



stichting
Sibusiso
Leert verstandelijk gehandicapte kinderen in Tanzania zichzelf te helpen

STICHTING SIBUSISO

Annual report 2021

TABLE OF CONTENTS

1. BOARD REPORT	3
2. BALANCE SHEET AT DECEMBER 31, 2021	7
3. STATEMENT OF INCOME AND EXPENDITURE 2021	8
4. ACCOUNTING POLICIES	9
5. KEY FIGURES	10
6. NOTES TO THE BALANCE SHEET	11
7. NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE	13
8. OTHER DATA	14

1. BOARD REPORT

1. Introduction

Sibusiso Centre supports physically and mentally handicapped children. The program has two angles: the Sibusiso Centre (care and support in-house) and the Outreach program (children being visited at their homes). Preparations are being made to start a third angle: the Sibusiso Expertise Centre.

Stichting Sibusiso has been established in 2000 and has its registered office at Churchilllaan 654 in Terneuzen, the Netherlands. Stichting Sibusiso is registered with the Dutch Chamber of Commerce for south-west Netherlands under number 22046082. Stichting Sibusiso is recognised as a charity by the Dutch Inland Revenue under number 808778961.

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

2. Aim

Stichting Sibusiso has already been working on the following aim for over 20 years: Sibusiso strives to ensure the dignity of mentally handicapped children from all cultural and religious backgrounds, to help them discover and develop their potential and to facilitate their integration into society.

Stichting Sibusiso works through:

- Offering special education to mentally handicapped children to discover and develop their own capacities
- Supporting family members or caretakers of the children, at Sibusiso Centre as well as in their communities;
- Assisting, where needed, with referral to other support services like rehabilitation centres and special education;
- Improving the collaborative network between Sibusiso and other (aid)organisations;
- Raising awareness about the situation of mentally handicapped children;
- Actively promoting the rights of mentally handicapped children.

Over the past two decades, Stichting Sibusiso has experienced great successes with its support program in Tanzania.

3. Activities

Although in 2021 the continuing Covid-19 pandemic also effected Arusha, all Sibusiso programs could be implemented fully. Of course, all safety precautions and hygiene measures have been carefully maintained. Despite the Covid-19 restrictions, ample attention was given to finding opportunities for delivering the best quality of care and making optimal use of the time caretakers and children spend in the centre. The evening programs are exemplary. Evenings have proven to be effective for providing extra support, therefore Sibusiso team developed an evening program. Good to see how solutions to problems can lead to new insights.

Board members have been able to visit Sibusiso Centre In October and November. With their own eyes they could confirm the good functioning of the Centre, which the staff already had been told in digital contacts. The Board compliments and thanks local management and the team with these accomplishments.

Negotiating employment for children and young adults in companies has been a rather new and very successful activity. At the time, almost 100 young adults have been placed with help, assistance and guidance of Sibusiso. In these companies they perform simple duties with huge commitment and much pleasure.

In the third quarter of 2021, aid workers and teachers from Arusha district attended a Sibusiso pilot training. Participants well appreciated this course. This offered Sibusiso training team valuable insights to even better prepare for the planned 2022 training activities. It also confirmed the importance, benefit and demand for the Expertise Centre.

Addressing the still prevalent stigma around mentally handicapped children will be a strong focus in the training: an explicit aim of Sibusiso.

Strategic expansion

The Board observed geographic limitations to the program activities. It is hardly possible to engage with children and their parents or caretakers outside the current area of work.

Only an area with a radius of 100 kilometres from Sibusiso Centre can be reasonably reached by car.

In the 5-year plan, the Board and management documented their commitment to convey Sibusiso's philosophy more broadly. To this end, the Expertise Centre (Knowledge Centre) will be realised on Sibusiso premises.

The design of the Expertise Centre has been drawn by LIAG architectural firm in collaboration with construction consultancy van der Ven, the latter calculated the construction details. Subsequently, the final plan has been determined by Sibusiso building committee in consultation with the local construction company. Thanks to the two firms and the building committee for their selfless efforts.

The actual building activities of the Expertise Centre are foreseen to start at the beginning of June 2022. The construction time is forecasted to be approximately 10 months. At due time a festive opening will be organised.

During 2021, preparations for construction and certainly also preparations for the training program of the Expertise Centre took place in abundance. Correspondingly a number of successful pilots with course participants were executed to test various training sessions.

Aim of the Expertise Centre

In the Expertise Centre, Sibusiso will work intensively with other organisations to expand the support to mentally handicapped children, also outside the current region. The knowledge Sibusiso gained in its program over the years will be shared with these other organisations, for them to use in their own work. Additionally Sibusiso Centre will make improvements or adjustments on its own Centre, based on shared knowledge. Continued cooperation with the Tanzanian government will be crucial to be able to get maximum help for setting up new initiatives for the children in Tanzania. The Expertise Centre will also provide training for Sibusiso's own staff and for employees from similar institutions that have the similar objectives.

The aim is a better future for many more mentally handicapped children in Tanzania and perhaps 'further' in the region.

Management of Sibusiso Centre in Arusha

In Tanzania the daily management is carried out by Nombellah Sikwattah. Together with her management team she gives direction and organizes the provision of appropriate care and support to the children and their parents/caretakers. In the Centre over 70 staff is employed by now. The working atmosphere is excellent and employees perform their duties with great enthusiasm.

Manager Sander Hammer, currently based in the Netherlands, has regular online meetings and phone contacts to make shared decisions. Also through Covid-19 in-person meetings have not been possible.

In consultation with Sander the Board has decided that Sander will step down as manager as of the 1st of July 2022 and that he will from then join the Sibusiso NL Board.

From that date Sander's job will be taken over by a new to appoint Director Sibusiso NL, who will i.e. manage and coordinate in consultation with Nombellah and her team. The Director will visit Sibusiso in Arusha 3 to 4 times a year.

New website

From January 2020 the modernized website of Sibusiso went live. This website is now available in 3 languages (Dutch, English and German) and is regularly updated with the latest news. Everyone is cordially invited to visit this site to stay informed.

4. Board

Due to the schedule of resignation, the chairman and 2 members have left the Board per July 1, 2021.

On January 1, 2021 the Board of the Stichting Sibusiso consisted of:

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

As of July 1, 2021 the Board members are:

Chairman:	A. van Doornmalen
Secretary:	M. Timmermans
Treasurer:	L.T.M. Wortel
Member:	A.I.M Hammer Roos

The Board is pleased that the three outgoing Board members, all of whom have been in function for over 10 years, remain closely involved with Sibusiso and are willing to continue doing projects upon request.

This period has been concluded with a personal word of thanks for everyone, flowers and a surprise during a nice farewell lunch. This was combined with a belated farewell to Claudia Hammer as manager of Sibusiso, because her farewell was postponed due to Covid-19.

The Board meets at least quarterly or more frequently, when deemed necessary.

5. Finance

Stichting Sibusiso is financially healthy and based on income from gifts, donations and return on investments. Sibusiso's financial policy demands that the running costs of the Centre in Tanzania are covered at least twice. Stichting Sibusiso has a financial reserve for which a conservative

investment strategy is followed. The Board is unable to freely access a portion of its capital (€ 930,670) because the donor specified that only the interest on this sum may be spent.

Given the size of the organisation, Stichting Sibusiso does not prepare an annual budget to steer on. On this item the Stichting deviates from article 404 of the small fundraising organisations. Sibusiso Foundation Tanzania does provide an annual budget, as required.

6. Investment Policy

At the end of 2013 the Board decided to change its investment policy. This was due to the fact that much of the capital was invested in subordinated bonds. Therefore the overall portfolio did not meet the standards required by the Dutch charities law (ANBI). Next to the main bank Rabobank, a second bank (Deutsche Bank) was asked to propose a new investment proposition based on the UN Principles for Responsible Investment (PRI), an international code of conduct regarding responsible investments. Standards for socially responsible investment also are obliged to be met. Furthermore, the long-term investment policy is aiming to conserve capital.

The investments chosen reflect these investment principles and incorporate investment aims, investment horizon and risk profile. The targeted risk profile is described as Defensive by Rabobank and as Low Risk by Deutsche Bank.

7. Capital management and expenditure

Principles:

- the Annual Accounts of Stichting Sibusiso are drawn up annually by the treasurer and audited by Schuiteman & Partners Chartered Accountants private company, who provide an audit report;
- Stichting Sibusiso produces an annual Board Report and Performance Report which is approved by the Board;
- the expenditures concern Sibusiso Centre's running costs, building maintenance and projects in Tanzania.

Terneuzen, June 10, 2022

Signed
Arie Aalbers
Chairman

Signed
Leo Wortel
Treasurer

Signed
Atty Hammer -Roos
Secretary

2. BALANCE SHEET AT 31 DECEMBER 2021

		31 December 2021	31 December 2020
		€	€
Current assets			
Receivables			
Accrued assets	1	1,262	1,262
Securities	2	1,742,593	1,713,943
Cash and cash equivalents	3	<u>41,174</u>	<u>69,094</u>
Total current assets		1,785,029	1,784,299
Total assets		<u><u>1,785,029</u></u>	<u><u>1,784,299</u></u>
Liabilities			
Reserves and funds			
Reserves	4	797,484	796,243
Funds		<u>983,670</u>	<u>983,670</u>
Total reserves and funds		1,781,154	1,779,931
Current liabilities			
Taxes and contributions		875	1,228
Accrued liabilities		<u>3,000</u>	<u>3,158</u>
Total current liabilities		3,875	4,386
Total liabilities		<u><u>1,785,029</u></u>	<u><u>1,784,299</u></u>

3. STATEMENT OF INCOME AND EXPENDITURE 2021

	<u>2021</u>	<u>2020</u>
	€	€
Income		
Income from private donations	20,745	24,047
Income from company donations	4,795	6,595
Income from other NGO's (not profit)	45,537	27,638
Total income	<u>71,077</u>	<u>58,280</u>
Expenditure		
	6	
<i>Expenditure on goals</i>		
Costs in Tanzania	157,590	105,722
Employee costs	41,642	41,800
Total expenditure on goals	199,232	147,522
<i>Management and administrative costs</i>		
Costs in the Netherlands	7,167	12,286
Total expenditure on management costs	7,167	12,286
Total expenditure	<u>206,399</u>	<u>159,808</u>
Currency results on bonds and securities		
	7	
Dividend-bearing securities	22,047	24,179
Currency gains/losses on bonds/securities	128,527	-48,682
Costs bank fees	-14,023	-12,906
Interest received	12	15
Balance financial income and expenditure	136,563	-37,394
Balance of income and expenditure	<u>1,241</u>	<u>-138,922</u>
Appropriation of net income and expenditure balance:		
Balance is added to or deducted from:		
Freely disposable capital	1,241	-138,922
Designation fund	0	0
Total income	<u>1,241</u>	<u>-138,922</u>

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

General accounting policies

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

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

Continuity assumption

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

Due to the Covid-19 pandemic in The Netherlands and the rest of the world, the Dutch government has issued far-reaching measures to prevent the virus from spreading quickly.

To counter the effects of the Covid-19 virus both the Dutch and the Tanzanian government, where Sibusiso is active, have taken the necessary actions. Currently there are no financial effects for Stichting Sibusiso. However, there is a change in operational activities of the local programmes in Tanzania, due to the fact that less children can be enrolled with the same staff effort. Despite this situation, the financial effects remain limited for the time being and Stichting Sibusiso applies a positive continuity assumption.

Accounting policies for the valuation of assets and liabilities

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

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

Accounting policies for the determination of results

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

Income

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

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

Expenses

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

Management costs

Management costs include the organisation's own costs.

5. KEY FIGURES

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

	<i>Norm</i>	Actual 2021	Actual 2020	Actual 2019	<i>Average 2019-2021</i>
Expenditure of income on goals	>90%	218.6%	178.9%	116.0%	171.1%
Costs of own organisation	<25%	3.6%	7.1%	4.8%	5.2%
Management and organisation costs	<6%	3.5%	7.6%	4.6%	5.2%
Fundraising costs	<25%	0%	0%	0%	0%

Expenditure of income on goals

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

Costs of own organisation

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

Management and organisation costs

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

Fundraising costs

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

6. NOTES TO THE BALANCE SHEET

Current assets	31 December 2021	31 December 2020
1 Receivables		
<u>Prepayments and accrued income</u>		
Prepaid expenses	1,262	1,262
Interest on savings accounts	0	0
	<u>1,262</u>	<u>1,262</u>
2 Securities		
Rabobank bonds	651,339	705,522
Deutsche Bank bonds	1,091,254	1,009,421
	<u>1,742,593</u>	<u>1,713,943</u>
3 Cash and cash equivalents		
Rabobank 3858.35.442	-11,413	16,384
Rabobank 3858.12.167	21,841	3,229
Rabobank 3554.81.049	12,177	2,485
USD account	18,069	1,996
Rabobank 3293.453.414	500	45,000
	<u>41,174</u>	<u>69,094</u>
	<u>1,785,029</u>	<u>1,784,299</u>
Liabilities		
4 Reserves and funds		
<u>Reserves</u>		
<i>Other reserves:</i>		
Balance as at 1 January	796,243	935,165
Balance of income and expenditure	1,241	-138,922
Balance as at 31 December	<u>797,484</u>	<u>796,243</u>
<u>Designation Funds</u>		
Balance as at 1 January	983,670	983,670
Balance of income and expenditure	0	0
Use of designation	0	0
Balance as at 31 December	<u>983,670</u>	<u>983,670</u>
5 Current liabilities		
<u>Taxes and contributions</u>		
Payroll tax December 2020	875	1,128
	<u>875</u>	<u>1,128</u>
Transport	<u>1,782,029</u>	<u>1,781,141</u>

Transport	1,782,029	1,718,141
<u>Accrued liabilities</u>		
Statutory audit	3,000	3,158
	<u>3,000</u>	<u>3,158</u>
	<u>1,785,029</u>	<u>1,784,299</u>

Designation funds

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

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

7. NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE

6 Income	2021	2020
<u>Expenditure on goals</u>		
Costs Tanzania	105,721	105,721
Management fee	<u>41,800</u>	<u>41,800</u>

This concerns the costs for the management in Tanzania.

Management and administrative costs

Costs in The Netherlands	<u>7,167</u>	<u>12,286</u>
	<u>206,399</u>	<u>159,808</u>

7 Currency results on bonds and securities

The currency results on bonds and securities is positive in 2020 compared to a negative result in 2020. The defensive investment profile of the Stichting demands investments primarily in bonds. Due to the low interest policies of the central banks, the bond yield is low. A big part of the portfolio is invested in dollars. The dollar experienced an increase against the euro in 2021, which benefitted the dollar. Because the dollar portfolio in the annual accounts are valued in euro's, the currency correction also caused the positive currency result.

Additionally, part of the Rabobank portfolio is invested in shares, although conservative, but the price of these shares has developed positively in 2021.

8. OTHER DATA

8.1. Result allocation

The 2021 results will be added to the other reserves. For 2021, there is no allocation to a designated fund or designated reserve.

8.2. Audit report



SCHUITEMAN

INDEPENDENT AUDITOR'S REPORT

To: The board of Stichting Sibusiso

A. Report on the audit of the financial statements 2021 included in the annual report

Our opinion

We have audited the financial statements 2021 of Stichting Sibusiso based in Terneuzen.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting Sibusiso as at 31 December 2021 and of its result for 2021 in accordance with the 'RJK-Richtlijn C2 Kleine fondsenwervende organisaties' (Guideline for annual reporting C2 'small fundraising organisations' of the Dutch Accounting Standards Board).

The financial statements comprise:

1. the balance sheet as at 31 December 2021;
2. the profit and loss account for 2021; 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 Sibusiso 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.

B. 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.

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.

Schuiteman Audit & Assurance B.V.

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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 as required in accordance with 'RJK C2 Kleine fondsenwervende organisaties' (RJK C2 Small fundraising organisations).

C. Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the 'RJK-Richtlijn C2 Kleine fondsenwervende organisaties' (Guideline for annual reporting C2 'small 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.

Our responsibilities for the audit of the financial statements

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

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

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

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

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



- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Ede,
Schuiteman Audit & Assurance B.V.

Was getekend op 27 juni 2022.
W. van Reenen RA