

annual accounts 2019

DRAFT

dr. Denis Mukwege Foundation
The Hague

date 1 July 2020
reference 20-560/SR

Table of contents

	<u>Page</u>
<u>Board report</u>	1
<u>Financial report</u>	
A. Balance sheet	8
B. Statement of income and expenditure	9
C. Cash flow statement	10
D. Accounting principles	11
E. Notes to the balance sheet	13
F. Notes to the statement of income and expenditure	18
G. Ratios	27
<u>Other information</u>	
Independent auditor's report	28
<u>Appendix</u>	
Summary of liabilities and receivables of the projects	

Board Report

Mission and Vision

The Foundation supports survivors' demands for a world where sexual violence as a weapon of war is no longer tolerated, and bears consequences for individual perpetrators and states. We work for a future where survivors receive the holistic care & compensation they need to rebuild their lives. We create opportunities for survivors to speak out and be heard, and where they can organise to create change, influence policies, and demand justice.

We are working towards a future where sexual violence in conflict is no longer seen as inevitable, but is recognised for what it is: a crime that should have consequences. We want the international community to draw a line against wartime sexual violence and to hold states and individuals accountable.

Accountability

All powers and responsibilities of the Mukwege Foundation are vested in the Board, the decision-making body of the Foundation. The Director is responsible for the day-to-day management of the organisation. Our governance principles are described in our statutes and internal procedures. These documents state, inter alia, which decisions require the Board's approval and which responsibilities are delegated to the Director.

Monitoring progress

The Mukwege Foundation's activities are based on a multi-year strategic plan, which is further detailed in annual plans and budgets that are approved by the Board. The objectives of our organisation are divided into five programmes:

- 1) Advancing Justice and Accountability
- 2) Promoting Holistic Care for Survivors
- 3) Campaigning and Advocacy
- 4) Connecting Survivors
- 5) Supporting Panzi DRC

We seek to acquire funding to implement projects in each area. Monitoring progress towards realisation of our goals is done within these projects according to donor requirements. The Board monitors organisational progress via quarterly meetings and by analysing quarterly financial income and expenditure reports.

Board composition 2019

Marieke van Schaik

Chair

Profession: Secretary General of The Netherlands Red Cross

Additional functions: Board member of the Foundation Centre in New York, member of the Advisory Council of The Elders Foundation and the Roosevelt Foundation.

Ellen Bien

Treasurer

Profession: Chief Financial Officer of the Ministry of Defence in The Netherlands

Additional functions: None.

Adriana van Dooijeweert

Secretary

Profession: Chair of the Netherlands Institute for Human Rights

Additional functions: Chair of the Netherlands Migration Law Foundation, Deputy Judge to The Hague District Court, Member of the Advisory Council of the Netherlands Network for Human Rights Research.

Julie Verhaar

Board member

Profession: Deputy Secretary General and acting Secretary General at Amnesty International.

Additional functions: Chair of the Steering Group of the International Fundraising Leadership Forum, Panel member of the International Fundraising Conference (IFC) with the Resource Alliance.

Recruitment

Our Board members are high-level individuals who lend the Mukwege Foundation influence, access and expertise to support the achievements of its objectives. Board members are recruited based on their knowledge in fields such as media and public affairs, fundraising, financial management, human rights, and NGO management. In 2019, two Board members stepped down (Ron Thiemann and Wim Jacobs), and two new Board members joined: Ellen Bien and Adriana van Dooijeweert.

Board activities in 2019

In 2019 the Board convened four times, and additionally, Board members devoted significant time to supporting the organisation with their respective skills. A particular important Board meeting was scheduled when Dr Mukwege visited The Netherlands on the 4th of July 2019. Strategic direction was discussed, and Dr Mukwege was able to thank the Board members who were stepping down and welcome the new Board members to the team.

Remuneration

Board members are not remunerated for Board related activities but may claim compensation for reasonable expenses. In 2019 this was not the case.

Main achievements and the way forward

The Board is pleased with the organisational developments and achievements in 2019. Following the awarding of the Nobel Peace Prize to Dr Mukwege and Nadia Murad in 2018, a year of joint advocacy initiatives culminated into the establishment and launch of the Global Survivors Fund in Geneva in October 2019, a major step in enhancing survivors' access to reparations as part of transitional justice processes around the world.

Furthermore, the Board is pleased with the organisation's progress in supporting and expanding the Global Survivor Network *SEMA* (meaning "Speak Out" in Swahili), which now includes survivors from 22 countries, and the progress made by affiliated survivor networks in a range of war-affected countries. It envisions to support an increased number of national survivors' network in the years to come.

The Board greatly encourages the organisation's survivor-centred approach and the genuine survivor participation in all its work. As we move forward in 2020, we will continue to work side by side with survivors, focussing in particular on improving access to holistic care worldwide. The organisation is reaching a different phase of maturity and size and the Board supports the investment in staff and policies required to sustain this growth. It also supports the establishment of a Survivor Advisory Board next year.

Interaction with stakeholders

Through our communications, we stimulate our stakeholders to "stand with survivors" as allies, and advocate for change. This table below provides a summary of our key stakeholders and how we interact with them.

Stakeholders	Interaction
Institutional donors, lotteries and foundations	Regular progress reports (both narrative and financial) as stipulated in contracts, evaluation meetings
Individual donors	Regular updates through our website, newsletter and social media channels
Governments	Advocacy meetings (often with survivors), convenings
General public	Campaigns, articles in various media
Survivors and their networks	Regular meetings, internal platforms
Employees, interns and volunteers	Annual retreat for strategic planning, regular staff meetings, development of individual work plans, progress evaluation meetings

Financial Management

Income

	2019	%	2018	%	2017	%	2016	%
Total income	3,987,003		2,225,220		1,075,659		749,859	
of which core-funding	1,299,737	23	731,277	33	584,461	54	514,586	69
of which project funding	2,687,266	67	1,493,943	67	491,198	46	235,273	31

2019 was a successful year for the Mukwege Foundation. Being still a relatively young organisation, we are pleased to see a substantial growth in income in 2019, which allowed us to further expand our work with survivors worldwide. The total income of € 3,987,003 in 2019 was more than 1M EUR higher than our projected income for this year, and significantly higher than our income in 2018. In total, our annual income increased with € 1,761,783 compared to last year.

This difference is partly the result of an increase in project funding, as we received increased amounts of funding from other non-profit organisations and foundations, as well as from governmental organisations. With regard to our core-funding, following a positive evaluation of our work, the Dutch Postcode Lottery increased our core-funding to € 900,000 per year, and our income raised from individual donors continued to increase.

Expenditure

	2019	%	2018	%	2017	%	2016	%
Total expenditure	2,686,794		2,149,565		999,717		573,807	
on objectives	2,522,727	93.8	1,987,757	92.5	899,132	89.9	388,479	67.7
on fundraising	66,484	2.5	49,362	2.3	24,436	2.4	56,619	9.9
on man. and adm.	97,583	3.7	112,446	5.2	76,149	7.6	128,709	22.4

This increase in income allowed us to allocate more resources to our organisational objectives, both in absolute figures (from € 1,987,757 in 2018 to € 2,522,727 in 2019) as well as percentage-wise (from 92.5% in 2018 to 93.8% in 2019). Since the initial years of the organisation (not considering 2016 as this was our start-up year), we managed to keep our fundraising costs low (around 2.5%) and have been able to further decrease our expenditure on management and administration (to 3.7% in 2019).

Risks and assumptions

Being a relatively young organisation, initial success in fundraising cannot be taken for granted in the future. In the coming years, we will continue to diversify and expand our donor base, in order to keep a sound ratio between core-funding and project funding, and annual and multi-annual projects.

The projections for 2020 are positive, but of course it remains to be seen whether we can sustain (managed) growth, also in light of the Covid-19 pandemic that is affecting funding abilities of both governments and foundations. To achieve financial sustainability, we will continue to invest in long-term relationships with our donors, in staff capacity, and build up our continuity reserve.

Though raising income from individual donors was not our primary goal, we were pleased to see this income increasing over the past year. We launched our initial campaigns online, which were well-received. Through our website, individual donors can earmark whether their donation is meant for Panzi in DRC, or the international work of the Mukwege Foundation.

As our income from individual donors is non-earmarked and as such provides the Mukwege Foundation and Panzi with more flexibility in deciding how to spend it, it is highly desirable to grow this income stream further.

Financial policies and reserves

Investment Policy

The Mukwege Foundation's policy is to not invest any of its reserves.

Continuity reserve (to achieve financial sustainability of the organisation)

In the first two years of operations (2016 and 2017), relatively small operational losses were anticipated and considered acceptable in order to invest in building up the organisation. The amounts were in line with expectations and reflected as a negative reserve in the annual accounts. In 2018 and 2019, positive results were realised, allowing us to start building up a continuity reserve as from 2018, to improve the financial sustainability of the organisation. This financial reserve has reached a maximum of 1.0 times the operational costs of the organisation, as per the Dutch "Guideline Financial Management of Charities (Richtlijn Financieel Beheer Goede Doelen)". In 2019, we allocated € 122,112 to this reserve, which currently amounts to € 721,296.

Designated Reserve (to fund a Global Survivor Retreat in 2020)

In 2019, the Mukwege Foundation decided to use part of its positive financial result to establish a designated reserve in order to be able to organise, among others, a Global Survivor Retreat in 2020. This reserve amounts to € 536,222.

Designated Funds (to implement projects for survivors)

We distinguish two types of designated funds: funds awarded to Dr Mukwege personally, and funds awarded to the Foundation for specific projects. In both cases, the spending of the funds is subject to conditions of third parties.

The *Dr Mukwege Fund* consists of funds awarded to Dr Mukwege personally, such as speaking fees, peace awards and prizes, and it will be spent on future projects for survivors related to their socio-economic reintegration. The exact nature, scope and timing will be decided in close collaboration with Dr Mukwege. In 2019, this fund increased to € 912,108, largely due to the receipt of the Nobel Peace Prize.

The Foundation's *designated project funds* are subject to various conditions set by its respective donors, and usually concern funds received in advance for multi-annual projects that will be spent in next years according to planned project activities.

Fundraising

In 2019, fundraising efforts were very successful: while in 2018 we contracted projects for a total value of around 2.4 million EUR, in 2019 this increased to 7.0 million EUR. This is largely due to the successful fundraising for the establishment of a *Global Survivors Fund* in Geneva. During the Fund's start-up phase, culminating in its official launch in October 2019, the Mukwege Foundation managed 4 projects on the Fund's behalf.

This means that we were not only successful in acquiring funds to continue the international activities of the Mukwege Foundation, but also in supporting the launch of the Global Survivors Fund in Geneva, and in providing support to Panzi in DRC, as shown in the table below:

Projects acquired in 2019 - total budgets (rounded off)		for Panzi	for MF	Subject
Dutch Postcode Lottery - 2019	900.000		900.000	Core funding
Fond. Grand Duchesse Luxembourg 2019	74.000		74.000	Global Survivor Movement
Ville de Geneve - 2019	39.000	27.000	12.000	Panzi - Common Threads II
OIF - 2019	30.000		30.000	Global Survivor Movement
OSF 2019	70.000		70.000	Global Survivor Movement
UK government - 2019	62.000	38.000	24.000	Preparation pilot project reparations DRC
Amplify Change - 2019/2021*	550.000	481.000	69.000	Support survivor movement DRC
Grand Challenges - 2019/2021*	66.000	66.000		Panzi/survivor movement - Livelihoods
Panzi USA - 2019	44.000		44.000	Support preparation Global Survivors Fund
Fondation Pluralisme- 2019	889.000	732.000	157.000	Democracy project DRC and advocacy
Fondation Elle - 2019	14.000		14.000	Core funding
Sanofi - 2019/2020	100.000		100.000	Support survivor movement Iraq
French government/Fond. Pierre Fabre-2019/2023**	878.000	522.000	356.000	Holistic model CAR
GIZ -2019/2020	156.000	63.000	93.000	Holistic model Great lakes region
EU - 2019	15.000		15.000	Film survivors DRC
UK gov (PSVI) - 2019	11.000		11.000	Film survivors DRC
OIF - 2019	6.000		6.000	Survivors meeting NATO
UK (PSVI) 2019	11.000		11.000	Participation 2019 SEMA in conference
SSI - 2019/2020	55.000	47.000	8.000	Support survivor movement CAR
Knowledge Management Platform- 2019	15.000		15.000	Support survivor movement Ukraine
MMIB- 2019	9.000		9.000	Global Survivor Movement
Zonta Luxembourg- 2019	5.000		5.000	Core funding
Antilope Foundation - 2019	13.000		13.000	Core funding
Individual donations - 2019	400.000	236.000	164.000	Core funding
German government-2019/2020	191.000		191.000	Global Survivors Fund
French government- 2019/2020	200.000		200.000	Global Survivors Fund
UK government- 2019/2020	1.524.000	1.433.000	91.000	Global Survivors Fund
Norwegian government -2019/2020	730.000		730.000	Global Survivors Fund
Total	7.057.000	3.645.000	3.412.000	

* Acquisition effort was done by the Mukwege Foundation, but the donor will contract through the local partner

** Total value of the project is 4,199,000 EUR, this is the budget for Panzi and the Mukwege Foundation

The total financial support acquired to support the work of Panzi DRC increased substantially. As shown in the next table, 2019 showed an especially substantial increase in acquired project funding.

Development of financial support from MF to Panzi DRC	2016	2017	2018	2019
Acquired project funding*	218.000	1.020.000	624.000	3.409.000
Contribution from MF core-funding				
Contribution Dutch Postcode Lottery	300.000			
Advocacy Dr. Mukwege		40.000	61.000	2.000
Support cabinet Dr. Mukwege		13.000	55.000	11.000
Subtotal	300.000	53.000	116.000	13.000
Donations from individuals				
Donations from individuals	10.000	77.000	156.000	236.000
Subtotal	10.000	77.000	156.000	236.000
Total	528.000	1.150.000	896.000	3.658.000

* Some projects are multi-annual. These are total budgets of projects in the year they were acquired.

Numbers are rounded off (on thousands of EUR)

Conclusions

We are a young, but growing organisation. Our income increased in 2019 to just over 3.9 million EUR, and through our fundraising efforts we managed to contract projects (both annual and multi-annual), and individual donations, for a total amount of just over 7.0 million EUR. This has allowed the Mukwege Foundation to increase its activities, substantially supporting Panzi and survivors in concrete ways worldwide. We also were able to significantly step up our joint advocacy activities with survivors, Dr Mukwege and other like-minded organisations, culminating in the set up of a Global Survivors Fund in Geneva in October 2019.

	2016	2017	2018	2019
Total income	749.859	1.075.659	2.225.220	3.987.003
Total contracted projects and donations	745.660	2.040.652	2.371.171	7.057.000
Pipeline (waiting for donor decision)				7.674.000
Number of running projects	3	6	11	15
Number of staff	3	5	13	14

Not only the number of projects managed by the Mukwege Foundation increased over the years to 15 in 2019, but also the size of these projects. We expect this growth to continue at a slower but steady pace the coming years, now that we have built solid foundations as an organisation, and our cause is getting increased traction.

Budget 2020

	€
<u>Income</u>	
Income from lotteries	1,448,175
Income from (international) organisations	0
Income from other non-profit organisations	1,426,518
Income from governmental organisations	2,527,097
Individual donations	<u>250,000</u>
 Total income	 <u>5,651,790</u>
<u>Expenditure</u>	
Spent on organisation objectives	
- Programme 'Advancing Justice and Accountability'	2,401,170
- Programme 'Promoting Holistic Care for Survivors'	434,942
- Programme 'Campaigning and Advocacy'	146,263
- Programme 'Connecting Survivors'	682,504
- Programme 'Supporting Panzi DRC'	<u>1,575,107</u>
 Total spent on organisation objectives	 5,239,986
Fundraising costs	84,625
Costs management and administration	<u>236,700</u>
 Total expenditure	 <u>5,561,311</u>
 Operating result	 90,479
Financial income and expenditures	<u>4,500</u>
 Result	 <u><u>85,979</u></u>
 Destination result	
- Continuity reserve	100,000
- Designated fund Dr. Mukwege	0
- Designated fund - Project funds	<u>-14,021</u>
 Total	 <u><u>85,979</u></u>

B. Statement of income and expenditure

<u>Ref.</u>	<u>Realisation 2019</u>	<u>Budget 2019</u>	<u>Realisation 2018</u>
	€	€	€
<u>Income</u>			
6.	1,161,213	800,660	1,122,686
7.	439,668	439,668	0
8.	1,519,417	1,096,375	809,605
9.	466,968	171,004	61,652
10.	399,737	170,000	231,277
	<u>3,987,003</u>	<u>2,677,707</u>	<u>2,225,220</u>
<u>Expenditure</u>			
Spent on organisation objectives			
- Programme 'Advancing Justice and Accountability'	440,062	165,487	24,163
- Programme 'Promoting Holistic Care for Survivors'	115,022	88,845	315,669
- Programme 'Campaigning and Advocacy'	39,474	73,390	42,231
- Programme 'Connecting Survivors'	722,409	550,177	768,595
- Programme 'Supporting Panzi DRC'	1,205,760	1,149,999	837,099
	<u>2,522,727</u>	<u>2,027,898</u>	<u>1,987,757</u>
Total spent on organisation objectives	2,522,727	2,027,898	1,987,757
Fundraising costs	66,484	65,114	49,362
Costs management and administration	97,583	125,028	112,446
	<u>2,686,794</u>	<u>2,218,040</u>	<u>2,149,565</u>
	<u>2,686,794</u>	<u>2,218,040</u>	<u>2,149,565</u>
	1,300,209	459,667	75,655
11. Operating result	1,300,209	459,667	75,655
Financial income and expenditures	-41,896	5,000	-8,460
	<u>-41,896</u>	<u>5,000</u>	<u>-8,460</u>
Result	<u>1,342,105</u>	<u>454,667</u>	<u>84,115</u>
Destination result			
- Continuity reserve	122,112	14,999	153,764
- Designated fund Dr. Mukwege	705,927	439,668	0
- Designated fund projects	-22,156	0	-69,649
- Designated reserve	536,222	0	0
	<u>1,342,105</u>	<u>454,667</u>	<u>84,115</u>
Total	<u>1,342,105</u>	<u>454,667</u>	<u>84,115</u>

C. Cash flow statement

	2019		2018	
	€	€	€	€
<u>Cash flow from operating activities</u>				
Result		1,342,105		84,115
Depreciations		907		454
		1,343,012		84,569
Mutations in work capital:				
- Receivables		-45,757		-481,266
- Short-term debts		1,995,939		397,653
Total mutations in work capital		1,950,182		-83,613
Total cash flow from operating activities		3,293,194		956
<u>Cash flows used in investing activities</u>				
Purchases		-7,626		0
<u>Cash flows used in financing activities</u>				
Decrease in debt		0		0
Net increase in cash and cash equivalents		3,285,568		956
Cash and cash equivalents at year end		4,051,993		766,425
Cash and cash equivalents at beginning of year		766,425		765,469
Changes in cash and cash equivalents		3,285,568		956

D. Accounting principles

General

The Dr. Denis Mukwege Foundation was established in Amsterdam on the 18th of June 2015 under the name "Panzi Foundation" and is registered at the Dutch Chamber of Commerce with reg.no. 63545861. The name was changed in January 2016 to "Dr. Denis Mukwege Foundation". The Foundation's mission is to ban rape as a weapon of war. The Foundation is not for profit and holds the ANBI status (Algemeen Nut Beogende Instelling/Public Benefit Organisation). The official mission (based on the statutes) is: The foundation aims to propagate the ideas of dr. Denis Mukwege.

Notes to the cash flow statement

The cash flow statement is prepared using the indirect method. The funds in the cash flow statement comprise cash and cash equivalents. Cash flows in foreign currencies are translated at an average rate. Exchange differences affecting cash items, interest paid and interest received are included in cash from operating activities.

Changes in accounting estimates

The dr. Denis Mukwege Foundation made no changes to its policies for accounting estimates compared to the previous year.

Estimates

In applying accounting policies and standards for preparing annual accounts, the Board is required to make estimates and judgments that might significantly influence the amounts disclosed in the annual accounts. If necessary for the purposes of providing the view required, the nature of these estimates and judgments, including the related assumptions, are disclosed in the notes to the relevant items.

Accounting principles for the balance sheet

General

These annual accounts have been prepared in compliance with the Dutch guideline RJ650 and generally accepted accounting principles. The annual accounts are in Euros. Assets and liabilities are at nominal value, unless specified otherwise.

The basis for the valuations has not changed in comparison with the previous year.

Foreign currencies

If assets and liabilities are expressed in foreign currencies, conversion takes place against the official exchange rate at the balance sheet date. The resulting exchange rate results are included in the income and expenditure statement.

Transactions in foreign currencies during this financial year have been processed against the currency exchange rate at the moment that the transaction took place.

Tangible fixed assets in the course of business

The tangible fixed assets are valued at the purchase price minus the depreciation based on the estimated life span. The depreciation period is 5 years (20%).

Funding commitments

The account funding commitments is the balance position of contracts actually entered into with partner organisations (obligations) minus advance payments to these partner organisations.

Grants receivable/ Grants to be spent

Grants to be spent are grants received in advance related to projects that extend beyond a single calendar year. The difference between the advance awarded by the donor (the organisation issuing the grant) in a specific financial year and the project funds that are spent in that same year (realised grant income) is accounted for on the balance sheet as 'grants to be spent'. If the realised grant income amounts exceed the donor's advance, the difference is entered on the balance sheet as a receivable.

Other assets and liabilities

Unless specified otherwise, assets and liabilities are at nominal value. If necessary, a provision will be deducted from the receivables.

Designated funds

Designated funds are assets that are available to fund projects of which the spending is decided by third parties.

Accounting principles for the statement of income and expenditure

Income and expenses are recognized in the statement of income and expenditure in the year to which they relate. The allocation is made consistently with previous years. The balance of funds is defined as the difference between income and expenses. Income is accounted for in the year it was realised and losses are accounted for as soon as they are identified.

Grant income

Grant income amounts are allocated on the basis of the realised direct and indirect spending on the organisation's objective within the guidelines established in the grant decision. The grant income is mainly attributed to the category 'income from other fundraising institutions' and 'income from governmental organisations'.

Income from lotteries

Until January 1st 2019 income from lotteries was processed in the year it was received. Due to a change in the accounting principles the rule is now that the asset has to be processed in the year that the future economic benefit linked to it will likely flow to the legal entity. The influence of this change in accounting principles means an increase of the continuity reserve per January 1st 2018 of € 500,000 and an increase in the result of 2019 of € 400,000.

Donations

Donations are accounted for in their year of receipt. Consequently, donations received in advance are not taken into account.

Allocation of costs

Management and administration costs, the costs of the organisation's fundraising activities and costs of various objectives have been calculated based on an apportionment formula in accordance with the Dutch Accounting Standards for Fundraising Organisations (Richtlijn RJ 650).

E. Notes to the balance sheet

ASSETS

1. Tangible fixed assets

	<u>Inventory</u>	<u>Computer equipment</u>	<u>Total</u>
	€	€	€
Opening balance 1 January 2019	0	1,498	1,498
Investments	809	6,817	7,626
Minus: depreciation	-13	-894	-907
Depreciation desinvestments	0	0	0
Minus: desinvestments	<u>0</u>	<u>0</u>	<u>0</u>
Net book value per 31 December 2019	<u><u>796</u></u>	<u><u>7,421</u></u>	<u><u>8,217</u></u>
Accumulated investments	809	9,114	9,923
Minus: accumulated depreciations per 31 December 2019	<u>-13</u>	<u>-1,693</u>	<u>-1,706</u>
Net book value per 31 December 2019	<u><u>796</u></u>	<u><u>7,421</u></u>	<u><u>8,217</u></u>

Depreciation percentage is 20% per year.

2. Receivables

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
Nationale Postcode Loterij N.V.	900,000	500,000
Grants	105,008	467,032
Prepaid expenses	20,982	2,444
Deposits	10,000	10,000
Reimbursement travel costs	0	19,055
Donations	0	15,975
Other receivables	<u>37,641</u>	<u>13,368</u>
Total receivables	<u><u>1,073,631</u></u>	<u><u>1,027,874</u></u>

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
- Grants		
Project Hospital Bulenga - Fondation Pierre Fabre	66,760	297,730
Project Guinee Conakry - Fondation Pro Victimis	35,593	169,302
Project Global Survivor Movement - OIF	1,419	0
Project Startup Survivor Fund - German government	<u>1,236</u>	<u>0</u>
Total grants	<u><u>105,008</u></u>	<u><u>467,032</u></u>
3. <u>Cash and cash equivalents</u>		
ABN AMRO Bank	3,340,528	520,970
UBS Switzerland AG	<u>711,465</u>	<u>245,455</u>
Total cash and cash equivalents	<u><u>4,051,993</u></u>	<u><u>766,425</u></u>
All liquid assets are immediately disposable.		
LIABILITIES		
4. <u>Reserves</u>		
- Continuity reserve		
Balance 1 January	599,184	-54,580
Effect change accounting principles	0	500,000
Allocation net result	<u>122,112</u>	<u>153,764</u>
Balance 31 December	<u><u>721,296</u></u>	<u><u>599,184</u></u>

In the first two years of operations (2016 and 2017), relatively small operational losses were accepted to invest in building up the organisation. The amounts were in line with expectations and reflected as a negative reserve. In 2018 and 2019 a positive result has been realised, which was used for building up the continuity reserve to a maximum of 1,0 times the operational costs of the organisation.

- Designated funds

	<u>Dr. Mukwege</u>	<u>Project Funds</u>	<u>Total</u>
	€	€	€
Balance 1 January	206,181	22,156	228,337
Allocation net result	<u>705,927</u>	<u>-22,156</u>	<u>683,771</u>
Balance 31 December	<u><u>912,108</u></u>	<u><u>0</u></u>	<u><u>912,108</u></u>

We distinguish two types of designated funds: funds awarded to Dr. Mukwege personally, and funds awarded to the Foundation for specific projects. In both cases, the spending of the funds is subject to conditions of third parties. The Dr. Mukwege Fund consists of funds awarded to Dr. Mukwege personally, for example the Nobel Peace Prize, and its spending can only be decided in close collaboration with Dr. Mukwege. Project Funds are subject to various conditions set by its respective donors.

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
- Designated reserve		
Balance 1 January	0	0
Allocation net result	<u>536,222</u>	<u>0</u>
Balance 31 December	<u><u>536,222</u></u>	<u><u>0</u></u>

In 2019, the board decided to establish a designated reserve. At balance date the reserve consists of an amount of € 536,222 and can be used to fund future projects for survivors.

5. Short-term debts

Grants to be spent	2,405,370	355,866
Funding commitments	420,949	541,678
Creditors	98,964	58,691
Accruals	19,287	7,022
Provision vacation pay/holidays	18,312	0
Wage withholding tax	1,333	0
Other payables grants	<u>0</u>	<u>5,019</u>
Total short-term debts	<u><u>2,964,215</u></u>	<u><u>968,276</u></u>

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
- Grants to be spent		
Project Startup Survivor Fund - UK Government	1,478,883	0
Project Startup Survivor Fund - Norwegian Government	693,663	0
Project Global Survivor Movement - Nederlandse Postcode Loterij N.V.	84,100	342,314
Project MOSUCA - SSI	54,931	0
Project Startup Survivor Fund - French Government	47,102	0
Project Chemin de la Paix III - Fondation Pluralisme	46,691	0
Project Guinee Conakry - Fondation Pro Victimis	0	13,552
	<u>2,405,370</u>	<u>355,866</u>
Total grants to be spent		
- Funding commitments		
Panzi (DRC) - individual donations	137,861	57,862
Project CdIP III - Panzi (DRC)	127,857	0
Project Hospital Bulenga - Panzi (DRC)	66,760	297,730
Project Startup Survivor Fund - NSCR	55,679	0
Project Guinee Conakry - Panzi (DRC) and other partners	32,792	154,441
Project Global Survivor Movement - Panzi (DRC) and other partners	0	31,645
	<u>420,949</u>	<u>541,678</u>
Total funding commitments		

RIGHTS AND OBLIGATIONS NOT INCLUDED IN THE BALANCE SHEET

A rental agreement was concluded with the municipality of The Hague, on the 1st of March 2017, to rent two office rooms in the Bertha von Suttner building in The Hague, 46.4 square meters in total. The agreement was for an indefinite period of time. Notice should be given 3 months in advance. In 2019, the Mukwege Foundation signed additional agreements during the year with the municipality for a third and a fourth room (40.4 additional square meters). The total rental price for 2020 amounts to € 22,579.

Furthermore a rental agreement was concluded with RLAF, to rent 21 square meters in Geneva, Switzerland. The annual rent is CHF 12,000 (€ 11,033) for 1 September 2018 to 30 April 2019 and CHF 18,000 (€ 16,549) from 1 May 2019 to 30 April 2020.

POST BALANCE SHEET EVENTS

Due to the outbreak of the Corona virus worldwide, including the Netherlands, drastic measures have been taken by various governments to get the virus under control. The Corona crisis and the measures are expected to have financial consequences for the Foundation. The exact financial consequences are currently unclear.

On the 26th of March 2019 the municipality of The Hague has given notice that they are closing the office building in The Hague per the 31st of December 2020. The Mukwege Foundation is currently in the process of finding new office space.

There have been no other significant events post balance date which would materially affect the annual accounts.

	Realisation 2019	Budget 2019	Realisation 2018
	€	€	€
8. <u>Income from other non-profit organisations</u>			
Fondation Pluralisme *	842,770		0
Lions Club	221,259		0
Fondation du Grand-Duc et de la Grande-Duchesse *	159,674		0
Open Society Foundations *	71,020		0
Sanofi Espoir *	50,000		0
Rotary Foundation	45,000		0
Panzi USA	43,565		0
Organisation internationale de la Francophonie *	28,419		0
Fondation Elle	13,800		0
Antelope Foundation	13,494		0
Fondation Pro Victimis *	9,372		303,058
MMIB *	8,984		0
Organisation internationale de la Francophonie *	3,461		0
Fondation Pierre Fabre *	0		446,065
RLAF	0		30,000
Korean Council	0		14,998
PMU	0		9,560
Other income from non-profit organisations *	<u>8,599</u>		<u>5,924</u>
Total income from other non-profit organisations	<u>1,519,417</u>	<u>1,096,375</u>	<u>809,605</u>

* Project funding.

9. Income from governmental organisations *

UK Government	166,728		0
French Government	152,898		0
German Government	54,430		0
Ville de Geneve	38,546		0
Norwegian Government	36,300		0
European Parliament	12,866		0
Service de la Solidarité Internationale (SSI)	0		51,652
Other governmental organisations	<u>5,200</u>		<u>10,000</u>
Total income from governmental organisations	<u>466,968</u>	<u>171,004</u>	<u>61,652</u>

* Project funding.

	<u>Realisation 2019</u>	<u>Budget 2019</u>	<u>Realisation 2018</u>
	€	€	€
10. <u>Individual donations</u>	<u>399,737</u>	<u>170,000</u>	<u>231,277</u>

Individual donations include both donations for Panzi (€ 234,286) and the Mukwege Foundation (€ 165,451).

EXPENDITURE

The specification expenditure starts on page 21 with the specification and allocation of expenditures to destination.

Specification and allocation of expenditures to destination - realisation 2019

Expenditure	Destination							Total realisation 2019	Budget 2019	Realisation 2018
	Spent on organisation objectives									
	Advancing Justice and Accountability	Promoting Holistic Care for Survivors	Campaigning and Advocacy	Connecting Survivors	Supporting Panzi DRC	Fundraising	Management and administration			
€	€	€	€	€	€	€	€	€	€	
Direct costs										
Grants	144,643	39,910	0	0	701,488	0	0	886,041		1,002,759
Outsourcing	0	0	0	0	32,961	1,600	0	34,561		54,930
Communication costs	0	0	5,145	5,146	0	0	0	10,291		16,576
Other direct costs	166,745	11,333	0	415,038	441,489	0	0	1,034,605		547,675
Total direct costs	311,388	51,243	5,145	420,184	1,175,938	1,600	0	1,965,498	1,413,860	1,621,940
Indirect costs										
Personnel costs	107,891	49,922	16,203	249,939	15,900	64,884	68,158	572,897	640,005	424,574
Housing costs	7,235	872	1,309	19,074	872	0	2,181	31,543	36,925	23,158
Office and general costs	13,457	12,894	16,681	32,940	12,959	0	27,018	115,949	127,250	79,439
Depreciation	91	91	136	272	91	0	226	907	0	454
Total indirect costs	128,674	63,779	34,329	302,225	29,822	64,884	97,583	721,296	804,180	527,625
Total	440,062	115,022	39,474	722,409	1,205,760	66,484	97,583	2,686,794	2,218,040	2,149,565

Costs are allocated on the basis of the following principles:

- directly attributable expenses are directly allocated;
- non-directly attributable costs are allocated through an allocation key. For salary costs, the allocation key is a division in percentages based on an estimation of inputs made by the Head of Operations, based on staff functions and roles in programmes.

	<u>Realisation 2019</u>	<u>Budget 2019</u>	<u>Realisation 2018</u>
	€	€	€
DIRECT COSTS			
<u>Programme Advancing Justice and Accountability</u>			
- Grants			
Project Startup Survivor Fund - grant NSCR	103,228		
Project Preparation reparations DRC - grant Panzi	<u>41,415</u>		
Total grants	<u>144,643</u>		<u>0</u>
- Other direct costs			
Project Startup Survivor Fund - French government	104,601		0
Project Startup Survivor Fund - German government	32,397		0
Project Preparation reparations DRC	21,508		0
Project Startup Survivor Fund - UK government	8,239		0
Project Kuvuma Trial	<u>0</u>		<u>2,304</u>
Total other direct costs	<u>166,745</u>		<u>2,304</u>
Total Programme Advancing Justice and Accountability	<u>311,388</u>	<u>105,207</u>	<u>2,304</u>
<u>Programme Promoting Holistic Care for Survivors</u>			
- Grants			
Project Guinee Conakry - grants Panzi and other partners	0		270,659
Project Iraq - grant Yazda	<u>39,910</u>		<u>0</u>
Total grants	<u>39,910</u>		<u>270,659</u>
- Other direct costs			
Project Iraq	6,207		0
Project Guinee Conakry	<u>5,126</u>		<u>23,289</u>
Total other direct costs	<u>11,333</u>		<u>23,289</u>
Total Programme Promoting Holistic Care for Survivors	<u>51,243</u>	<u>1,696</u>	<u>293,948</u>

	Realisation 2019	Budget 2019	Realisation 2018
	€	€	€
<u>Programme Campaigning and Advocacy</u>			
- Communication costs			
Website Mukwege Foundation	4,927		12,499
Other communication costs	<u>218</u>		<u>4,077</u>
Total communication costs	<u><u>5,145</u></u>	<u><u>7,500</u></u>	<u><u>16,576</u></u>
<u>Programme Connecting Survivors</u>			
- Grants			
Project Global Survivor Movement - grants Panzi and other partners	<u>0</u>		<u>286,035</u>
Total grants	<u>0</u>		<u>286,035</u>
- Communication costs			
"SEMA" website	4,928		0
Other communication costs	<u>218</u>		<u>0</u>
Total communication costs	<u>5,146</u>		<u>0</u>
- Other direct costs			
Project Global Survivor Movement	333,857		208,788
Project Film Survivors DRC	38,248		0
Project European advocacy survivors	20,433		0
Donations for Survivors	19,500		0
Project book "Unsung"	3,000		0
Project Survivor network strategy	<u>0</u>		<u>44,572</u>
Total other direct costs	<u>415,038</u>		<u>253,360</u>
Total Programme Connecting Survivors	<u><u>420,184</u></u>	<u><u>292,912</u></u>	<u><u>539,395</u></u>

	<u>Realisation 2019</u>	<u>Budget 2019</u>	<u>Realisation 2018</u>
	€	€	€
<u>Programme Supporting Panzi DRC</u>			
- Grants			
Project CdIP III - grant Panzi	667,295		0
Project Kamba Moja 2 - grant Panzi	26,701		0
Project Kamba Moja 2 - grant Common Threads	7,492		0
Project Hospital Bulenga - grant Panzi	<u>0</u>		<u>446,065</u>
Total grants	<u>701,488</u>		<u>446,065</u>
- Outsourcing			
Support secretariat Dr. Mukwege DRC	<u>32,961</u>		<u>54,930</u>
Total outsourcing	<u>32,961</u>		<u>54,930</u>
- Other direct costs			
Project CdIP III	175,475		0
Donations for Panzi	234,286		156,433
Project CdIP II	22,168		61,233
Project PMU Panzi	9,560		0
Project Panzi Hospital	0		35,880
Project Rotary Hong Kong	0		8,416
Project Sustainable livelihoods	<u>0</u>		<u>6,760</u>
Total other direct costs	<u>441,489</u>		<u>268,722</u>
Total Programme Supporting Panzi DRC	<u><u>1,175,938</u></u>	<u><u>998,545</u></u>	<u><u>769,717</u></u>
<u>Fundraising costs</u>			
- Outsourcing			
Support international visits Dr. Mukwege	<u>1,600</u>	<u>8,000</u>	<u>0</u>
Total outsourcing	<u><u>1,600</u></u>	<u><u>8,000</u></u>	<u><u>0</u></u>

	Realisation 2019	Budget 2019	Realisation 2018
	€	€	€
INDIRECT COSTS			
<u>Personnel costs</u>			
Salary costs	561,759	630,705	420,412
Stipends interns	4,110	9,300	4,162
Other personnel costs	<u>7,028</u>	<u>0</u>	<u>0</u>
Total personnel costs	<u><u>572,897</u></u>	<u><u>640,005</u></u>	<u><u>424,574</u></u>

In 2019 staff was working for the organisation through a payroll system in the first quarter, but in the second quarter the Mukwege Foundation became the formal employer of its staff. The salary costs of the Director are € 96,000 (1 fte). On the 23rd of September 2019 the Mukwege Foundation employed a Director of Programmes and Operations. The total additional salary costs in 2019 are € 32,837 (1 fte).

Board members are not remunerated but are eligible to claim compensation for reasonable expenses.

Housing costs

Housing costs The Hague	17,520	18,925	11,346
Housing costs Geneva	<u>14,023</u>	<u>18,000</u>	<u>11,812</u>
Total housing costs	<u><u>31,543</u></u>	<u><u>36,925</u></u>	<u><u>23,158</u></u>

The housing costs Geneva decreased in 2019 compared to the budget because of an accidental double payment in 2018.

Office and general costs

Travel costs Europe	11,558	20,000	17,735
Travel costs outside Europe	9,068	25,000	13,283
Office costs	14,816	11,300	8,759
Administration/Auditor costs	67,691	59,000	15,854
Insurances	2,906	10,450	2,664
Other office and general costs	<u>9,910</u>	<u>1,500</u>	<u>21,144</u>
Total office and general costs	<u><u>115,949</u></u>	<u><u>127,250</u></u>	<u><u>79,439</u></u>

	<u>Realisation 2019</u>	<u>Budget 2019</u>	<u>Realisation 2018</u>
	€	€	€
<u>Depreciation</u>			
Depreciation computer equipment	894		454
Depreciation inventory	<u>13</u>		<u>0</u>
Total depreciation	<u>907</u>	<u>0</u>	<u>454</u>
Total expenditure	<u>2,686,794</u>	<u>2,218,040</u>	<u>2,149,565</u>
11. <u>Financial income and expenditures</u>			
Bank costs/interest	2,744		918
Exchange rate difference	<u>-44,640</u>		<u>-9,378</u>
Total financial income and expenditures	<u>-41,896</u>	<u>5,000</u>	<u>-8,460</u>

G. Ratio's

	<u>Realisation 2019</u>	<u>Budget 2019</u>	<u>Realisation 2018</u>
1. Fundraising costs divided to total income	<u>1.7%</u>	<u>2.4%</u>	<u>2.2%</u>
2. Division total expenditure			
- spent on organisation objectives	93.9%	91.5%	92.5%
- fundraising costs	2.5%	2.9%	2.3%
- costs management and administration	<u>3.6%</u>	<u>5.6%</u>	<u>5.2%</u>
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Other information

Independent auditor's report

The independent auditor's report is included at the next page of the annual accounts.

Summary of liabilities and receivables of the projects

		Liabilities 2018	Receivables 2018	Liabilities to partners 2018	New grants	Grants to partners	Other direct costs	Indirect costs	Total proj- ect costs 2019	Other proj. funding/ own contr.	Liabilities 2019	Received 2019	Receivables 2019	Paid to partners 2019	Liabilities to partners 2019
		€	€	€	€	€	€	€	€	€	€	€	€	€	€
Project Chemin de la Paix II	Pluralisme	22,156	0	0	0	0	22,168	0	22,168	12	0	0	0	0	0
Project Chemin de la Paix III	Pluralisme	0	0	0	889,461	667,295	175,475	0	842,770	0	46,691	889,461	0	539,438	127,857
Project hospital Bulenga	Pierre Fabre	0	297,730	297,730	0	0	0	0	0	0	0	230,970	66,760	230,970	66,760
Project Conakry	Pro Victimis Guinee	13,552	169,303	154,440	0	0	5,126	4,246	9,372	0	4,180	129,530	39,773	121,649	32,791
Project Global Survivor Movement	PCL	342,314	0	31,645	0	0	145,612	118,697	264,309	6,096	84,101	0	0	31,645	0
Project Global Survivor Movement	Grand Duchesse Lux.	0	0	0	159,675	0	129,675	30,000	159,675	0	0	159,675	0	0	0
Project Global Survivor Movement	OSF	0	0	0	71,020	0	29,551	41,469	71,020	0	0	71,020	0	0	0
Project Global Survivor Movement	OIF	0	0	0	28,419	0	29,019	0	29,019	600	0	27,000	1,419	0	0
Project Iraq	SANOFI	0	0	0	100,000	39,910	6,207	3,883	50,000	0	50,000	50,000	50,000	39,910	0
Project Prep. Reparations DRC	UK Government	0	0	0	86,084	41,415	21,508	27,292	90,215	4,131	0	86,084	0	41,415	0
Project book Unsung	PCL	0	0	0	3,000	0	3,000	0	3,000	0	0	3,000	0	0	0
Project film survivors	UK Gov./EU	0	0	0	31,785	0	38,248	0	38,248	6,463	0	31,785	0	0	0
Project Kamba Moja II	Ville de Geneve	0	0	0	38,546	34,193	0	4,625	38,818	272	0	38,546	0	34,193	0
Project Startup Survivor Fund France	French Gov.	0	0	0	200,000	19,762	104,601	28,535	152,898	0	47,102	200,000	0	19,762	0
Project PMU	PMU	0	0	0	0	0	9,560	0	9,560	9,560	0	0	0	0	0
Project Startup Survivor Fund	German Gov.	0	0	0	190,719	6,050	32,397	15,983	54,430	0	136,289	53,194	137,525	6,050	0
Project PSVI Europe trip	Several	0	0	0	24,922	0	20,433	4,267	24,700	-222	0	24,922	0	0	0
Project Startup Survivor Fund	Norwegian Gov.	0	0	0	729,963	36,300	0	0	36,300	0	693,663	729,963	0	0	36,300
Project Startup Survivor Fund	UK Government	0	0	0	1,535,833	41,116	8,239	7,595	56,950	0	1,478,883	1,535,833	0	21,737	19,379
CSRS	Univ. Birmingham	0	0	0	3,500	0	0	0	0	0	3,500	0	3,500	0	0
Project MOSUCA	SSI	0	0	0	54,931	0	0	0	0	0	54,931	54,931	0	0	0
Total		378,022	467,033	483,815	4,147,858	886,041	780,819	286,592	1,953,452	26,912	2,599,340	4,315,914	298,977	1,086,769	283,087