------------------|-----------|--------------------|---------------------------------|
| Country Director Vietnam | 1 | 1 | 60,905 |
| Chief of Office/ Program Manager | 1 | 1 | 35,951 |
| Finance manager | 1 | 1 | 22,882 |
| Accountant A | 3 | 3 | 62,044 |
| Assistant A | 3 | 3 | 47,660 |
| Program Coordinator | 4 | 3.5 | 102,718 |
| Program Officer | 5 | 4.33 | 90,006 |
| Project assistant | 6 | 2.58 | 42,878 |
| Communication coordinator | 1 | 1 | 17,824 |
| Subtotal | 25 | 20.41 | 482,868 |

| Staff from Lao PDR | Number | FTE (average 2023) | Total staff cost in 2023 (Euro) |
|--------------------|----------|--------------------|---------------------------------|
| Project manager | 1 | 1 | 21,308 |
| Project officers | 2 | 2 | 21,532 |
| Operations manager | 1 | 1 | 21,025 |
| Subtotal | 4 | 4 | 63,865 |

3.3 Volunteers

In 2023, MCNV continued to receive support from our long-term volunteers in the Netherlands, including members of the SB, and the editorial staff of MCNV's newsletter and a former staff who volunteered after her retirements as donor- and financial administration. Our volunteers do not get paid but they get a refund of the related travel expenses, upon submission of travel receipt. As for the

case of the donor- and financial administration volunteer, she receives a monthly compensation as allowed per Dutch tax laws. The table below includes the number of hours and persons who volunteered for MCNV in 2023.

| Volunteers in 2022 | Number of persons | Amount of time in days |
|------------------------------------|--------------------------|-------------------------------|
| Supervisory Board | 5 | 37 |
| Editorial staff | 4 | 32 |
| Donor and Financial administration | 1 | 72 |
| Total | 10 | 141 |

Students

In 2023, MCNV did not have any student from the Netherlands, nor within the countries, who came to work with our programs or projects in Laos or Vietnam.

4. TRANSPARANCY AND ACCOUNTABILITY

4.1 Quality of the organization

The following standards and certifications are applied in MCNV's operations during 2023:

- Seal for charity standards certified by the Dutch Central Bureau of Fundraising (CBF). This approval applies to our accountability and transparency policies and practices.
- As member of PARTOS, we use PARTOS'S guidance regarding code of conduct and quality of non-profit organisation. We also applied the requirements of the Code of Good Governance from the committee Wijffels.

In addition, MCNV ensures quality management by implementing recommendations from the management letters of our accounting firms. In 2023, MCNV's financial statements in Vietnam are audited by Deloitte. In the Netherlands, Coney Minds was commissioned the group annual audit of all MCNV's financial statements including in Lao PDR, Vietnam and the Netherlands. The expenditures in Laos are also audited as part of this group annual audit.

4.2. Risk Management

The risk and mitigation plan for 2023 is presented in the Annex B-3. The risks are identified during annual planning and related to specific project implementation and country program operation. In addition to this list of risk and mitigation measurements, since 2021, MCNV made an annual calculation of our continuity fund based on risk analysis as per new guidance by Goede Doel Netherlands. Such risk covers all liabilities and associated risks related to the way our organisation is operating in the specific countries of the Netherlands, Vietnam and Laos. The risk analysis for continuity fund is included in the preparation of annual budget and approved by the Supervisory Board.

4.3. Integrity

MCNV has included integrity principle in our personnel manual and also procedure and guidance on how staff can raise concern and the steps the organisation needs to respond to concerns made by staff against the organisation. Our integrity principle is further supported by various policies including staff code of conduct, Whistle blowing policy, child protection and safeguarding policy and Anti-corruption policy.

We maintain our communication schemes with our donors, partners and beneficiaries where we learn from their perspective on our program performance and operation. These are reflected in the regular communications and formal documents that we share with our stakeholders, such as partnership agreements, reports, website updates and bulletins through which, we exchange with our donors, partners and beneficiaries not only on achievements but also on things to be improved. With our private donors in the Netherlands, we occasionally organise meetings to communicate about what we do and learn from our donors on ideas for new programmes as well as ideas for how to improve the organisation's performance.

In our partnership agreement with partners on each of the projects we implement, we have identified focal points and contact person where concerned donor, partner, and beneficiaries can get in touch for any issues concerning the particular project. There are also terms set out in the agreement on procedures to follow in case of further concern or conflict.

Among staff, we share and make sure that our staff is well aware and updated about our own integrity principle, policies and practice. It is important to especially remind staff about their responsibility to report on incidences or suspicions if there is. No incidence was reported or suspected by our staff in 2023.

4.4. External complaints

MCNV has an external complaint procedure which is posted on our website. The procedure indicates ways with which our stakeholders¹ can file a complaint or concern related to MCNV's work and service. The procedure also states how MCNV is monitoring, responding and filing of complaints. In 2023, we did not receive any written complaint through post, email or website, nor verbal complaint through our provided telephone number.

5. COMMUNICATION, PUBLIC RELATIONS & FUNDRAISING

MCNV's fundraising and communication work in the Netherlands focuses on building relationships with our donors in order to seek financial support towards programs as per prioritised in our strategic plan and annual plan, which contribute to improve the lives of disadvantaged people in South East Asia.

FUNDRAISING

In 2023, we set out two objectives for fund raising and acquisition, including: (1) Continue and where possible accelerate building partnerships with external donors including private (and corporate) foundations and institutional, resulting in new funding partnerships; and (2) Strengthen relationships with private donors in the Netherlands resulting in steady income (or modest increase) from private donor, compared to 2022, including permanent attention for new commitments of legacies and 'gift with maximum tax benefit' per agreement;

For objective 1: In 2023, we continued to receive USAID sub-grants through our local partners in Vietnam for supporting people with disabilities. The sub-grants helped us to expand our disability work to include not only training but also service provision at grass-root level. We tried our best to write proposals and establish new long-term partnership for our work in the area of sustainable agroforestry but this remains a difficulty. In Laos, we remain optimistic with our on-going partnership with AFAS foundation and started to discuss with the foundation about potential expansion of the partnership beyond the current project. The financial support from other foundations and family funds such as HULZA, GSRD, Suus van Hekken Fund, Tante Popfonds continue to be important parts of our work.

For objective 2: we focused on raising funds for the programs in Vietnam and Laos by keeping our private donors close and asking them to continue their support. We realise that the number of our

¹ MCNV identified the following groups as our clients and stakeholders: (1) project beneficiaries and partners in Vietnam, Lao PDR; (2) Private donors in the Netherlands; (3) Private funds (family and asset funds); (4) Institutional donors; (5) Corporate donors.

private donors is increasingly decreasing due to natural attributions. The average age of our donors is 75 years and since a few years, due to changing financial situation, many decided not to continue their long- time donation. Income from inheritances is expected to increase in the coming years.

COMMUNICATION AND PUBLIC RELATIONS

In 2023, we set out two objectives for our communication work, which include:

1. To continue our communication with private donors in the Netherlands that is linked to our fundraising plan.
2. To further reorganise our website and focus on maintaining our English page with regular updates of story from both Vietnam and Laos.

For objective 1: we maintain our quarterly newsletter in Dutch language which is shared with our private donors in the Netherlands. In each of the Newsletter issues, we include one campaign to raise fund for a specific project that we identified as priority for the year. In 2023, we changed our newsletter format by reducing number of pages from 8 to 4. Our private donors in the Netherlands responded very positively to the change and also a lot of the donors registered to receive it digitally to save paper and cost.

For objective 2: In 2023, our website continues to be hosted in the Netherlands but we moved the website administration to our colleagues in Vietnam. The transition went well and our website is updated regularly with a lot of news and stories from both Vietnam and Laos.

6. FINANCIAL POLICY & MANAGEMENT AND QUANTITATIVE DATA

6.1 Budget and realisation of plan 2023

MCNV's annual plan and budget for 2023 was approved by the Supervisory Board in February with the budget revisions endorsed in September. The total income budgeted (in the revised version) was 2,630,083 Eur. The total actual income by 31 December 2023 was 2,803,083 Eur. This presents a total amount of 173,000 Eur higher than the budget for 2023. The difference is largely associated to (1) a higher amount of work completed under the Inclusion subgrants (1,2) in Vietnam and (2) higher result of the income from private donations including legacy. Further detailed results concerning 2023's program budget versus realisation under the different type of incomes can be found under section 6.6.

6.2 Contract processing

MCNV continues to process all project contracts as per annual plan and the report is made on actuals. In 2023, based on the annual plan and budget that were made by Vietnam and Lao office, MCNV made contracts with our local offices for the approved projects and results are reported as per actual expenditures.

6.3 Financial administration

Financial administration remains the same as in previous years for which MCNV uses Exact online as the accounting software for our financial recording in all of our offices in the Netherlands, Vietnam and Laos. Our financial administration is based on the cycle of annual plan and budget, with

requirements on quarterly reporting (financial and narrative) and annual reporting (narrative and annual account). In MCNV's financial administration and financial management, there was a division of responsibilities to guarantee a good organization quality:

- The daily accounting and budget control was done by MCNV, an external administration office was consulted when necessary.
- The consolidated financial quarterly reports were produced by the external administration office and MCNV;
- The draft financial statements and balance files were drawn up by the external administration office, supported by MCNV's finance administrator based in Amsterdam.
- The draft annual account was approved by the Board of director, subject to the adjustments discussed. This draft was discussed with the audit committee.
- The Board of director was informed about changes in the draft annual account and annual report and gave feedback.
- The auditors audited the annual accounts for Vietnam, and a group audit in the Netherlands that included also auditing expenditures made in Laos.
- The SB approved the annual report and annual account, the auditor issued an approved or un-qualified opinion statement.
- This year the auditing firm in Vietnam did separate audit in the country and coordinate management letters with the group auditor in the Netherlands. The group auditor consolidates the management letter into one auditor report. This report was discussed with the audit committee, Board of director and concerned staff.

6.4 Development of capital and appropriated funds

MCNV's policy concerning its capital is to maintain a continuity fund. In case of stagnation of income, the continuity fund is meant, to meet the obligations towards projects and personnel in a careful manner. Since 2021, MCNV has followed the guidance from Goede Doel Nederland to make the continuity fund calculation based on risks analysis and the annual budget. The continuity fund calculation for each year is discussed in relation to the annual plan and budget that was approved by the Supervisory Board.

In addition, MCNV spends its regular income from donations in line with the objective, as much as possible in the same year. Unspent amounts raised for a specific purpose, were kept in an appropriated fund. Contracts signed with partners determine the amount charged to a specific appropriated fund. The remaining will stay available for the same kind of activities for which the funds were received, unless the Board of director has informed the concerning donors about the change of use of the concerned remaining fund.

6.5 Stocks and Shares

In 1997 MCNV received from a family a number of stocks and shares including those of Wolters Kluwer and BNP Netherlands Fund as a gift. The total value of the stocks and shares was € 890,000. Those shares and stocks have been put one of our bank accounts as per the date the gift was made. MCNV does not do any active trading with these. The Board of director has the overall responsibility for monitoring the values of the shares and include it in the quarterly and annual accounts to present to the Supervisory Board. The Board of director can sell shares when the following conditions set by the Supervisory Board were met:

- The Board of director cannot make this decision by himself/herself but has to make it in agreement with either the financial manager or the financial expert of the Supervisor Board.
- The reason for the sale of an amount of shares should be clearly justified.
- The Board of director can only sell shares when the sale value is equal or higher than the minimum value set out in the SB meeting.
- Only in consultation and after approval of the SB exceptions of these conditions can be made.

Every year, we report on value of the stocks and shares as per balance in the bank account and any change that we decided to make. In 2023, MCNV did not make any decision to change the profile of shares that we have. The value on this per 31-12-2023 was € 1,481,259-. The increase in value of these between 31-12-2022 and 31-12-2023 was € 333,025

6.6. 2023 Income and explanations

This section presents key information and explanation about MCNV 2023 incomes. Further details are provided in the financial statements/annual accounts in the annex. MCNV's incomes are categorised into three (03) groups, including: (1) from private donations; (2) from non-profit organisations; and (3) from governmental and institutional grants.

Income from private donations: there are 4 sub- categories of income that we raise/expect to receive from our private donors in the Netherlands. MCNV made budget on these as per objectives for our fundraising activities, and estimations are based on the result from previous year and what are known to us as for the case of legacies. On these incomes, we present the budget and the result as per our accounts but no further explanation.

- **Annual campaigns/actions with private donors:** In 2023 MCNV had four fundraising campaigns (one per quarter) among our private donors in the Netherlands. The benefit was 21 % more than budgeted. Budget: € 84,000, - Result: € 101,679 -
- **Non-specific donations from private donors:** The benefit was 22.5 % more than budgeted. Budget was €220,000, result: €269,493
- **Specific donation:** the benefit was 20% less than budgeted. Budget: €10,000, result: €8,000
- **Inheritance and legacies:** In 2023, we received a total amount of € 120,758 from inheritance and legacies. We put an estimation of 100,000 in the budget and the result was about 20.7% more than expected.

Income from non-governmental/non-profit organisations. The income from this category in 2023 is about the same level as we targeted. Budget was €447,705; result: €433,653. The actual is only 3% lower than the budget thanks to a better planning and all the paperwork with the local government for the related grants has been completed.

Income from Governmental & Institutional Grants: MCNV has formulated a policy on generating income from institutional grants and sub-grants from governments and other institutions. The annual income on this is estimated based on the balance and stage of the existing contracts that we have with the government and institutional donors. The budget for each of the grants/sub-grants is linked directly to the specific plans and reports that MCNV has with the donors. Variances between budget and results are explained in the specific grant reports to the donors.

In 2023, the total income from government and institutional grants was 10.5 % more than budgeted. Budget was: 1,663,081; result was: 1,838,040. This higher result vs. budget reflected the ability of the team and its partners in Vietnam who could accelerate the project implementation after completion of the project approval process with the local authorities. The actual expenditures are within the total approved budget by the donors. Among the institutional grants, MCNV pays special attention to those that contain a contribution for MCNV's own organisation costs for management and advice. In 2023, the followings grants were running and that contained MCNV's own contribution:

VALOR – Occupational therapy – extension

US\$ 413,077

This is a two-year extension (Oct 2021- Sept 2023) of the Vietnam Advancing Leadership on Rehabilitation (VALOR) five-year program funded by USAID, Oct 2015 – Sept 2020. The program is focused on the development of a University Course Occupational Therapy. During this phase, MCNV's committed a cost share of US\$ 69,255, which is covered by a Foundation in the Netherlands.

PROSPER – Sustainable forest management

Euro 800,000

This is a three-year (Feb 2020 – Feb 2023) EU funded project to strengthen forest sustainable management that contribute to achieving target of REDD+ provincial and national program in Quang Tri province, Vietnam. MCNV's co-financing requirement in this is 25%, or Euro 200,000. This contribution is covered by MCNV's private donations and other sources as appropriate and allowable.

6.7. 2023 Expenses for Objectives and explanations

The table below shows comparison between the 2023 result and budget expenses for objectives.

| Type of expenses | 2023 result | 2023 budget | Percentage Result vs. budget |
|--|------------------|------------------|------------------------------|
| Structural projects | | | |
| Expenses on projects | 2,235,173 | 2,363,093 | |
| Staff expenses | 70,045 | 129,077 | |
| Housing expenses | 7,849 | 13,845 | |
| Office & general expenses | 19,621 | 24,522 | |
| Depreciation & interest | 205 | 187 | |
| Subtotal on structural projects | 2,332,893 | 2,530,724 | 92.2 % |
| Other expenses | | | |
| Communication | 46,317 | 63,741 | |
| Own fund- raising | 83,252 | 82,071 | |
| Management | 48,426 | 72,913 | |
| Subtotal other expenses | 177,995 | 218,725 | 81.4 % |
| Total expenses for objectives | 2,510,888 | 2,749,449 | 91.3 % |

The total percentage of the expenses for objectives is 91.3 % as compared to the 2023 budget, presenting 8.7 % underspending compared to the budget. This underspending percentage is accepted as reasonable in budgeting practices. There is no further explanation to this aspect.

6.8. Explanation of other key figures

Fundraising cost vs. income: As per requirement of the Central Bureau on Fundraising (CBF), MCNV reports on expenses for fundraising over a period of three consecutive years. CBF's requirement states that the organisation's fundraising expenses shall not exceed an average of 25% of total benefits from fundraising activities. MCNV's cost for fundraising for the last three years are shown below.

| | Expenses of Fundraising | Total Benefits of Fundraising | Percentage |
|---------------------------|-------------------------|-------------------------------|------------|
| 2021 | € 87,978 | € 490,283 | 17.9% |
| 2022 | € 81,466 | € 475,434 | 17.1% |
| 2023 | € 83,252 | € 499,929 | 16.7% |
| Average over three years: | € 84,232, | € 488,549 | 17.2 % |

Percentage of management and administration cost: as per CBF's regulation, MCNV established a maximum rate of Management & Administration. MCNV's Supervisory Board set out such rate of Management & Administration during a year at 9% of the total expenditures. The table below is our actual percentage cost of management and administration over three executive years.

| | Expenses of Management & Administration | Total Expenditures | Percentage |
|-------------|---|--------------------|------------|
| 2021 | € 82,976 | € 1,733,662 | 5.0% |
| 2022 | € 65,069 | € 2,197,281 | 3.0% |
| 2023 | € 48,426 | € 2,510,888 | 1.9% |

Expenditures on objectives vs. income: Below is an overview of the total expenditures on objectives compared to the total income

| | Total expenses on Objectives | Total Income | Percentage |
|-------------|------------------------------|--------------|------------|
| 2021 | € 1,563,413 | € 2,285,545 | 68.0% |
| 2022 | €. 2,050,746 | € 2,171,155 | 94.5% |
| 2023 | €. 2,510,888 | € 2,803,083 | 89.6% |

6.9. Remuneration of the director and supervisory board members

MCNV follows the Remuneration Regulation for Directors of Charity Organizations (see www.goededoelennederland.nl). MCNV has only one executive function, i.e., the Board of director which falls into this category. The supervisory board members do not receive remuneration but all MCNV related travel costs were reimbursed on actuals. In 2023, total travel cost for MCNV's supervisory board members was 1,802 EUR.


The regulation sets a maximum standard for annual income based on BSD score of [430] points with a maximum annual income of EUR 136,639 (1 FTE / 12 months). The total remuneration of MCNV Board of Director, Ms. Huyen Thi Hoang in 2023 was EUR 36,985 (0.6 FTE/12months). This reward remained

within the applicable ceilings. The annual income, the taxed allowances / additions, the employer's contribution to the pension, the pension compensation and the other long-term benefits (for Ms. Huyen Thi Hoang, with an amount of 51,876 EUR in total) remained within the maximum amount per year included in the scheme and these costs were in a reasonable proportion to the annual income.

The amount and composition of the remuneration are explained in the table below and in financial statements in the notes to the statement of income and expenditure. In 2023, we did not provide any other special payment in relation to any of our executive positions.

| MCNV | Director 2023 |
|---|---------------|
| Type of contract | Indefinite |
| Hours | 22,5 |
| Labour Percentage | 60% |
| Labour Period | 12 months |
| Gross salary per year | 34,245 |
| Holiday allowance | 2,740 |
| Other taxable allowances | |
| Variable income | - |
| Subtotal remuneration | 36,985 |
| Social Security costs (paid by employer) | 6,273 |
| Taxable disbursements | - |
| Pension contributions | 7,324 |
| Other (future) benefits | 1,294 |
| Severance pays | - |
| Subtotal other costs | 14,891 |
| Total Salary Costs | 51,876 |

Amsterdam, May 2024


Huyen Thi Hoang
Board of director, MCNV


Cecilia Keizer
Chair MCNV Supervisory Board

Annex B-1 Programme/project annual reports

1.1 Programs in Vietnam

Project 1 - Occupational Therapy Education (OT project) : This project was extended from 1st Oct 2020 to 30th Sep 2023. During the year 2023, this project gains important milestones below:

- 46 students of the second BOT course in two Universities have completed the third year.
- 60 new OT students were recruited for the next BOT course in Hai Duong and Ho Chi Minh City
- A national OT conference that was the first-ever event organized with strong support from the WFOT. A total of more than 300 rehab experts participated in the event.

This project was successfully closed at the end of September 2023 after 7 years of implementation.

Project 2- Speech Therapy Education (ST project): funding from USAID for this project was ended in September 2022. After this, MCNV mobilized its own finance to continue supporting SALT education at Master and Bachelor levels responding to the actual needs of development. We focused on the main objectives to support the second Master SALT course as well as support the Medical Universities in Hai Duong, Da Nang, and Ho Chi Minh City to continue their Bachelor SALT course. In 2023, key achievements from this project include:

- 2nd MSALT at UMP HCMC: 12 students graduated successfully to increase the number of Master SALT in Vietnam supported by MCNV to 26.
- The HMTU remains their first Bachelor SALT course with 16 first-ever BSALT students. This is the second-ever BSALT cohort in the whole of Vietnam, following the 1st pilot course at DUMTP of MCNV's SALT education development project.
- The University of Medicine and Pharmacy of HCM city started the first Bachelor SALT course while the Da Nang Medical Technology and Pharmacy University also recruited their second Bachelor course with technical support from MCNV. A total of 58 more students registered to study Bachelor SALT in these two universities which increases the number of Bachelor SALT students to 86 by the end the of year 2023, with support from MCNV.
- The Facebook page at <https://www.facebook.com/ngonngutrilieu.mcnv/> and the website at <http://speechtherapyvn.net/> function well and share knowledge and information on SALT and MCNV's SALT projects to the community.

Project 3: Inclusion 1: The first phase of the project was implemented in April 2022 and completed in September 2023. In April 2023 MCNV signed an Agreement with CCIHP to collaborate on implementing Phase 2 of the project until June 2025 with the overall goal is to improve the quality of life of people living with disability (PWD) in Quang Tri, Thua Thien Hue, and Quang Nam provinces. Key achievements of the project during 2023 include:

- 442 health staff received training with different courses (long-term, medium-term, and short-term).
- 396 PWD received rehabilitation services provided at home by rehab professionals.
- 514 PWD received Multi-Disciplinary rehabilitation services at health facilities
- 714 PWD received Prothesis, Orthopaedic, and Assistive Devices for mobility
- 220 PWD received nursing care services at home provided by Nurses
- 206 members of the PWD's family were trained on how to care PWD at home

- 16 rehabilitation units of health facilities were provided with telehealth consultation and technical support to improve their capacity in Multi-Disciplinary Rehabilitation.

Project 4: Inclusion 2: In 2022, MCNV signed FAA with CCRD to implement the first phase of this project aims at improving the quality of life of persons with disabilities through the development of rehabilitation workers' capacity at health facilities in Binh Dinh and Kon Tum provinces. By February 2023 the first phase of the project was finished and all expected outcomes were achieved

- 01 approved (medium-term) PT training program adjusted to the actual training needs.
- 10 doctors completing a 6-month basic rehabilitation course.
- 15 health workers completed the 9-month training course on SALT techniques.
- 15 health workers completed the 9-month training course on OT techniques.
- 25 health workers completed the 9-month training course on PT techniques.
- 10 current SALT practitioners with improved capacity through a mentoring program.
- 30 PT staff with updated knowledge and improved skills through continuous medical education courses.
- 20 rehab doctors with improved skills in evaluating the needs of and making plans for persons with disabilities through continuous training.
- 100 adults/children with disabilities were provided with SALT intervention services, in which at least 75 of them showed improved functional ability.

In continuation of project implementation, since April 2023 MCNV has collaborated with HI to implement phase 2 of the project (until December 2026), following the same objective and similar activities performed during the first phase. We have worked with universities to provide different rehabilitation training courses to health staff. The second phase of the project experienced some delay in approval process by the provinces and actual implementation could start only in August. However, by the end of December 2023, MCNV achieved encouraging outputs as follows.

- A training program on Basic Rehabilitation courses for Medical doctors was developed and approved by Bach Mai Hospital.
- 45 rehabilitation professionals and doctors have been participating long and medium-term training courses.
- 314 health staff at the community level received short-term training courses in disability and rehabilitation service management.

Project 5: Inclusion 3 In January 2022 MCNV signed FAA with CSIP to implement the first phase of the project (in the year 2022) to improve the life quality of PWDs by enhancing the quality of the rehabilitation workforce at health facilities in Binh Phuoc, Tay Ninh, and Dong Nai. The project was extended and closed in September 2023, with key achievements during 2023 include:

- 41 rehabilitation technicians and practitioners (25 physical therapists + 15 speech and language therapists) are trained and improved clinical skills in their daily practice.
- 1,140 patients receive services provided by rehabilitation workers who are trained in clinical skills and apply knowledge gained through training to practice.
- 300 PWDs receive services provided by rehabilitation workers who are trained in clinical skills and apply knowledge gained through training to practice, 225 of whom (75%) are functionally improved.

Project 6: Capacity Building to support education for children with disability in Binh Dinh Province

The project is started with remaining funding that PwC agreed for MCNV to use from the Dien Bien project to now provide the same support in Binh Dinh province. The project proposal also was approved by the People Committee of Binh Dinh Province in June 2023 with an overall goal is to gradually improve access to education and quality education for children with disabilities in Binh Dinh. Key achievement in 2023 include:

- The Hy vong Quy Nhon Special School is equipped with a psychology room with enough basic equipment;
- 37 teachers of the Hy vong Quy Nhon Special School are trained in basic psychological therapy in education and intervention for children with disabilities
- The Hy vong Quy Nhon Special School is equipped with more equipment for the care, learning and teaching for its students with disabilities;
- 37 staff/teachers of the Hy vong Quy Nhon Special School are provided with a training in updated knowledge and skills in education for children with disabilities;
- 7 staff/teachers of the Hy vong Quy Nhon Special School are provided with an exposal visit for a model of Support Centre for the Development of Inclusive education for children with disabilities outside Binh Dinh province;

Project 7: Boost income and Jobs for poor women (BIJPO) : This project is co-funded by GSRD and will be implemented in 3 years (2022-2025). The project aims to improve the income and job status of 600 poor women in 15 upland villages of Dong Xuan district, Phu Yen province. They are ethnic minority communities of Cham and Bana who are living along the mountains in the Central and Highland areas of Vietnam. The project had faced a prolonged approval process, also due to approval of co-finance by the district. The acceleration of the project activities could start in June 2023, and with achievements in 2023 as follows:

- 150 households benefited from purchasing agricultural input materials, food, livestock breeding and selling their agricultural products to the micro-enterprise in Phu Tien village of Phu Mo commune.
- Total monthly income of the micro-enterprise on agricultural business in Phu Tien village has increased to more than 40%.
- 200 households benefited from purchasing tofu and soymilk from the enterprise of Da Loc commune.
- 20 female members of the acacia nursery collaboration group have produced and sold 50,000 acacia seedlings with a total value of Euro 1,660. This group plans to produce 500,000 more acacia seedlings per year, targeting an estimated annual net profit of about Euro 6,500.
- 130 members of six woven plastic furniture groups have been outsourced by exporting enterprises for making woven plastic furnitures. An average daily income about 5 Euro per member.
- 19 members of the traditional weaving collaboration group have started to make brocade products, shifting from making traditional products for domestic consumption to market-oriented ones.

Project 8: Ethnic Minority Community Development in Quang Tri : the project is funded by Hulza foundation with the aim to generate income for the ethnic poor and contribute to forest protection and management in upland villages of Huong Hoa district, Quang Tri province. Key achievements in 2023 under the project include:

- 10 jobs in bamboo production have been created for local people living in the Chenh Venh village (Huong Phung commune) and Trang Ta Puong village (Huong Viet commune) - Huong Hoa district.
- 50 jobs of community eco-tourism have been created for local women living in the Chenh Venh village (Huong Phung commune) and Trang Ta Puong village (Huong Viet commune) - Huong Hoa district.

Project 9: Promoting a sustainable partnership between CSOs and enterprises for sustainable forestry management in the context of climate change (PROSPER)

The project was co-financed by EU and MCNV from Feb 2021 to Feb 2023. The project was successfully concluded with the following achievements.

- The Quang Tri SFCG Association with 43 sub-associations/member units is the first Vietnamese local NGO that has linked member units of **planted forests and community-managed natural forests** to participate in the FSC certification system.
- With over **5,000 hectares of acacia plantations and natural forests certified with FSC**, benefiting more than 3,700 farmers from lowland and upland communities.
- **227 hectares of tung tree plantation** have been planted by 174 smallholder forest owners in Huong Hoa district and this model has been included in Huong Hoa District's Forestry and Agricultural Production Plan 2021 - 2025.
- Quang Tri Provincial People's Committee has approved the Plan 237/KH-UBND on the development of **production associated with processing and consumption of tung oil** in the period of 2023 - 2026 with a vision to 2030.
- After being certified with FSC for ecosystem services (FSC-ES), five SFCG Association's member units in the upland areas are now in the process of approaching the **voluntary payment for 7,000 tons of CO₂** with an expected rate of 10 Euros for one ton of CO₂, totally equivalent to about VND 1.5 billion per year.
- With 30,000 tons of FSC-certified bamboo, Quang Tri province has the opportunity to create a raw material area for Water Solutions South-East Asia (WSS) Co. Ltd. to produce about **10,000 tons of bamboo biochar** per year. This will create a commercial value for farmers and contribute to the long-term sequestration of 20,000 tons of CO₂ annually in biochar.
- The **community-based ecotourism model** associated with community-managed natural forests certified with FSC-ES opens up opportunities for community livelihood development associated with sustainable forest management.
- The Quang Tri SFCG Association has designed and operated a **smartphone application and a website database** for FSC certification for smallholder forest owners.
- The Quang Tri SFCG Association has facilitated its sub-associations to establish and operate **six nurseries of acacia seedlings, one nursery of indigenous timber species, one nursery of rattan seedlings, and one model of growing medicinal herbal species under the canopy of acacia plantation**.

Project 10: Improve the Quality of Tropical Fruit in Vietnam (implemented in provinces of Binh Thuan, Long An, Ben Tre and Dong Thap)

is sponsored by the Dutch government through RVO. It is supporting farmers to have good practices for the quality crop of Dragon fruit, Mango, and Pomelo. This project was delayed due to COVID-19 and waived for approval of the local authority. It started in 2022. Key achievements in 2023 include:

- Completed demonstration of 5 fruit pilot models including a Mango model in Dong Thap province with high success, 2 pomelo models in Ben Tre province and 1 Dragon fruit model in Long An with satisfied success, 1 Dragon fruit model in Binh Thuan with limited success.
- Organized 20 training courses (5 courses each province for 4 provinces) for 100 core farmers who benefited from the projects. Learning from the courses, farmers in project provinces already applied efficient technical guidelines on testing soil, irrigation, and using fertilizer, and pesticides in crops.
- Organized 4 Fruit Tech Innovation days in 4 provinces, with 100 participants for each event

1.2 Programs in Lao PDR

Programme 1: Together in action for mother and child health in Nong and Sepone districts, Savannakhet province

In early 2023, we received official approval from the Government of Laos for the implementation of the mentioned project, funded by AFAS Foundation. The implementation of the project activities accelerated well in order to compensate for the waiting time for the approval in 2022. Below is the overview of what we could achieve by the end of 2023 under this project.

Below are **Key achievements** gained under **Mother and Child Health** Project by the end of 2023:

- 90 (37 women) village health volunteers were selected, trained and started to provide village level support to the activities in 20 villages in Nong and Sepone districts.
- Monthly reporting by village health volunteers has improved much compared to other villages without project
- Vaccinations were administered for targeted population in the project villages
- 740 children U5 were monitored and measured for their growth:
- Pregnant women, new mothers and their children received home visits regularly by village health volunteers and health centre staff
- 1,238 villagers in 5 villages have access to clean water
- 479 households (2,979 villagers) have accessed to new latrines
- 80 households (989 villagers) in 6 villages having vegetables in their home gardens
- Village health volunteers are actively conducting on monthly home visit to pregnant women

Key lesson learned from Mother and Child Health Project in 2023 include:

- Many of the female village health volunteers cannot speak Lao (national language). Reading and writing in this national language is a big challenge for most of the village health volunteers. Our training activities for this group of people had to be adapted including longer time, more practical sessions, etc. After each training, follow-up coaching and support by staff from health centres and district level were provided to make sure the village health volunteers could apply what they learned from the training into practice. Also re-fresher or re-training of certain topics were provided if more village health volunteers were found with difficulties in understanding or applying the knowledge.

Annex B-2 Training courses, seminars and Webinars - 2023

| MCNV | Training course/ seminar/ webinar | By |
|--------------|--|--|
| MCNV Vietnam | Nguyen Dinh Dai PhD candidate on Food and Nutrition Security | Vrije University, Amsterdam, Netherlands |
| MCNV Vietnam | Vu Thi Hong Nhung PhD candidate on Climate change and Sustainable Development and Master on Human Resource Management | Vietnam National University, Hanoi, Vietnam National Economics University, Hanoi, Vietnam |
| MCNV Vietnam | Nguyen Thanh Tung FSC Ecosystem Services for Forest Managers Quang Tri, 20-23/2/2023 | Soil Association, UK |
| MCNV Vietnam | 1. Nguyễn Thị Thanh Thủy 2. Trần Thái Bình 3. Nguyễn Thị Hương Giang 4. Trần Thu Thủy Learning Dojo Strategic Track - Adaptive Management: Culture and Practices Hanoi, 4 April - 3 August, 2023 | USAID through USAID Learns |
| MCNV Vietnam | Tu Phi Yen French language - Hybride Course A1.1 & A1.2 January- March, 2023 | The French Institute in Vietnam |

Annex B-3 Risk Management

In 2023, MCNV identified, in our annual plan, the following risks, its potential impacts and mitigation strategies:

| Risks | Potential Impact | Strategy for mitigation |
|---|--|--|
| MCNV Vietnam do not have enough money for pre-finance to implement Inclusion projects | The schedule of MS will be missed. | - Making a detailed and specific cash-flow projection monthly in 2023. Continue improving the financial management experience from previous phase |
| No new funding to support CNV office after PROSPER | Most of the staff in CVN office will be out of contract | - Phase- budgeting on staffing with consideration on possibilities to get coverage from other sources. - Clear discussion with concerned staff to ensure that they are fully informed of the situation |
| Fruit project's technical inputs depends on goodwill of participating companies. | Unable to timely complete promised results if partner companies change their priority or arrange less resources to contribute in kind as committed.. | - Continue to involve and communicate regularly with partners. |
| No success in new funding/project proposals for Laos | Question on longer term programming in Laos due to lack of funding | - Continue to search for funding opportunities. - Clear targets included in the priorities and workplan of fund-raising advisors as well as whole organisational fund-raising priorities. - New project ideas turned in to multiple project proposals ready to pitch potential donors. |

ANNEX B4 – 2023 ANNUAL ACCOUNTS

B- 1. BALANCE SHEET 31 December 2023

| | | 31 December 2023 | | 31 December 2022 | |
|---|--|------------------|------------------|------------------|------------------|
| | | € | € | € | € |
| ASSETS | | | | | |
| <i>Fixed assets</i> | | | | | |
| | | | | | |
| Tangible fixed assets | | | 956 | | 1.485 |
| Financial fixed assets | | | 1.481.259 | | 1.148.234 |
| | | | <u>1.482.215</u> | | <u>1.149.719</u> |
| <i>Current assets</i> | | | | | |
| | | | | | |
| Receivables | | 150.494 | | 293.968 | |
| Cash and cash equivalents | | 875.162 | | 490.711 | |
| | | | <u>1.025.656</u> | | <u>784.679</u> |
| | | | | | |
| | | | <u>2.507.871</u> | | <u>1.934.398</u> |
| EQUITY AND LIABILITIES | | | | | |
| Foundation equity | | | | | |
| | | | | | |
| Continuity reserve | | 1.554.530 | | 1.057.508 | |
| Reserve for replacement of tangible fixed assets | | 956 | | 1.485 | |
| Reserve for development strategic goals 2021-2025 VN | | 0 | | 50.000 | |
| Reserve for development strategic goals 2021-2025 Lao | | 0 | | 110.000 | |
| Reserve for projects Lao | | 160.000 | | 0 | |
| Reserve for projects Vietnam | | 130.000 | | 0 | |
| Project reserve | | 5.081 | | 0 | |
| | | | <u>1.850.567</u> | | <u>1.218.993</u> |
| Appropriated funds | | | 391.509 | | 375.058 |
| | | | <u>2.242.076</u> | | <u>1.594.051</u> |
| <i>Provisions for liabilities and charges</i> | | | | | |
| | | | 30.854 | | 60.007 |
| <i>Short-term liabilities</i> | | | | | |
| | | | 234.941 | | 280.340 |
| | | | | | |
| | | | <u>2.507.871</u> | | <u>1.934.398</u> |
| | | | | | |

B-2. Consolidated Income Statement 2023

| | | Result | Budget | Result |
|--|--|------------------|------------------|------------------|
| | | 2023 | 2023 | 2022 |
| | | € | € | € |
| | | | | |
| | INCOME | | | |
| | Benefits from private individuals | 499.929 | 414.000 | 475.434 |
| | Benefits from companies | 9.300 | 12.208 | 13.941 |
| | Benefits from lottery organisations | 0 | 0 | 0 |
| | Benefits from governmental grants | 1.838.040 | 1.663.081 | 1.592.549 |
| | Benefits from related non-profit organizations | 0 | 0 | 0 |
| | Benefits from other non-profit organizations | 433.653 | 447.705 | 145.090 |
| | Benefits from products and consultancy | 19.660 | 93.089 | 269 |
| | Other income | 2.501 | 0 | 16.314 |
| | | | | |
| | Total Income | 2.803.083 | 2.630.083 | 2.243.597 |
| | | | | |
| | EXPENDITURES | | | |
| | | | | |
| | Expenses for Objectives | | | |
| | Structural project support | 2.332.893 | 2.530.724 | 1.970.406 |
| | Communication | 46.317 | 63.741 | 80.340 |
| | | 2.379.210 | 2.594.465 | 2.050.746 |
| | | | | |
| | Expenses for Fundraising | | | |
| | Expenses private fundraising | 83.252 | 82.071 | 81.466 |
| | Expenses for joint actions | 0 | 0 | 0 |
| | Expenses for actions by third parties | 0 | 0 | 0 |
| | Expenses for raising Governmental & Institutional grants | 0 | 0 | 0 |
| | Expenses for shares | 0 | 0 | 0 |
| | | 83.252 | 82.071 | 81.466 |
| | Expenses for Management & Administration | | | |
| | Expenses for Management & Administration | 48.426 | 72.913 | 65.069 |
| | | | | |
| | Total expenditure | 2.510.888 | 2.749.449 | 2.197.281 |
| | | | | |
| | Result before financial income and expenses | 292.195 | -119.366 | 46.316 |
| | | | | |
| | Financial income and expenses | 355.828 | 89.000 | -72.442 |
| | | | | |
| | Result | 648.023 | -30.366 | -26.126 |

| | | Result | Budget | Result |
|--|---|----------------|----------------|----------------|
| | | 2023 | 2023 | 2022 |
| | | | | |
| | The profit/loss has been charged to | | | |
| | the foundation equity as follows: | | | |
| | | | | |
| | <i>Appropriated funds</i> | | | |
| | Disability | 0 | 0 | -59.591 |
| | Canteen | 0 | 0 | -6.100 |
| | KBU | 0 | 0 | -28.776 |
| | Prosper | -4.610 | -18.000 | 48.744 |
| | US-AID Occupational Training | -55.169 | -64.000 | -13.303 |
| | US-AID Speech Therapy | 0 | 0 | -65.684 |
| | NSA VN / Lao | 6.720 | 0 | 11.713 |
| | Projectsupport Viet Nam | 14.293 | 40.000 | 9.993 |
| | Projectsupport Lao PDR | 4.722 | 40.000 | 10.000 |
| | FSN Nong / Sepone | 50.493 | 0 | 23.605 |
| | Laos Mother & Child | 0 | 0 | 106 |
| | | | | |
| | Balance change appropriated funds | 16.449 | -2.000 | -69.293 |
| | | | | |
| | Tangible fixed assets | -529 | 0 | -686 |
| | Continuity Reserve | 147.022 | -28.366 | 43.853 |
| | Continuity Reserve, additional allocation | 350.000 | 0 | 0 |
| | Project Reserve | | | |
| | - Development strategic goals 2021-2025 VN | -50.000 | 0 | 0 |
| | - Development strategic goals 2021-2025 Lao | -110.000 | 0 | 0 |
| | - Reserve projects Lao | 160.000 | 0 | 0 |
| | - Reserve projects Vietnam | 130.000 | 0 | 0 |
| | - Other | 5.081 | 0 | 0 |
| | Change Foundation EQUITY | 648.023 | -30.366 | -26.126 |

B-3. General Accounting Principles

General: the general principle for the valuation of assets and liabilities, as for determining the result, is the price of acquisition. Unless stated otherwise, assets and liabilities are shown at their nominal values. *Guideline for annual reporting 650 by the Dutch Accounting Standards Board:* MCNV's annual account was composed in accordance with this guideline.

Foreign Currencies: in the balance sheet, foreign currencies are converted to € at the exchange rate of the balance sheet date. Transactions in foreign currencies are converted to € at the exchange rate on the transaction date. Currency results from advances and settlements of projects are in general reported at that specific project under own activities structural project support.

Continuity: The general accounting principles used in these annual accounts are based on the continuity and risks analysis related to MCNV's operation. The organisation has sufficient liquidity, and its solvency is sufficient to cover losses in the short and medium term. For this reason, the continuity is for the time being not endangered.

Accounting Principles Balance Sheet

Tangible fixed assets: tangible fixed assets necessary for operational management are valued at acquisition value depreciated over their estimated lifetime. Depreciation is a fixed percentage of the acquisition value. Tangible fixed assets that are used directly in the context of the objective and can be charged to one specific project, will be charged directly to this project.

Stocks and shares: value of these is recorded at market value at the balance sheet date. Unrealized and realized differences in value are reported in the statement of income and expenses.

Receivables: receivables are recognized initially at fair value minus a provision in case they are unrecoverable. When a receivable is unrecoverable, it is written off.

Cash and cash equivalents: include cash-in-hand, bank balances and deposits held at call with maturities of less than 12 months. Cash and cash equivalents are stated at face value.

Equity

Continuity Fund and Project Reserve: part of the foundation's equity that is allocated to projects, allocated for replacement of tangible fixed asset or is used as a fund for the continuity of the organization.

Appropriated funds: Appropriated funds represent the value of income that is not yet spent, this income is acquired for a specific purpose. There is not yet a contractual obligation for these appropriated funds. Appropriated funds can be created by a decision of the director. The average percentage of fundraising costs for the last 3 years is seen as overhead contribution.

Lao Employment termination fund: Termination fund are accrued at 15% of employee's basic salary on a monthly basis. Upon termination of service, employees will receive a termination payment in accordance with the following rates:

| <i>Reason for termination</i> | <i>Length of service with MCNV</i> | <i>Termination payment</i> |
|--|------------------------------------|--|
| Dismissal | | None |
| Redundancy or Medical Disability | Between 1 and 11 complete months | 15% of monthly compensation package for each month of service |
| | Between 12 and 35 complete months | 15% of annual compensation package |
| | More than 35 months | 15% of annual compensation package in form of pension as described below |
| Other than Redundancy or Medical disability or Dismissal | Less than 12 complete months | None |
| | Between 12 and 23 complete months | 5% of annual compensation packages as pension |
| | Between 24 and 35 complete months | 10% of annual compensation packages as pension |
| | More than 35 months | 15% of annual compensation package as pension |

Monthly compensation package is calculated based on the employee's latest monthly basic salary. The annual compensation package is 12 times of monthly compensation package.

Pension provision: MCNV is member of PFZW, this is a pension fund based on the average salary the employee receives. In the annual account the pension contribution of MCNV is administered as a defined contribution arrangement. The premiums paid in a year are justified as expenses in that year. Future changes in pension contribution by the development of salaries, price indexation and return on investment of the income of the pension fund are a risk. In the balance sheet of MCNV these risks are not reflected in a provision. When a shortfall of PFZW occurs MCNV only has the obligation to pay higher future contributions, additional contributions are not applicable.

Liabilities: Short-term liabilities are liabilities with a maximum duration of one year. Long-term liabilities have a duration of more than one year.

Principles Determining the Result

Income

Donations, legacies, inheritances and benefits from actions are accounted for in the year in which the amounts were received.

Result from sales of goods is accounted for in the year in which the goods were sold.

Governmental & Institutional grants: are accounted for in the period in which they are awarded and its activities started. Difference between received and committed benefits from grants are accounted for in the statement of income and expenditure in the year the differences appear.

Result on Investments: the realized and unrealized value adjustments on investments, the related income and expenses from interest and any dividends received in the year.

Expenditure

Expenses for Objectives are included under own activities. Differences between paid and committed expenses from grants are included in the statement of income and expenditure in the year in which the differences appear. Received grants for programs that are not yet executed are accounted for as short-term liabilities. This way the grant remains available for program expenses to be spend. The actual costs at the balance sheet date and corresponding grants are accounted for in the statement of income and expenditure under 'Governmental & Institutional grants' and 'Structural project support'.

Staff expenses of MCNV are allocated to the various projects and objectives based on an estimate of the hours spent per project. MCNV's other implementation expenses are allocated to the project at the rate of the direct on behalf of the project or objective costs incurred.

Expenditure on behalf of the objective based on cash accounting: some institutional donors require financial reporting on the programs they fund based on cash accounting. To meet the requirements of the institutional donor the local auditor certifies the financial reports on cash accounting. Condition is that the subsidized projects have a duration of more than one year. To maintain the connection between the financial project reports to institutional donors and the other financial records, MCNV has chosen to only include those projects, on cash accounting, in the annual account when it is a requirement of the institutional donor.

Depreciation: depreciation of tangible fixed assets is calculated with 20 % - 33 $\frac{1}{3}$ % of the acquisition value.

B-4. Clarification of Balance Sheet 2023

| | | | | |
|---|--|-------------------|-------------------|------------|
| 1. BALANCE SHEET 31 December 2023 | | | | € |
| Tangible fixed assets | | | | 956 |
| Inventory | | | | |
| Purchase value 1 January 2023 | | | | 4.223 |
| Purchases 2022 | | | | 0 |
| | | | | 4.223 |
| Accumulated depreciation until 2022 | | 2.738 | | |
| Depreciation 2023 | | 529 | | |
| | | | | 3.267 |
| Balance as at 31 October 2023 | | | | 956 |
| The depreciation period for inventory is 3 or 5 years | | | | |
| | | 31/12/2023 | 31/12/2022 | |
| | | € | € | |
| FINANCIAL FIXED ASSETS | | 1.481.259 | 1.148.234 | |
| Shares | | | | |
| Value of shares 1 January | | 1.148.234 | 1.240.742 | |
| Value change | | 333.025 | -92.508 | |
| Value of shares 31 December | | 1.481.259 | 1.148.234 | |
| The portfolio: | | | | |
| BNP Netherlands Fund | | 176.112 | 156.850 | |
| Wolters Kluwer | | 1.305.147 | 991.384 | |
| | | 1.481.259 | 1.148.234 | |
| Receivables and accrued asset | | 150.494 | 293.968 | |
| Recapitulation | | | | |
| Dividend taxes | | 3.538 | 3.010 | |
| AFAS | | 42.719 | 0 | |
| Receivables/liabilities offices Viet Nam / Lao PDR | | 86.868 | 269.143 | |
| USAID / OT, Viet Nam | | 0 | 0 | |
| USAID / ITH, Viet Nam | | 0 | 0 | |
| Other receivables | | 10.771 | 15.212 | |
| Prepaid expenses | | 6.598 | 6.603 | |
| | | 150.494 | 293.968 | |
| <i>Taxes and social premiums payable</i> | | | | |
| Dividend taxes | | 3.538 | 3.010 | |

| | | 31/12/2023 | 31/12/2022 |
|--|--|----------------|----------------|
| | | € | € |
| AFAS | | | |
| Balance 1 january | | -41.343 | 0 |
| Received advances | | -203.917 | 0 |
| Calculated subsidy | | 287.979 | 0 |
| | | 42.719 | 0 |
| | | | |
| Receivables offices Viet Nam/Lao PDR | | | |
| Viet Nam | | 64.176 | 234.103 |
| Lao PDR | | 22.692 | 35.040 |
| | | 86.868 | 269.143 |
| | | | |
| <i>Other receivables</i> | | | |
| Various | | 10.771 | 15.212 |
| | | 10.771 | 15.212 |
| | | | |
| <i>Prepaid Expenses</i> | | | |
| Insurance and other fixed costs | | 6.598 | 6.603 |
| | | 6.598 | 6.603 |
| | | | |
| CASH AND CASH EQUIVALENTS | | | |
| | | | |
| <i>The Netherlands:</i> | | | |
| Cash | | 0 | 0 |
| Receivables NL | | | |
| Triodos Bank, account-courant 760 | | 132.856 | 49.600 |
| ABN-AMRO Bank N.V., account - courant 047 | | 43.121 | 59.065 |
| ABN-AMRO Bank N.V., US \$ account | | 2.143 | 2.143 |
| ABN-AMRO Bank N.V., account - courant 297 | | 138.607 | 38.919 |
| ABN-AMRO Bank N.V. Learn account-courant 209 | | 25 | 110 |
| ING bank 1090400 | | 59.357 | 40.375 |
| ING bank 1706415 | | 79.461 | 53.987 |
| Subtotal | | 455.570 | 244.199 |
| | | | |
| <i>Vietnam & Lao PDR:</i> | | | |
| Viet nam central bank | | 350.648 | 183.727 |
| Lao PDR office | | 68.944 | 62.785 |
| Subtotal | | 419.592 | 246.512 |
| | | | |
| TOTAL | | 875.162 | 490.711 |
| Cash and cash equivalents are for free disposal. | | | |

| | | 31/12/2023 | 31/12/2022 |
|--|--|------------------|------------------|
| | RESERVES AND FUNDS | € | € |
| | Balance 1 January | 1.057.508 | 1.013.655 |
| | Mutation | 147.022 | 43.853 |
| | Mutation, additional allocation | 350.000 | 0 |
| | Continuity Fund | 1.554.530 | 1.057.508 |
| | | | |
| | Appropriated Reserves | | |
| | Tangible fixed assets | 956 | 1.485 |
| | Development strategic goals 2021-2025 VN | 0 | 50.000 |
| | Development strategic goals 2021-2025 Lao | 0 | 110.000 |
| | Project reserve support Lao | 160.000 | 0 |
| | Project reserve Vietnam | 130.000 | 0 |
| | | 160.956 | 161.485 |
| | Tangible fixed assets | | |
| | Balance 1 January | 1.485 | 1.485 |
| | Supplement | 0 | 0 |
| | Withdrawal | -529 | 0 |
| | Balance 31 December | 956 | 1.485 |
| | | | |
| | Development strategic goals 2021-2025 VN | | |
| | Balance 1 January | 50.000 | 50.000 |
| | Supplement | 0 | 0 |
| | Aproved board to reserve projects Lao | -50.000 | 0 |
| | Balance 31 December | 0 | 50.000 |
| | | | |
| | Development strategic goals 2021-2025 Lao | | |
| | Balance 1 January | 110.000 | 110.000 |
| | Supplement | 0 | 0 |
| | Aproved board to reserve project Lao | -110.000 | 0 |
| | Balance 31 December | 0 | 110.000 |
| | | | |
| | Project reserve support Lao | | |
| | Balance 1 January | 0 | 0 |
| | Aproved board to reserve projects Lao | 160.000 | 0 |
| | Balance 31 December | 160.000 | 0 |
| | Project reserve support Vietnam | | |
| | Balance 1 January | 0 | 0 |
| | Profit from VN project | 130.000 | 0 |
| | Balance 31 December | 130.000 | 0 |
| | Project reserve, other | | |
| | Balance 1 January | 0 | 0 |
| | Supplement | 5.081 | 0 |
| | Balance 31 December | 5.081 | 0 |

| | | 31/12/2023 | 31/12/2022 |
|---|--|----------------|----------------|
| | | € | € |
| Appropriated funds | | | |
| CMD (srhr-sag) | | 23.846 | 23.846 |
| US-AID Occupational Training | | 9.686 | 64.855 |
| US-AID Speech Therapy | | 112.770 | 112.770 |
| Prosper MCNV contribution | | 44.135 | 48.744 |
| Project support Viet nam | | 24.590 | 10.296 |
| Project support Lao PDR | | 33.562 | 28.840 |
| NSA (CMH-VN) | | 39.888 | 33.168 |
| Mother & Child | | 28.934 | 28.934 |
| FSN Nong / Sepone | | 74.098 | 23.605 |
| Balance 31 December | | 391.509 | 375.058 |
| CMD (srhr-sag) | | | |
| Balance 1 January | | 23.846 | 29.946 |
| Funds Hekken to funds Prosper | | 0 | -6.100 |
| Received donations | | 0 | 0 |
| Contribution to overhead | | 0 | 0 |
| Spent on objective | | 0 | 0 |
| Balance 31 December | | 23.846 | 23.846 |
| US-AID / OT | | | |
| Balance 1 january | | 64.855 | 78.158 |
| Supplement | | 0 | 0 |
| Contribution to overhead | | 0 | 0 |
| Spent on objective | | -55.169 | -13.303 |
| Balance 31 December | | 9.686 | 64.855 |
| US-AID / ST | | | |
| Balance 1 january | | 112.770 | 178.454 |
| Supplement | | 0 | 0 |
| Spent on objective at the expense of MCNV | | 0 | -65.684 |
| Balance 31 December | | 112.770 | 112.770 |
| Prosper MCNV contribution | | | |
| Balance 1 January | | 48.744 | 0 |
| Received donations | | 16.725 | 51.030 |
| Correction 2021 | | 0 | -29.855 |
| Contribution to overhead | | -2.676 | -7.553 |
| Aproved board to funds Prosper | | 0 | 59.591 |
| Funds Hekken to funds Prosper | | 0 | 6.100 |
| Aproved board to funds Prosper | | 0 | 28.776 |
| Spent on objective | | -18.658 | -59.345 |
| Over-spent | | 0 | 0 |
| Balance 31 December | | 44.135 | 48.744 |

| | | 31/12/2023 | 31/12/2022 |
|---|--|---------------|---------------|
| | | € | € |
| Project support Vietnam | | | |
| Balance 1 January | | 10.296 | 303 |
| Received donations | | 19.221 | 11.729 |
| Contribution to overhead | | -3.075 | -1.736 |
| Spent on objective | | -1.852 | 0 |
| Balance 31 December | | 24.590 | 10.296 |
| Project support Lao PDR | | | |
| Balance 1 January | | 28.840 | 18.847 |
| Received donations | | 5.621 | 11.729 |
| Contribution to overhead | | -899 | -1.736 |
| Spent on objective | | 0 | 0 |
| Balance 31 December | | 33.562 | 28.840 |
| NSA (CMH-VN) | | | |
| Balance 1 January | | 33.168 | 21.455 |
| Received donations | | 8.000 | 19.866 |
| Contribution to overhead | | -1.280 | -2.940 |
| Spent on objective | | 0 | -5.213 |
| Balance 31 December | | 39.888 | 33.168 |
| Mother & Child | | | |
| Balance 1 January | | 28.934 | 28.828 |
| Received donations | | 0 | 125 |
| Contribution to overhead | | 0 | -19 |
| Spent on objective | | 0 | 0 |
| Balance 31 December | | 28.934 | 28.934 |
| FSN Nong / Sepone | | | |
| Balance 1 January | | 23.605 | 0 |
| Received donations | | 60.111 | 27.705 |
| Contribution to overhead | | -9.618 | -4.100 |
| Spent on objective | | 0 | 0 |
| Balance 31 December | | 74.098 | 23.605 |
| MCNV organised several fundraising activities in 2023 to raise funds for a specific objective. These funds will only be allocated to that specific objective. | | | |
| The appropriated reserves were charged with a contribution in overhead costs. This contribution was a percentage of the received income from fundraising, the average percentage costs for fundraising over the previous three years (17,2% over the years 2021 till 2023). | | | |

| | | 31/12/2023 | 31/12/2022 |
|---|--|----------------|----------------|
| | | € | € |
| Provisions for liabilities and charges | | | |
| Employee termination fund Lao PDR | | | |
| Balance 1 January | | 60.007 | 63.753 |
| Provision made during the year | | 7.409 | 7.787 |
| Gain on exchange rate of reserved fund | | -36.562 | 0 |
| Paid during the year | | 0 | -11.533 |
| | | <u>30.854</u> | <u>60.007</u> |
| Short-term liabilities | | | |
| Recapitulation | | | |
| Creditors | | 403 | 6.247 |
| AFAS | | 0 | 41.343 |
| We program donor | | 18 | 18 |
| BIJPO programme GSRD | | 32.208 | 36.763 |
| European Commission Prosper | | 0 | 28.443 |
| CA St. Bisschop Bekkers | | 250 | 250 |
| RVO Tropical Fruit | | 98.958 | 72.010 |
| Other grants in advance | | 5.407 | 4.375 |
| Other short-term liabilities and prepayments | | 62.319 | 65.625 |
| Other-short-term liabilities Viet Nam / Lao PDR | | 35.378 | 25.266 |
| | | <u>234.941</u> | <u>280.340</u> |
| Creditors | | <u>403</u> | <u>6.247</u> |
| AFAS | | | |
| Balance 1 january | | 41.343 | 52.480 |
| Received advances | | 203.917 | 52.479 |
| Calculated subsidy | | -287.979 | -63.616 |
| Receivable | | 42.719 | 0 |
| | | <u>0</u> | <u>41.343</u> |
| WE program donor | | | |
| Balance 1 january | | 18 | 5.331 |
| Received advances | | 0 | 0 |
| Calculated subsidy | | 0 | -5.313 |
| | | <u>18</u> | <u>18</u> |
| BIJPO programme GSRD | | | |
| Balance 1 january | | 36.763 | 0 |
| Received advances | | 65.000 | 75.000 |
| Calculated subsidy | | -69.555 | -38.237 |
| Receivable | | 0 | 0 |
| | | <u>32.208</u> | <u>36.763</u> |

| | | 31/12/2023 | 31/12/2022 |
|--|--|------------|------------|
| | | € | € |
| European Commission Prosper | | | |
| Balance 1 january | | 28.443 | 114.877 |
| Received advances | | 31.466 | 104.064 |
| Calculated subsidy | | -59.895 | -190.498 |
| Difference | | -14 | 0 |
| | | 0 | 28.443 |
| CA St. Bisschop Bekkers | | | |
| Balance 1 january | | 250 | 6.340 |
| Received advances | | 0 | 0 |
| Calculated subsidy | | 0 | -6.090 |
| | | 250 | 250 |
| RVO Tropical fruit | | | |
| Balance 1 january | | 72.010 | 134.980 |
| Received advances | | 110.000 | 0 |
| Calculated subsidy | | -83.052 | -62.970 |
| | | 98.958 | 72.010 |
| Other grants in advance | | | |
| Balance 1 january | | 4.375 | 0 |
| Received advances | | 70.910 | 14.210 |
| Calculated subsidy | | -69.878 | -9.835 |
| | | 5.407 | 4.375 |
| Other short-term liabilities | | | |
| Holiday allowance/Holiday leave | | 14.565 | 18.987 |
| Income tax | | 2.122 | 2.990 |
| Pension fund | | 2.668 | 3.739 |
| Auditors fee | | 35.393 | 34.328 |
| Administration office | | 7.505 | 5.476 |
| Others | | 66 | 105 |
| | | 62.319 | 65.625 |
| Other short-term liabilities Viet Nam / Lao PDR | | | |
| Viet Nam | | 35.378 | 25.266 |
| Lao PDR | | 0 | 0 |
| | | 35.378 | 25.266 |

Off-balance sheet Rights and Obligations

Rights

Donations with an agreement periodic gift: Donations to an ANBI organization, like MCNV, can be tax deduct, under the condition that an agreement for a periodic gift for a period of at least five years is signed, using the format of the Dutch Tax authority. On 31 December 2023, the total of donations registered with such an agreement was € 96,393. These donations are specified in the statement of Income and Expenditure

PROSPER – Sustainable forest management is a three-year (15 Feb 2020 – 14 FEB 2023) EU funded project to strengthen sustainable forest management that contributes to achieving target of REDD+ provincial and national program in Quang Tri province, Vietnam. MCNV's co-financing requirement in this is 25 %, or Euro 200,000. This contribution is covered by MCNV's private donations and other sources as appropriate and allowable. The contract was signed for an amount of Euro 800,000

US-AID - Handicap International - Vietnam Advancing Leadership on Rehabilitation (VALOR) a five-year program funded by US-AID, Handicap International is the lead partner, MCNV a subcontractor. The program started August 2015 and Phase 1 has ended according to plan on 30 September 2020. The contract as signed in 2015 was for an amount of US\$ 1,153,618. MCNV's committed cost share in this is 15% (US\$ 173.043) covered by contribution from an undisclosed Dutch family fund. For Phase II MCNV signed a next subcontract for the period 30 September 2021 – 29 September 2023. for the amount of US\$ 343,823, being 85% of the total project budget. MCNV contributes 15% being US\$ 69,255. covered by contribution from an undisclosed Dutch family fund.

Tropical Fruit - In July 2020 MCNV signed a contract with Dutch governmental organisation RVO, for the project 'Impact Cluster Quality Improvement Tropical Fruit Vietnam', for the period 1 September 2020 – 1 September 2023. Because of Covid-19 related delays in the start-up phase the end date has been postponed until 31 August 2024. Total amount signed for is € 449,475

Obligations

Rental contract Since November 2021, MCNV rents a "virtual office "at H.J.E Wenckebachweg in Amsterdam for official registration, registration of our phone number and a mailbox. Costs per month for this is € 91 .

Pension provision- MCNV is member of the PFZW pension fund, risks (obligations) for MCNV in participating in PFZW are not shown as provision in the balance.

B-4.5. Classification of Statement of Income and Expenditure 2023

| | Result 2023 | Budget 2023 | Result 2022 |
|--|----------------|----------------|----------------|
| | € | € | € |
| Benefits from private individuals | 499.929 | 414.000 | 475.434 |
| Actions donations | 101.678 | 84.000 | 104.233 |
| Non-specific donations | 269.493 | 220.000 | 270.264 |
| Specific donations | 8.000 | 10.000 | 18.050 |
| Inheritance and legacies | 120.758 | 100.000 | 82.887 |
| Total | 499.929 | 414.000 | 475.434 |
| Actions donations | | | |
| Prosper MCNV contribution | 16.725 | 0 | 50.980 |
| NSA Phu Yen | 0 | 0 | 1.866 |
| MCNV General | 0 | 24.000 | 0 |
| Mother & Child | 0 | 0 | 125 |
| Nong / Sepone | 60.111 | 0 | 27.704 |
| Project support Vietnam / Laos | 24.842 | 60.000 | 23.458 |
| Other | 0 | 0 | 0 |
| Total | 101.678 | 84.000 | 104.133 |
| Benefits from products and consultancies | | | |
| <i>Results from sales of goods</i> | | | |
| Netto turnover | 19.660 | 93.089 | 269 |
| less: cost price | 0 | 0 | 0 |
| Gross result | 19.660 | 93.089 | 269 |
| Benefits from companies | | | |
| Fundraising NLD | 0 | 0 | 0 |
| Fundraising Viet Nam | 9.300 | 0 | 13.941 |
| Fundraising Lao PDR | 0 | 12.208 | 0 |
| Total | 9.300 | 12.208 | 13.941 |
| Benefits from governmental grants | | | |
| <i>Registered on transaction base</i> | | | |
| NLD EU / Canteen / Food Security and Nutrition (FS | 0 | 0 | 80.846 |
| NLD EU / Prosper | 59.909 | 0 | 190.499 |
| NLD RVO / Tropical Fruit | 83.052 | 105.445 | 62.970 |
| VN US-AID / OT | 73.557 | 82.410 | 112.079 |
| VN US-AID / ST | 0 | 0 | 175.127 |
| VN US-AID / I-Thrive | 0 | 0 | 44.853 |
| VN US-AID / INCL1 - CCIHP | 1.192.553 | 1.475.226 | 505.170 |
| VN US-AID / INCL2 - CCRD | 78.623 | 0 | 301.268 |
| VN US-AID / INCL3 - CSIP | 157.967 | 0 | 119.737 |
| VN US-AID / INCL2-HI | 192.379 | | |
| Other | 0 | 0 | 0 |
| | 1.838.040 | 1.663.081 | 1.592.549 |



| | | Result | Budget | Result |
|--|---|------------------|------------------|------------------|
| | Benefits from other non-profit organizations | 2023 | 2023 | 2022 |
| | Fundraising Vietnam | 0 | 0 | 0 |
| | NLD GSRD / BIJPO | 69.555 | 80.486 | 38.237 |
| | NLD Hulza | 3.990 | 0 | 9.835 |
| | NLD VU / BIJPO | 35.299 | 0 | 0 |
| | NLD SBB | 0 | 0 | 6.089 |
| | NLD AFAS | 287.979 | 367.219 | 63.616 |
| | NLD BF / Nasa | 0 | 0 | 20.000 |
| | NLD JS / CMD | 0 | 0 | 5.313 |
| | NLD Stichting Joh. Donk | 0 | 0 | 2.000 |
| | NLD Rabobank / RBF | 19.578 | 0 | 0 |
| | NLD Triodosbank / Laos | 9.000 | 0 | 0 |
| | VN FSC&FSM | 8.252 | 0 | 0 |
| | | 433.653 | 447.705 | 145.090 |
| | Others | | | |
| | Interest bankaccounts | 0 | 0 | -564 |
| | NL Currency result | 0 | 0 | 0 |
| | NL Other | 0 | 0 | 23.495 |
| | VN Currency result | 0 | 0 | 11.585 |
| | VN Other | -17.236 | 0 | 9.203 |
| | Lao Other | 19.737 | 0 | -30.742 |
| | Other income | 0 | 0 | 3.337 |
| | | 2.501 | 0 | 16.314 |
| | Income | 2.803.083 | 2.630.083 | 2.243.597 |

| EXPENSES FOR OBJECTIVES | | | | |
|--------------------------------------|------------------|------------------|------------------|--|
| | Result | Budget | Result | |
| Structural project support | 2023 | 2023 | 2022 | |
| Programs | 2.235.173 | 2.363.093 | 1.860.037 | |
| Other project expenses | 0 | 0 | 5.992 | |
| <i>Grants and contributions</i> | <u>2.235.173</u> | <u>2.363.093</u> | <u>1.866.029</u> | |
| VNM - WE GSRD / Jumpstar / MFM / UPS | 0 | 0 | 43.450 | |
| VNM - CBR PWC | 9.300 | 12.208 | 9.705 | |
| VNM - US-AID / OT | 73.557 | 82.410 | 125.652 | |
| VNM -US-AID / ST | 0 | 0 | 240.787 | |
| VNM - US-AID / I-Thrive | 0 | 0 | 44.853 | |
| VNM - NSA/PY | 0 | 0 | 20.306 | |
| VNM - CMD | 3.990 | 7.000 | 15.148 | |
| VNM - EU Prosper | 76.230 | | 252.861 | |
| VNM - CBR SBB | 0 | 0 | 6.090 | |
| VNM - CBR | 1.852 | 2.010 | 0 | |
| VNM - RVO / Tropical Fruit | 41.286 | 61.245 | 32.054 | |
| VNM - Agroforest | 0 | 0 | 4.203 | |
| VNM - Inclusion 1 | 1.023.565 | 1.103.814 | 505.170 | |
| VNM - Inclusion 2 | 224.092 | 371.412 | 301.269 | |
| VNM - Inclusion 3 | 140.754 | 0 | 119.737 | |
| VNM - BIJPO | 104.854 | 115.786 | 0 | |
| VNM - Rabobank / Acorn | 19.579 | 0 | 0 | |
| VNM - RCB | 55.169 | 101.000 | 0 | |
| VNM - Other | 122.201 | 57.789 | 18.573 | |
| NL - RVO / Tropical Fruit | 41.765 | 44.200 | 30.916 | |
| NL - KIND / Tropical Fruit | 0 | 0 | 23.494 | |
| LAO - FSN - Canteen | 0 | 0 | 2.153 | |
| LAO - FSN - AFAS | 296.979 | 404.219 | 63.616 | |
| Subtotal | <u>2.235.173</u> | <u>2.363.093</u> | <u>1.860.037</u> | |
| Total | 2.235.173 | 2.363.093 | 1.860.037 | |
| Other project expenses | 0 | 0 | 5.992 | |
| Subsidies and contribution | <u>2.235.173</u> | <u>2.363.093</u> | <u>1.866.029</u> | |



| | | | |
|--------------------------------------|-----------|-----------|-----------|
| Staff expenses | 70.045 | 129.077 | 76.364 |
| Housing expenses | 7.849 | 13.845 | 8.762 |
| Office and general expenses | 19.621 | 24.522 | 19.021 |
| Depreciation and interest | 205 | 187 | 230 |
| | | | |
| Totale structural project support | 2.332.893 | 2.530.724 | 1.970.406 |
| | | | |
| Financial income and expenses | | | |
| <i>Shares</i> | | | |
| Result on change in value | 333.025 | 70.000 | -92.508 |
| Dividend shares | 23.589 | 19.000 | 20.066 |
| | 356.614 | 89.000 | -72.442 |
| Received interest | 309 | 0 | 0 |
| Investment costs | -1095 | 0 | 0 |
| | 355.828 | 89.000 | -72.442 |
| | | | |
| Staff expenses | | | |
| Salaries | 503.625 | 498.248 | 530.445 |
| Social securities | 93.272 | 138.564 | 124.743 |
| Pensions | 18.440 | 0 | 22.435 |
| Other staff expenses | 37.086 | 45.099 | 17.583 |
| | 652.423 | 681.911 | 695.206 |
| Charged staff expenses | -495.517 | -457.186 | -513.165 |
| Total | 156.906 | 224.725 | 182.041 |
| | | | |
| Number of FTE | | | |
| The Netherlands | 1,42 | 1,80 | 1,80 |
| Viet nam | 20,41 | 21,50 | 20,50 |
| Lao PDR | 4,00 | 4,00 | 4,83 |
| Total | 25,83 | 27,30 | 27,13 |
| | | | |

B-6. Clarification of Allocation Of Costs

Grants and Contributions: Grants and Contributions were entirely allocated to direct project expenses.

Communication: Costs refer to three activities: structural project support, communication and fundraising. At the moment of spending the costs were allocated to one of these activities. The only exception is MCNV's quarterly newsletter, these costs were allocated as follows:

- 60% of the total costs are communication costs
- 40% of the total costs are fundraising costs

Staff expenses: For each staff member was determined annually how much of his/ her time (percentage) was for direct (project) costs and how much was indirect. Each staff member filled in a time registration sheet. A calculation was made of direct versus indirect time, to calculate the hourly rate.

Housing expenses: In Amsterdam, the housing expenses are spread over all activities. Starting point is to allocate staff costs from the Amsterdam office to activities. Housing expenses in Vietnam and Lao PDR are allocated entirely to structural project support.

Office and General expenses: Office and general expenses can be divided in:

- Expenses that are entirely allocated to Management & Administration
- Expenses with staff costs of the Amsterdam office as starting point
- Expenses with a fixed allocation for each general ledger account
- Expenses for which the allocated activity will be determined for each booking

Office and General expenses in Vietnam and Lao PDR are allocated entirely to structural project support.

Depreciation and interest

In Amsterdam, the depreciation and interest are spread over all activities. Starting point is to allocate staff costs from the Amsterdam office to activities.

| Destination category of expenditure 2023 | Expenditure towards objective | | Expenditure towards fundraising | | | | | Management & Admin | Total |
|--|-------------------------------|---------------|---------------------------------|---------------|---------------|----------|-------------|--------------------|------------------|
| | Structural project support | Communication | Own fundraising | Joint actions | Third parties | Grants | Investments | | |
| Revised Budget 2023 € | | | | | | | | | |
| Grants | 2.363.093 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2.363.093 |
| Contributions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Procurements | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Outsourcing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Communication | 0 | 27.650 | 12.400 | 0 | 0 | 0 | 0 | 0 | 40.050 |
| Staff expenses | 129.077 | 30.057 | 54.628 | 0 | 0 | 0 | 0 | 10.963 | 224.725 |
| Housing Expenses | 13.845 | 433 | 787 | 0 | 0 | 0 | 0 | 158 | 15.223 |
| Office & General expenses | 24.522 | 5.503 | 14.077 | 0 | 0 | 0 | 0 | 61.756 | 105.858 |
| Depreciation and interest | 187 | 98 | 179 | 0 | 0 | 0 | 0 | 36 | 500 |
| Total | 2.530.724 | 63.741 | 82.071 | 0 | 0 | 0 | 0 | 72.913 | 2.749.449 |
| | | | | | | | | | |
| Destination category of expenditure 2023 | Expenditure towards objective | | Expenditure towards fundraising | | | | | Management & Admin | Total |
| | Structural project support | Communication | Own fundraising | Joint actions | Third parties | Grants | Investments | | |
| Actual results 2023 | | | | | | | | | |
| Grants | 2.235.173 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2.235.173 |
| Contributions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Procurements | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Outsourcing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Communication | 0 | 13.937 | 18.236 | 0 | 0 | 0 | 0 | 0 | 32.173 |
| Staff expenses | 70.045 | 26.419 | 52.151 | 0 | 0 | 0 | 0 | 8.291 | 156.906 |
| Housing Expenses | 7.849 | 198 | 390 | 0 | 0 | 0 | 0 | 62 | 8.499 |
| Office & General expenses | 19.621 | 5.665 | 12.281 | 0 | 0 | 0 | 0 | 40.041 | 77.608 |
| Depreciation and interest | 205 | 98 | 194 | 0 | 0 | 0 | 0 | 32 | 529 |
| Total | 2.332.893 | 46.317 | 83.252 | 0 | 0 | 0 | 0 | 48.426 | 2.510.888 |

| Destination category of expenditure 2022 | Expenditure towards objective | | Expenditure towards fundraising | | | | | Management & admin | Total |
|--|-------------------------------|---------------|---------------------------------|---------------|---------------|----------|-------------|--------------------|------------------|
| | Structural project support | Communication | Own fundraising | Joint actions | Third parties | Grants | Investments | | |
| Actual results 2022 € | | | | | | | | | |
| Grants | 1.866.029 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1.866.029 |
| Contributions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Procurements | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Outsourcing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Communication | 0 | 39.982 | 12.464 | 0 | 0 | 0 | 0 | 0 | 52.446 |
| Staff expenses | 76.364 | 34.863 | 56.327 | 0 | 0 | 0 | 0 | 14.487 | 182.041 |
| Housing expenses | 8.762 | 154 | 248 | 0 | 0 | 0 | 0 | 64 | 9.228 |
| Office & general expenses | 19.021 | 5.191 | 12.184 | 0 | 0 | 0 | 0 | 50.455 | 86.851 |
| Depreciation and interest | 230 | 150 | 243 | 0 | 0 | 0 | 0 | 63 | 686 |
| Total | 1.970.406 | 80.340 | 81.466 | 0 | 0 | 0 | 0 | 65.069 | 2.197.281 |
| | | | | | | | | | |

ANNEX B5: CONTROL STATEMENT INDEPENDENT AUDITOR

INDEPENDENT AUDITOR'S REPORT

To: The Management and the Supervisory Board of Stichting Medisch Comité Nederland-Vietnam

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

Our opinion

We have audited the financial statements 2023 of Stichting Medisch Comité Nederland-Vietnam based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting Medisch Comité Nederland-Vietnam as at 31 December 2023 and of its result for 2023 in accordance with the 'RJ-Richtlijn 650 Fondsenwervende Organisaties ' (Guideline for annual reporting 650 'fundraising organisations' of the Dutch Accounting Standards Board).

The financial statements comprise:

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

Basis for our opinion

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

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

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

Report on the other information included in the annual report

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

The other information consists of:

- the management board report
- the other information

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

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

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

Management is responsible for the preparation of the other information, in accordance with 'RJ-Richtlijn 650 Fondsenwervende Organisaties ' (Guideline for annual reporting 650 'fundraising organisations' of the Dutch Accounting Standards Board).

Description of responsibilities regarding the financial statements

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the 'RJ-Richtlijn 650 Fondsenwervende Organisaties ' (Guideline for annual reporting 650 'fundraising organisations' of the Dutch Accounting Standards Board). Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Our responsibilities for the audit of the financial statements

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

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users

taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

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

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

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

Rotterdam, June 22 2024

Coney Assurance B.V.

A handwritten signature in black ink, appearing to read 'N.C. Kaspers-Broekhuizen', is written over a circular blue stamp that contains the word 'VERBODEN' (Prohibited).

N.C. Kaspers-Broekhuizen MSc RA