

**OXFAM  
NOVIB  
ANNUAL  
ACCOUNTS  
2020-2021**

# OXFAM NOVIB ANNUAL ACCOUNTS 2020-2021

In line with Oxfam International, our reporting period covers the fiscal year April 1, 2020 to March 31, 2021. The Annual Report and Annual Accounts are available online at [oxfamnovib.nl/jaarverslag](https://oxfamnovib.nl/jaarverslag).



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# 1. DIRECTORS' REPORT



## 1.1 GENERAL INFORMATION

Oxfam Novib is a member of the Oxfam Confederation, a global movement of people who are fighting inequality to end poverty and injustice. Around the globe, we work to find practical, innovative ways for people to lift themselves out of poverty and thrive, supporting them to raise their voices and hold governments and the private sector to account.

### Our vision

#### ‘A just and sustainable world’

That is our vision. We want a world where people are valued and treated equally, enjoy their rights as full citizens, and can influence decisions affecting their lives. To this end, we believe that urgent, radical and systemic change is needed.

Across the world, billions of people are standing up to injustice, the trauma of war, and complex problems like climate change and economic inequality. But there is much more to be done. That is why Oxfam Novib exists: to tackle the injustices that cause and perpetuate poverty. We work to make the world safer and fairer for everyone.

### Our values

When people’s basic rights are respected, we can rid the world of inequality and injustice. This is what we stand for:

#### • Equality

We believe everyone has the right to be treated fairly and to have the same rights and opportunities.

#### • Empowerment

We acknowledge and seek to expand people’s agency over their lives and the decisions that impact them.

#### • Solidarity

We join hands, support, and collaborate across boundaries in working towards a just and sustainable world.

#### • Inclusiveness

We embrace diversity and difference, and value the perspectives and contributions of all people and communities in their fight against poverty and injustice.

#### • Accountability

We take responsibility for our action and inaction and hold ourselves accountable to the people we work with and for.

#### • Courage

We speak truth to power and act with conviction on the justice of our causes.

### Our approach

We believe sustainable development is about cooperating with people, enabling them not just to survive, but to thrive. That is why we help people around the world to stand up for their rights. Our practical, community-level work aims to demonstrate that alternatives are possible and that people can shape change. Working alongside our partners and allies, we create and implement programs and campaigns and provide humanitarian assistance, and advocate and campaign for systemic change as part of a worldwide influencing network.

We are committed to using feminist principles to guide our work, and we ensure that the people impacted by our programs are involved in decision-making (‘nothing about us without us’). We use the evidence delivered in our programs to accelerate our influencing work and adapt our strategies and ways of working. We are open to and build new connections, expanding and deepening more equal partnerships. Adapting to new realities, we innovate and rigorously measure all that we do, in order to learn and to improve the quality of our work; we mutually develop and share knowledge and expertise with our many partners, colleagues and donors.

### Our goals

Oxfam Novib has defined four main goals for an inclusive (Equal), equitable (Fair), secure (Safe) and sustainable (Green) world.

#### • EQUAL: We stand for an inclusive world.

As a rights-based organization we promote an inclusive society and communities, in which **EQUAL RIGHTS FOR ALL** are a reality. We support movements and activists fighting for every individual to have equal rights and opportunities, irrespective of gender,

sexual identity, age, ethnicity, religion, or other characteristics. We support them to shape new narratives, raise their voices, design their own future, mobilize their members to campaign for equal rights and a life free of violence. We foster solidarity and support between movements in the South and the Netherlands. In a world where these values are increasingly under pressure, we support **CHAMPIONING CIVIC SPACE**, supporting human rights defenders, civil society rights, creating safe (digital) spaces, supporting movements and activists to amplify the voices of the most marginalized.

#### • SAFE: We contribute to a secure world

In a world with more localized and long-lasting conflicts and record numbers of people on the move, caused by natural and human-made disasters, we support efforts of actors who fight for the **RIGHTS OF PEOPLE ON THE MOVE**, especially along Europe’s periphery. We advocate for policies that put respect for humanitarian law, principles, and human dignity first. We contribute to lasting solutions, give voice to migrants and the displaced, bringing host and refugee communities together, and ensure safety for women leaders. We campaign for their rights and fight intolerance and polarization. In specific crises areas, we support efforts to build **SAFE & RESILIENT COMMUNITIES**, rebuilding governance, livelihoods, a peaceful and safe society, with innovative approaches promoting local (humanitarian) leadership. We do this through measures to avoid crisis, through accurate response mechanisms, promoting inclusive peacebuilding and build resilience to the impact of natural and human-made disasters and conflict. We also bridge the humanitarian, peace-building and longer-term development divide.

#### • FAIR: We fight for an equitable world

To reverse the trend of growing inequalities, we press for fundamental changes to public and private sector policies and practices, so that wealth, profits, and welfare are shared more equally and transparently in a **HUMAN ECONOMY**. An economy that includes and

serves society, leaves no-one behind, and gives people the power, choice and means to realize and define their own well-being. We contribute to reframing the current neoliberal model, with its focus on growth and shareholders. We support alternative business models and a booming social SME sector for fair and circular production, local value creation, fostering women and youth entrepreneurship. Governments need to play a crucial role in ensuring **FISCAL AND FINANCIAL JUSTICE**, providing basic social services to all their citizens and ensuring fair tax and budget systems to redistribute resources in a transparent way, and a financial system that is inclusive, responsible and fair. The private and financial sectors should ensure that in **INCLUSIVE FOOD SYSTEMS & VALUE CHAINS** power and profits are shared fairly between investors, companies, traders, and the people who produce or consume. We need to ensure a living income and decent work for everybody.

#### • GREEN: We demand justice for a sustainable world

The current climate crisis requires immediate action. We stand with those most vulnerable to the effects of climate change and support activism for **CLIMATE JUSTICE** by local leaders, support linkage worldwide, including in the Netherlands and Europe. We support smallholders to voice the needs of small-scale farmers, youth, and women to shape solid adaptation plans addressing their needs and ensure sufficient and transparent financing. We support movements to stand up for land rights. As we witness that those who contributed least to global warming are faced with the biggest impact, like droughts and flooding, we support their initiatives to build **CLIMATE RESILIENT COMMUNITIES**. We support local solutions for protecting and using agro-biodiversity to adapt their food & production systems to a new climate and within ecological boundaries.

This also demands commitment from ourselves. We stand for providing a safe space for all staff, partners and local

communities that we work with; applying full transparency and accountability; creating diversity amongst our staff. Every day, we publicly share project data. We monitor the direct environmental impact of our office in The Hague and air travel by employees. To reduce our indirect impact on the environment and the climate, we have a new Supplier Code of Conduct to ensure we work with suppliers that also seek to reduce their environmental impact. The impact we aim to achieve shows that we also take our own corporate social and ecological responsibility to heart.

## OUR ORGANIZATION

### Oxfam Novib’s change process

‘However firm our base is, the world is rapidly changing and requires us to adjust,’ Oxfam Novib states in Manifesto 2030, our strategic framework for the coming decade. Manifesto 2030 reflects both the urgency of radical and systemic change and Oxfam Novib’s aspirations to meaningfully contribute to such change. Our aim is to be the leading Dutch platform promoting international social justice by 2030, with a strong constituency and as part of a diverse and global network of people fighting for social justice.

In Manifesto 2030, we redefine our strategic ambitions and ways of working, repositioning ourselves as an activist organization that walks the talk on our key values. We have aligned our ambitions with the Oxfam Global Strategy, committing to contribute to Oxfam’s development as a globally balanced and diversified network. Last but not least, we conclude that we need to further strengthen the organization, so that staff feel empowered to contribute to our mission.

### Future-proof and fit for purpose

In 2020-21, Oxfam Novib embarked on an organizational change process to make us fit for purpose. This process was supported by a dedicated Change Team and valuable advice from the Works Council, and was implemented in an

inclusive manner and through a phased approach.

In Phase 1 (September-October 2020) the Board of Directors shared a strategy paper and held consultations with staff. We also initiated the recruitment process for a new Director Engagement, in line with our ambition to increase our supporter base in the Netherlands. In Phase 2 (November-December 2020) a ‘flattened’ organizational structure was established, removing a management layer and creating 3 departments with 21 units. We also came to an agreement with the labor union on a Social Plan. In Phase 3 (January-March 2021) we developed detailed formation plans for all units and informed staff on their placement or (provisional) redundancy.

We firmly believe that this change process will lead to a stronger Oxfam Novib, fit for the future and able to deliver on our ambitions. However, as the restructuring should also deliver significant savings, we had to make some tough choices with painful consequences for a number of highly appreciated colleagues who became redundant. In relation to the country offices, we will only deliver Partner Affiliate support as part of programs, and concentrate our business support in a new Executing Affiliate Global Business Support unit.

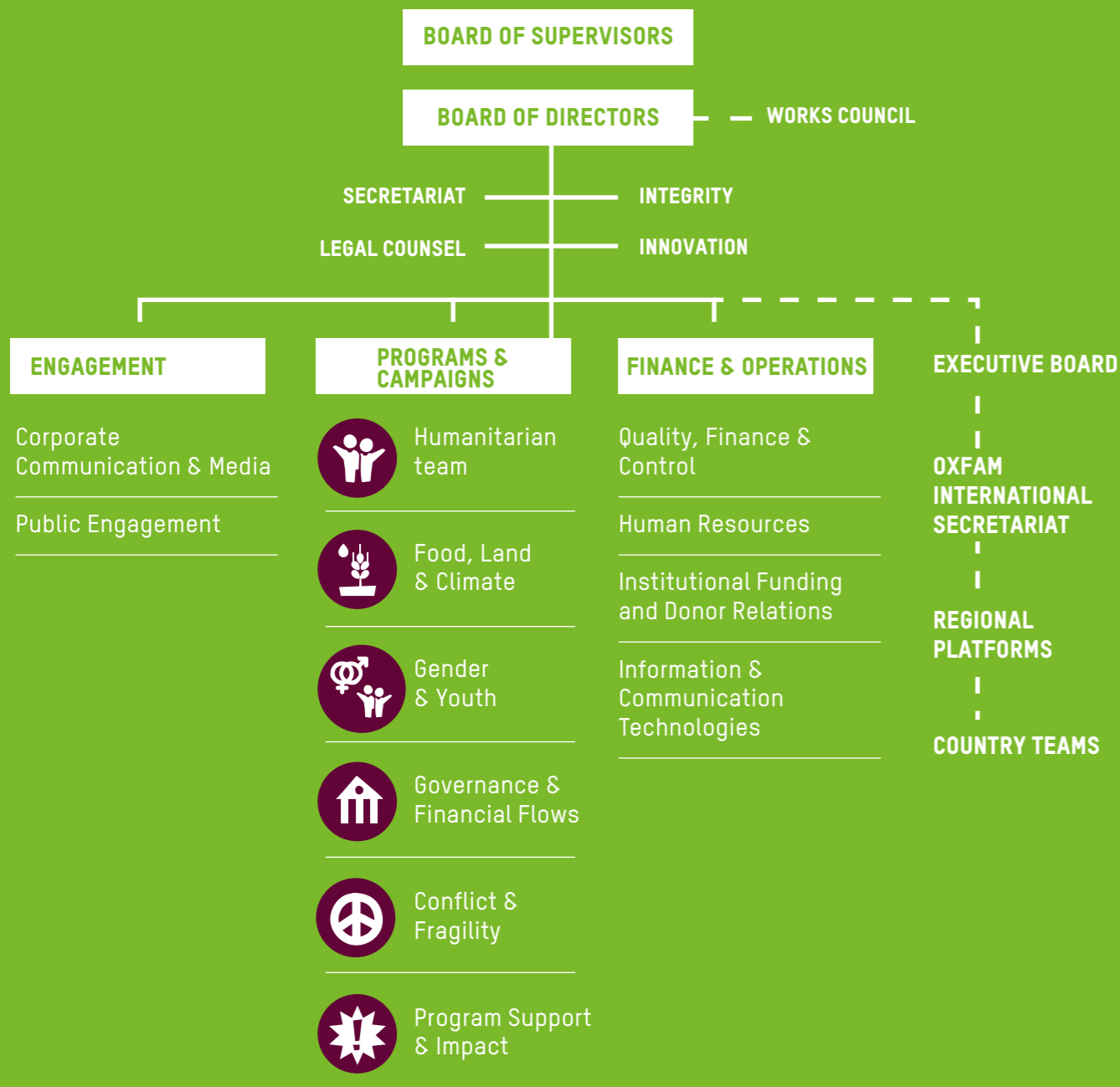
On April 1, 2021, Oxfam Novib started to phase in the new organization. However, this date only marks an important milestone in our change journey. We will continue changing in the coming years, as further work is needed to strengthen the organizational culture, move forward on diversity, equity & inclusion, and to realize our external ambitions, in partnership with others.

The organogram presented on the next page shows the structure of the different departments in 2020-21 before the reorganization.

# OUR ORGANIZATION



**OXFAM**  
Novib



## Governance

In 2020-21, Oxfam Novib's governance structure was composed of a Board of Directors, comprised of three members, and a Board of Supervisors. The Board of Supervisors oversees the policy of the Board of Directors and the general course of Oxfam Novib, while the Board of Directors is responsible for the daily policy and management, and represents Oxfam Novib in the international Oxfam confederation. A management team of 11 members supported the Board of Directors in planning and daily operations. In 2020-21, Oxfam Novib was an Executing Affiliate in Egypt, Tunisia, Niger, Nigeria, Burundi, Uganda, Somalia, Mozambique, Occupied Palestinian Territory and Israel (OPTI), Afghanistan, Cambodia and Vietnam.

Michiel Servaes is Oxfam Novib's Executive Director, Pauline Mulder is our Director Finance & Operations, and Ton Meijers remains our Director Programs and Campaigns. As part of the change process which was initiated in September 2020, a new Director of Engagement, Liliane Alibux, was recruited in December 2020; she started on 1 April 2021.

The organogram presented on the next page shows the structure of the different departments in 2020-21 before the reorganization.

## One Oxfam

Oxfam Novib is an affiliate of the Oxfam confederation, in which 21 likeminded organizations join forces to work towards a just and sustainable world. The Oxfam International Secretariat has its headquarters in Nairobi, Kenya, and leads, facilitates and supports collaboration between Oxfam's affiliates to increase their impact. Affiliates engage with countries and regions as partners, providing thematic and capacity-building support as well as funding. Some – such as Oxfam Novib – act as Executing Affiliates that also provide back office support. We work together with more than 3,800 partner organizations, as well as allies and

communities in almost 90 countries. Collectively, Oxfam reached 19.4 million people (25 percent youth, 62 percent women) worldwide in 2020-21, through our long-term development, advocacy and emergency programs.

Oxfam Novib's remuneration regulation for all employees with Dutch employment contracts is set in the Collective Labor Agreement (CLA). The remuneration of Oxfam Novib's employees working in the countries under national labor law is based on the principles and standards of the Reward Shared Service of Oxfam International applicable in the whole Oxfam confederation.

In 2020-21, we had to change the scope and scale of our work due to the impact of Covid-19. Right now, Oxfam is on the frontlines of preventing catastrophe in some of the world's most vulnerable places, supporting our local partners and acting to save as many lives as we can.

Covid-19 also forced us to quickly adapt some of our internal processes to remote working. We automated critical approval and signing processes to continue our operations in a controlled and responsible manner. Since our internal auditors could not visit the country offices for their periodic audits, they performed remote audits. The limitations of remote audits were explicitly presented in the audit reports and shared with other internal audit functions in the Oxfam Confederation for learning purposes.

## Global Strategic Framework

To maximize the impact of Oxfam's work in the context of its new 10-year Global Strategic Framework, Oxfam International's Executive Board agreed to make changes to Oxfam's presence and scope of work in all but eight country offices. Phased until 31 March 2022, Oxfam will transition several offices to full new Oxfam affiliates in the global South, and retain full country offices elsewhere. Furthermore, Oxfam's humanitarian programming will be concentrated in eight conflict-ridden

countries. In six countries, program teams will become influencing offices, and 14 country programs will be rearranged into clusters: Southern Africa, Mekong, Central America, and North Africa. Additionally, Oxfam will phase out its physical presence in 18 countries. For Oxfam Novib, this decision has several consequences in the countries in which we are the Executing Affiliate, such as phasing out in Afghanistan, Burundi and Egypt; clustering country programs in Cambodia and Vietnam; and changing Nigeria into an influencing office.

## New governance structure

Oxfam International will have a new global governance architecture effective from July 2021, reflecting the organization's commitment to strengthening global balance and diversity of voice, including at the leadership level.

A new International Board will comprise four independent members (with no concurrent affiliation with Oxfam) and five members coming from the boards of national Oxfam affiliates. Oxfam will have a multi-stakeholder global Assembly composed of affiliates and stakeholder representatives from the countries and regions in which Oxfam works, and an Affiliate Business Meeting. This changes Oxfam's current two-tier board structure to a more effective, diverse and inclusive model that invites independent perspectives to help us be relevant, resilient and impactful into the future. Oxfam Novib will have a seat in the Affiliate Business meeting, the Assembly and in the Executive Directors Forum, all of which are groups that closely interact with the international board.

## Looking back

In the pandemic year of 2020-21, Oxfam Novib managed to quickly adapt and continue working with over 500 partners in more than 35 countries. We raised awareness of the coronavirus, promoted hygiene and delivered much-needed assistance to millions of people who suffered from the consequences of lockdowns and other restrictions. In

addition, we published revealing reports pointing at the structural inequalities that the pandemic exposed and exacerbated, and we strongly advocated for equal access to financial support and healthcare, a fair economic rescue plan for all and a people’s vaccine. In doing so, we mobilized the support of hundreds of thousands of supporters, including in the Netherlands.

Our work in 2020-21 reflects both our longstanding expertise and networks, and our new vision as laid down in Manifesto 2030. More than ever, Oxfam Novib supports and mobilizes the power of people for social justice: in the Netherlands, in the countries where we work, and at the regional and global level. As an activist organization committing to feminist principles, we recognize and act upon the interrelated global injustices of extreme poverty, inequality, the impact of climate change, and the denying of people’s rights and civic freedoms. By 2030, we aspire to be the leading Dutch platform promoting international social justice; we will grow our Dutch supporter base and connect them to a global movement of millions.

Being part of a global movement to end poverty and inequality, Oxfam Novib was impacted by the coronavirus both through its partners and its supporters. On the one hand, the pandemic complicated our activities to engage with our supporters. Yet, on the other hand, the devastating effects of the virus in middle and low-income countries called for urgent actions by our Dutch constituency. So we did everything possible to mobilize our supporters to help save lives in the countries we work in, and to campaign and advocate for fair and equal access for all to financial and medical support.

## 1.2 ACTIVITIES AND FINANCIAL POSITION

### 1.2.1 Core activities

In 2020-21 Oxfam Novib was organized according to the following major themes: Governance and Financial Flows; Food,

Land and Climate; Gender; Youth; Conflict and Fragility; and Humanitarian work.

#### 1. Governance and Financial Flows

We supported civil society organizations in empowering citizens to hold governments and the private sector to account, including protecting and widening the space for civic actions. We influenced governments and international institutions to tackle tax evasion and avoidance. We encouraged them to increase the transparency and accountability of their budgets, and to ensure reliable fiscal policies. We engaged them in enhancing development aid and innovative finance. We advocated for governments, international institutions, and the private sector to ensure an inclusive, sustainable, and stable financial sector; a sector that works in the public interest and that serves smallholders and people living in poverty with adequate financial services.

#### 2. Food, Land and Climate

We supported people living in poverty in their efforts to claim their right to food, land and water. In the long term this results in a more just food system, one which sustainably addresses the needs and aspirations of smallholders, agricultural workers, and vulnerable communities. We developed and implemented a food justice campaign – GROW – addressing the unequal division of profit in international value chains. We worked on specific value chain rights and the position of small-scale farmers (palm oil, rice, aquaculture) and worked on land rights and water governance; and had a special program on the potential of traditional seeds in tackling food security and climate change.

#### 3. Gender

We worked towards changing the attitude of tolerance for gender discrimination. We challenged social norms and values that, even in the 21st century, try to legitimize and even promote the use of violence against women and girls; rules and structures that excuse the violation of their sexual

and reproductive rights, and limit their full participation in political and income-generating activities. Together with our partners, we provided women and girls with opportunities to mobilize and raise their voices, to develop their leadership, to influence and participate in decision-making spaces, and to create sustainable economic opportunities in local markets using household methodologies. We put a lot of effort into ‘walking the talk’ ourselves, among others, by training all staff with our gender e-modules.

#### 4. Youth

We aimed to work jointly with young people to challenge the barriers that prevent them from enjoying their rights. Ensuring that the next generation is educated and healthy, can earn a living as employees or as entrepreneurs, and awareness of the importance of developing leaders and movements for active citizens at a young age are crucial factors in the global fight against inequality and injustice. Harnessing the energy and strength of young people and working with this target group is core to Oxfam Novib’s goal of creating transformational change. Furthermore, we strove to enable young people to participate in society and have an effective voice in decision-making processes which affect them, including in our own projects.

#### 5. Conflict and Fragility

Our work on conflict and fragility takes a long-term approach that seeks to address the underlying root causes of conflict, such as structural inequality, marginalization, and lack of access to natural resources. We sought to create inclusive security for all, with an emphasis on the inclusion of women and marginalized groups.

#### 6. Humanitarian work

We worked closely with our partners – in collaboration with other Oxfam organizations – to deliver specialized and efficient emergency response. Our expertise covered two broad themes: emergency food security and livelihoods

(EFSL), and water, sanitation and hygiene (WASH). Operating independently, without influence from any interest groups, we designed and implemented programs that are sensitive to existing tensions and violence. We made communities more resilient to future crises. To strengthen their ability to cope, we routinely incorporated disaster preparedness into our development work. We also took a long-term view to rebuilding when providing emergency aid immediately after a crisis. We invested a lot in strengthening local humanitarian leadership and empowered local organizations to lead and deliver humanitarian aid and to be prominently represented at national and international level.

#### 1.2.2 Key financials

2020-21 was a challenging year, in which the Covid-19 pandemic came on top of Oxfam Novib’s change process. At the end of the year, the net result was €1.7 million positive, which is explained by a higher income from public fundraising, as well as a lower level of expenditure in organizational and activity costs due to savings and the postponement of activities during the lockdown. These cost reductions, even though they were partially offset by the change process provisions, allowed the organization to remain at the minimum of the target

range of €13 - €20 million in the financial year 2020-21.

The total income from fundraising activities in 2020-21 was slightly higher than budget, and was €23.0 million higher than in the previous year. There is an increase in the income from private individuals as well as in the institutional fundraising income. This shows a positive performance including stabilization of the number of active structural and incidental donors at around 300,000, which is a 2.4 percent increase compared to the previous year. This result was achieved despite the restriction of the second lockdown that affected the face-to-face acquisition in the second half of the year. The institutional contracts awarded almost reached the annual target and represent the highest institutional funding result of the last five years. Income from Institutional Funds is recognized when project expenditures are incurred, and therefore the income growth relates to the level of restricted program expenditure.

The total expenditure on goals was slightly below budget, and €19.3 million higher than in the previous year due to the large number of contracts with third parties related to the new project ‘PVP: Fair for All’ in the last quarter of the financial year. The management and

administration costs remained constant and below the budgeted amount. The costs of generating income related to the activities to recover the donor base were at the same level as the previous year and €1.2 million below budget, due to the limited number of fundraising activities during the pandemic. The balance of financial income and expenses was €0.7 million lower than budgeted, as a consequence of the bad loan provision adjustment needed to cover the higher risk of non-reimbursement of the microfinance loans due to the financial problems of local businesses in relation to Covid-19.

In addition, by year-end 2020-21 Oxfam Novib had sufficient cash and cash equivalents to cover its current debts and project obligations.

The costs of direct fundraising represented 19.7 percent of the income generated from direct fundraising. This percentage is lower than the budgeted percentage, mainly due to the higher income and the lower costs than initially planned for.

The key figure ‘Management and administration costs’ represented 1.3 percent of total expenditure, which is below the 2 percent maximum set by Oxfam Novib’s Board of Directors.

## KEY PERCENTAGES

Amounts in thousands of Euros	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	BUDGET 2020-21	FY 2020-21
<b>Income from direct fundraising</b>	37,845	40,723	36,876	30,186	31,692	29,426	32,724
<b>Costs of direct fundraising</b>	7,310	6,821	6,929	4,774	6,178	7,179	6,458
as a % of income from direct fundraising	19.3%	16.8%	18.8%	15.8%	19.5%	24.4%	19.7%
<b>Management and administration</b>	2,099	2,539	2,234	2,126	2,193	2,449	2,327
as a % of total expenditure (own criterion max. 2%)	1.2%	1.4%	1.1%	1.2%	1.3%	1.3%	1.3%
<b>Expenditure on goals</b>	144,116	171,707	188,799	174,129	153,948	175,511	173,296
as a % of total income	89.4%	95.4%	96.6%	95.2%	93.6%	93.7%	94.2%



The management costs allocated to management and administration are compliant with the Erkenningsregeling (seal of approval for fundraising organizations in the Netherlands), and as such are in accordance with the guidelines of the Netherlands Fundraising Regulator (CBF) as well as those of Goede Doelen Nederland. The Erkenningsregeling has replaced the separate guidelines. For details, refer to section 3.5.10 ‘Allocation of management and administration costs in accordance with the Goede Doelen Nederland guideline.’

The key figure ‘Expenditure on goals’ is stated as a percentage of total expenditure. ‘Expenditure on goals’ accounts for 94.2 percent of total expenditure, which is above the budgeted 93.7 percent.

### 1.2.3 Engagement in the Netherlands and Fundraising

Being part of a global movement to end poverty and inequality, Oxfam Novib was impacted by the coronavirus both through its partners and its supporters. On the one hand, the pandemic complicated our activities to engage with our supporters. Yet, on the other hand, the devastating effects of the virus in middle- and low-income countries called for urgent actions by our Dutch constituency. So we did everything possible to mobilize our supporters to help save lives in the countries we work in, and to campaign and advocate for fair and equal access for all to financial and medical support.

#### Our supporters

In the Netherlands we replaced all regular and planned face-to-face activities by a multi-channel campaign to generate support for our humanitarian and lobbying activities around Covid-19. Through TV and radio spots, social media messaging and newspapers, and lobbying work, we managed to gain traction for Oxfam reports such as ‘Hunger Virus’ among Dutch supporters, media and parliament.

Recruiting new individual financial supporters is of vital importance to ensure Oxfam Novib’s ability to implement its mission. Door-to-door acquisition is by far our main channel to increase our financial supporters base, yet we did not want to jeopardize the health and safety of the public or our recruiters. Therefore we stopped this recruitment method during the first (mid-March to mid-May 2020) and second (mid-December 2020 to February 2021) lockdowns. We resumed it with a carefully monitored pilot using the protocols developed by the sector organization Goede Doelen Nederland and the national health institute (RIVM).

Our efforts were successful: in 2020-21 we saw a 2.4 percent increase in the number of individual supporters up to approximately 300.000.

#### Online media presence

In 2020-21 Oxfam Novib engaged Dutch supporters online, through a fundraising and influencing campaign around Covid-19, an online-only branding campaign and several smaller campaigns on tax evasion and climate. In November 2020 we launched our renewed webshop. We improved the navigation menu of our website and the layout of crucial web pages.

For our online campaigns, we still largely rely on paid advertising on Facebook and Google. We continuously monitor the impact of our online marketing efforts, conduct experiments to learn, and make adjustments wherever possible. All our marketing and campaigning efforts combined resulted in 1,100 online monthly donors and more than €500,000 in one-off donations. Our email base increased by more than 30,000 supporters.

Thanks to our new social media strategy for Instagram and Facebook, the monthly reach tripled. The reach of our Instagram timeline posts had an annual total of 438,241, and our video content scored well above the Dutch NGO average.

Creating high quality content combined with web care optimisation radically reduced negative feedback.

#### Legacies and bequests

In 2020-21 the income from legacies and bequests was at the highest level ever. We received legacy gifts from 49 people and over 1,000 people showed an interest in legacy giving. We are immensely grateful for these important commitments to supporting our work. For 2021-22 we plan a campaign to inform non-supporters about this unique way of giving.

#### Major donors and private donations

We welcomed, and very much appreciated, 27 new private foundations and major donors, continuing the upward trend from past years. Together, they contributed a record amount of about €1 million in donations. Due to Covid-19, we could not meet face-to-face, but we invited them to special IDFA home-cinema events, sent handwritten postcards and recipes from our Vegetable Cookbook, besides maintaining regular contact via telephone, email newsletters and our supporters’ magazine Close Up. For the second consecutive year, we sent out a successful direct mailing to a selection of (potential) major donors and foundations, in order to raise funds for a better future of youth in the African countries we work in.

The Dutch Postcode Lottery has supported Oxfam Novib’s work for more than 30 years now. In 2020-21 the Postcode Lottery granted us €13.5 million of unrestricted funding. Among other donors, the Hans Geveling Foundation, our longstanding and loyal partner, enables us to support smallholder farmers in Africa and maintain our Oxfam Novib Fund, which provides funding to microfinance institutions. Vivace Foundation supports our important program in Zimbabwe, in which smallholder farmers develop their own quality seeds. We are also very grateful for the funding from Soroptimist

Club International and Books4Life, both of which support our project Marriage: No Child’s Play, fighting child marriages in Pakistan, Mali, and Niger. Medium-sized entrepreneurs in Vietnam could count on the (ongoing) support of both the GSRD (G-star) Foundation and the ‘De Leerschool’ Foundation, while SanoRice is our highly appreciated partner in the Gender Transformative and Responsible Agribusiness Investments in South East Asia (GRAISEA) project.

#### Entrepreneurs for entrepreneurs

Oxfam Novib’s longstanding and engaged Entrepreneurs for Entrepreneurs (EfE) network of almost 420 Dutch entrepreneurs is a large and inspiring corporate social responsibility network for small and medium-sized enterprises (SMEs) in the Netherlands. Due to the pandemic, acquisition of new SME supporters was hard, and some network members had to leave – hoping to rejoin in better times. The entrepreneurs support microfinance and SME development worldwide, and aim to contribute to the Sustainable Development Goals (SDGs).

Instead of our planned engagement activities, Oxfam Novib held 15 highly rated bi-weekly ‘Beat Corona Calls’ with about 60 entrepreneurs. We checked in with them and informed them on the impact of the coronavirus on the projects they support, focusing on shared hardships. In addition, we set up an inspiring masterclass on improving enterprises’ SDG performance, and invited them to the online IDFA festival. Together with two Dutch entrepreneurs we quick-scanned their businesses, and invited them to our webinar, in order to make them futureproof by using the SDGs as a guiding framework.

#### Supporter contacts

Besides regular contact moments related to our public Covid-19 campaign, we actively involved our donors in sharpening our strategic focus. We organized focus group discussions with participants from different age groups and backgrounds, collected quantitative

data and tested several engagement tools.

As a result of the Covid-19 measures, nearly all of the colleagues handling Oxfam Novib’s supporter contacts worked from home; to tackle the associated challenges, we hired an external agency to handle inbound calls. We are proud to say that thanks to their flexibility and dedication, and that of the external partners who supported us when needed, we continued to be available at all times, to answer supporters’ questions, concerns and requests. In line with previous years, Oxfam Novib handled more than 55,000 inbound customer contacts in the form of emails, phone calls and letters.

#### Media

In 2020-21, Oxfam’s flagship reports on the impact of Covid-19 on poverty and inequality around the globe resulted in an increase in media attention for the international context, and helped to influence the political agenda and debate. We managed to raise interest, increase visibility and become a relevant source on this key news topic.

Again, our biggest media hit was the inequality report Oxfam launched ahead of the (online) World Economic Forum in Davos in January 2021. All major Dutch media, such as NOS, RTL Nieuws, NU.nl, and all six national newspapers used the Oxfam report ‘The Inequality Virus’ for extensive reporting on the topic. This included live radio and TV interviews with Oxfam Novib’s Executive Director, resulting in 61 different hits on Dutch radio stations alone.

With regard to our financial and economic reporting, Oxfam Novib is considered an expert. This means that we are able to actively approach media outlets and more or less determine when and where our reporting will become news. In contrast, our news and press releases on humanitarian crises are highly dependent on the external news agenda and on media interest in countries hit by natural or human-

instigated disasters. We actively pitched to the media for Oxfam reports and press releases on refugees stranded on the Greek islands, the Rohingya refugees and war-torn Yemen, which contributed to the relatively good media coverage of these urgent and ongoing crises.

#### Policy influencing and advocacy

In 2020, Oxfam Novib successfully pleaded against a decrease of the Dutch development budget, including by working closely with the Advisory Committee on International Policy (AIV). On July 10 the Dutch government committed to adding €500 million to the development budget for Covid-19-related support. We also mobilized political party members to have the international ODA norm (0.7 percent of national income) included in their election programs, which eight political parties did. The livestream of the election debate we organized with Amnesty International and Greenpeace prior to the March 2021 general elections was watched by nearly 1,000 people.

Oxfam Novib has played an active role in two Dutch MVO (CSR) Platform working groups on due diligence legislation, and has become a member of the new Initiative for Sustainable and Responsible Business Conduct, which includes NGOs, trade unions and progressive companies. Oxfam Novib’s and MVO Platform’s active support for four political parties resulted in a Bill for Responsible and Sustainable International Business Conduct, in March 2021. At the EU level, Oxfam Novib and Oxfam actively supported initiatives in the European Parliament on CSR regulation. In March, the European Parliament voted in favor of new rules to ensure that EU companies comply with labor and climate rules throughout their supply chain.

Oxfam Novib actively supported the critical motion adopted by Dutch Parliament in June 2020, which called on the government to take measures against Israel if it executes its annexation plans of Palestinian territory. Fair Finance International (FFI)

case studies on Dutch investments in controversial arms trade linked to human rights violations in Yemen resulted in Parliamentary questions and the responsible Minister's promise to take this up with Dutch financial institutions; one insurance company has promised to undertake action. Likewise, FFI reports on Dutch financial institutions' investments in the soy and beef industries that destroy Amazon rainforests and cerrados led to public responses by their CEOs and to Parliamentary questions.

### 1.2.4 Policies

#### Investment policy

Oxfam Novib's investment activities relate to our mission to end injustice and poverty. In order to realize this mission, the organization invests in Oxfam Novib Fund, which is managed by Triple Jump BV on behalf of Oxfam Novib. The Fund provides funding to microfinance institutions in order to support access to finance for the poorest, because they have no access to the official banking system. All these investments are disclosed in section 3.6.2 'Financial fixed assets' and their results are included in section 3.7.10 'Balance of financial income and expenses'.

Oxfam Novib has set a number of investment criteria which allow to maximize mission-related objectives while at the same time managing the financial risks resulting from these investment activities. The investment criteria set targets on the following aspects, amongst others:

- a single microfinance institution (MFI) is eligible for a maximum of 25 percent of the total portfolio of the investee with a maximum of €2 million by investee;
- the exposure to a single country shall not exceed 15 percent of the invested portfolio;
- investments in any single local currency may not exceed 7.5 percent of ONF's total microfinance portfolio with the exception of XOF, which shall not exceed 15 percent of the investments;

- un-hedged local currencies may not account for more than 30 percent of ONF's total microfinance portfolio;
- the total investment in subordinated debt is limited to 20 percent;
- the total indirect investments in holdings may not exceed 15 percent of the total microfinance portfolio.

The investment criteria are laid down in the contract between Oxfam Novib and Triple Jump BV. In addition, the criteria are measured and monitored via quarterly portfolio and management reports.

The investments in microfinance are long-term in accordance with the mission of Oxfam Novib to defeat poverty. The life of outstanding loans and guarantees is reported in section 3.6.2 'Financial fixed assets'.

Oxfam recognizes the importance of sustainable development for people living in poverty, and the long-term benefits for MFIs of becoming a more sustainable organization. Oxfam takes responsibility for and is committed to managing the labor and environmental standards in its operations and supply chains. In order to embed appropriate management of these standards, Oxfam adheres to an ethical and environmental purchasing policy. This framework is also included in the microfinance loans investment criteria. More concretely, the Oxfam Novib Fund, among others, does not allow providing loans to any commercial activity in relation to weapons, gambling, crypto currencies, pornography, use of child labor or sex industry.

The foreign exchange risk on loans granted through microfinance in developing countries is hedged by means of forward exchange contracts. In order to avoid any currency risk to our beneficiaries, such contracts always match the duration and amount of the long-term microfinance contract, except where there is no market for forward exchange contracts in the local currency. However, in accordance with

the investment criteria mentioned above, the total un-hedged foreign exchange exposure may not exceed 30 percent of the total investment portfolio.

#### Policy on the size and the function of reserves and funds

In accordance with the Dutch Accounting Standard for Fundraising organizations (RJ 650), Oxfam Novib's equity is divided into reserves and funds:

- within the reserves, a distinction is made between the contingency reserve and the earmarked reserves. The earmarked reserves are intended for purposes that have been approved by the Board of Directors and the Board of Supervisors;
- the funds are resources that are tied to particular purposes by third parties.

#### Contingency reserve

The contingency reserve exists to ensure that the organization is able to meet its obligations in the future. This reserve is intended to guarantee the continuity of the organization. In line with the model developed, the desirable size of the contingency reserve has been calculated on the basis of an estimate of the income flow insecurity and cost flexibility. The Directive for the Financial Management of Charities ('Richtlijn Financieel Beheer Goede Doelen') was taken into account in making the calculation. This calculation indicates a desirable minimum size of €13 million and a maximum size of €20 million.

#### Earmarked reserves

##### Earmarked reserve for Oxfam Novib projects

The earmarked reserve for Oxfam Novib projects consists of the part of the unrestricted net assets comprising the funds earmarked in any year – from the income from direct fundraising, from the Dutch Postcode Lottery, and from the net income of the publishing house – for program development, program implementation and innovation. Approved grants to be disbursed from these funds to partner organizations and own project implementation are recognized in the statement of income

and expenditure and charged to this earmarked reserve.

#### Earmarked reserve for loans and guarantees

The earmarked reserve for loans and guarantees comprises two elements. The first element consists of all funds intended for the provision of loans and investments in the Triple Jump Innovation Fund. When a loan is repaid, a corresponding amount is added to the earmarked reserve for loans and guarantees and withdrawn from the earmarked fund for loans to partner organizations. Conversely, when a loan is disbursed, the corresponding amount is withdrawn from the earmarked reserve for loans and guarantees and added to the earmarked fund for loans to partner organizations.

The second element of this reserve consists of the value of the participating interests held in The Currency Exchange Fund (TCX), ASN- Novib Fund, Oikocredit and Triple Jump B.V. which have been financed from Oxfam Novib's own resources. These participating interests are held in order to enable the organization to carry out its lending activities as effectively as possible.

#### Earmarked reserve for management and administration costs

The earmarked reserve for management and administration costs (the 'ICR reserve') is used to finance operational support costs. The level of this earmarked reserve is determined with due regard for internal guidelines designed to guarantee the continuity of the project cycle.

#### 1.2.5 Risk and uncertainty

Oxfam Novib works in a complex, multilevel and dynamic environment. It is therefore of paramount importance that we identify risks on different levels within the organization and manage them adequately. Risk management is considered a high priority throughout the organization. Oxfam Novib has integrated risk management at all organizational levels, as well as in our relationships

with our partner organizations. Our risk approach is based on the risk management policy of the Oxfam confederation.

#### Risks at confederation level: One Oxfam

Oxfam Novib works as One Oxfam within the Oxfam 2020 model. This model strengthens the way that we work together on our common mission, but also brings with it an interdependency risk that requires careful management. Within the One Oxfam model, Oxfam Novib acts as Executing Affiliate in twelve country offices, providing back-office services. In the countries in which we are active only as a Partner Affiliate, other Oxfam affiliates provide these services. Line management in all country offices is carried out by Oxfam International.

Close cooperation within the confederation mitigates the risks of interdependency. In addition, risks are mitigated by means of a clear framework on roles and responsibilities and on how (as a confederation) we work together to prevent risk areas from materializing and to mitigate them.

#### Risks at the organizational level: The Risk Register

Oxfam Novib's Risk Register identifies potential internal and external risks, classifies these risks, and defines and monitors mitigation measures and controls. Our risk register is assessed every six months; alternately renewed and updated, on issues such as the effectiveness of the mitigation measures. Both the renewal and the updates are carried out in close consultation with the management team and the Board of Directors, before being submitted to the Board of Supervisors.

In 2020-21 we invested in strengthening our measures to mitigate the risk of misconduct and unwanted behavior in our work. We continue to develop a new Improving Safeguarding and Culture Plan that will guide Oxfam's work over the next two years, which builds upon our ongoing anti-corruption, safeguarding and culture work; and it draws from and

is strengthened by recommendations from the Independent Commission and UK Charity Commission.

Additionally, in 2020-21 we worked on the strategic plan 2020-2024 which addresses the risks related to current pressure on the income, as consequence of challenges on donor acquisition. By adjusting our fundraising, organizational and financial strategy we aim to become more resilient and have a healthy organization that can absorb the impact of unforeseen external factors, such as the Covid-19 pandemic.

The Oxfam Strategic Framework that was launched in November 2020 also includes the ambition to transform Oxfam's governance, management, and operational structures. Processes and procedures in the confederation will be further harmonized. This is expected to increase efficiency and the control over the risks of interdependency. Oxfam Novib, together with the Oxfam secretariat, Oxfam Intermon and Oxfam Great Britain will take a leading role in this harmonization process. The new strategic framework also comes with a phasing out and merging of country offices where Oxfam Novib is the Executing Affiliate. Those risks are reflected and monitored through the register – just as the risk that comes with managing multiple organizational changes at the same time.

#### Risks at the country level: control framework

Oxfam Novib provides a control framework for the countries in which we work as an Executing Affiliate. All of these country offices have separate risk profiles, including financial risks. Wherever and whenever needed, Oxfam Novib supports its country offices from our office in The Hague. We minimize risks by providing support and training, as well as through a solid control framework. Furthermore, all main risk areas are tested and checked regularly by our internal audit department. When audits prove that risks are not managed and mitigated well enough, we draft an



action plan, provide support, and plan a follow-up.

### Risks at the project level: partner assessments

Risks within the projects Oxfam executes are managed throughout the entire process. The Oxfam Novib Project Cycle describes our ways of working and the checks and balances we have implemented. This includes project risk assessments and mitigation measures.

Risks within the projects Oxfam Novib executes are managed throughout the entire process, through various teams in program, finance and operations departments. Until the end of 2020, we used the uniform Risk Assessment Method Oxfam Novib (RAMON) which included a partner risk classification; we combined this with an annually updated project risk assessment. In 2021, Oxfam Novib launched the Project and Partnership Risk Management (PRISMA) approach, as part of responsible, mature and accountable project management in partnerships. PRISMA replaces RAMON, and helps us assess and manage internal and external risks for any project and provides a holistic risk management approach. It places more emphasis on sharing the responsibilities of managing the risks in our projects and partnerships. It invites our partners to ask Oxfam the same questions as we ask them. PRISMA also includes additional questions and guidance on high-risk areas such as safeguarding and anti-terrorism financing,

### Risks at the personal level: security and safety

Oxfam Novib works in many insecure environments and regularly faces security incidents which are usually managed by the immediate line management with advice and support. The confederation-wide Security Policy provides managers and employees with strategy and direction to enable the effective implementation of Oxfam's program objectives, while at the same time protecting (to the extent possible)

Oxfam's employees, reputation and assets from harm. Detailed practical guidance on implementing the policy and establishing and maintaining an effective security management framework, are provided in the Security Management Toolkit. If a security situation prevents our staff from working safely, our projects continue to be closely monitored from another location.

In order to ensure a safe working environment for all Oxfam Novib employees, the organization complies with an anti-bullying and anti-harassment policy in addition to the Oxfam Code of Conduct. Oxfam Novib provides in-house confidential counsellors, both in The Hague and in the country offices for which we are an Executing Affiliate. Also, (potential) violations of our code of conduct can be reported through our Speak Up protocol, which provides a number of reporting channels; these mechanisms are available for anyone who feels the need to speak up about unwanted behavior in or outside the workplace.

### Risk at privacy level: GDPR and data privacy

To strengthen compliance with the General Data Protection Regulation (GDPR) into Oxfam Novib's business processes and activities, we:

- continuously maintain a Data Processing Register;
- notified the Dutch Data Protection Authority in the few cases data were unintentionally leaked;
- secured and updated Data Processing Agreements with relevant external suppliers and processors;
- opened up a support line through an external privacy agency, to give employees easy access to advice and information on how to deal with the protection of personal data;
- conducted Privacy Impact Assessments for any new or substantially changed processing activity, to minimize the risk of privacy-related issues;

- have developed an Information Security Policy to further embed security awareness and practices in our ways of working.

The measures Oxfam Novib has taken to mitigate the risks mentioned in this section are sufficient to absorb the financial consequences related to these risks.

## 1.3 INFORMATION ABOUT THE BOARD OF DIRECTORS

The directors of Oxfam Novib are appointed following a formal and transparent procedure. Vacancies on the Board of Directors are published internally and externally. According to this formal procedure, the members of the Remuneration Committee of the Board of Supervisors work with the Executive Director to select the most suitable candidate. A formal proposed appointment is submitted to the Works Council for advice.

Oxfam Novib adheres to the Advisory Scheme for the Remuneration of Directors of Charity Organizations of Goede Doelen Nederland (the Association of Fundraising Organizations) and the Samenwerkende Brancheorganisaties Filantropie (SBF) Code of Good Charity Governance. The 'Remuneration Policy for the Board of Directors' is based on the criteria of this Scheme and on the SBF Code relating to remuneration, job grading, and maximum salary for directors.

In 2020-21 there were no changes to the Board of Directors. Michiel Servaes is Oxfam Novib's Executive Director, Pauline Mulder is our Director Finance & Operations, and Ton Meijers remains our Director Programs and Campaigns.

For remuneration details refer to section 3.7.9.2 'Salary and emoluments paid to directors'.

### Composition of the Board of Directors Michiel Servaes (1972)

Michiel Servaes started as Executive Director in October 2018. As Executive Director and chair of the Board of Directors, he has final responsibility for the strategic direction and organizational development of Oxfam Novib. Michiel Servaes is also the Director responsible for the Public Engagement Unit, the Corporate Communication Unit and the Innovation Team, until April 1, 2021. On that date, the new Director Engagement will take over these responsibilities.

Within Oxfam International, Michiel Servaes is a member of the Executive Board, the Executive Board Operational Committee and the Executive Board Humanitarian Committee. He represents Oxfam Novib on the Board of the Foundation of Cooperating Aid Organizations (Samenwerkende Hulporganisaties), the Dutch umbrella organization for emergency appeals.

### Ton Meijers (1958)

Ton Meijers started as Director of Programs & Campaigns in September 2017 after managing the Program, Support & Impact Unit at Oxfam Novib. He is responsible for the Thematic Units, the Program, Support & Impact Unit and the Humanitarian Team.

Ton Meijers represents Oxfam Novib as shareholder in Triple Jump, which manages Oxfam Novib Fund. Furthermore, he is a member of the Board of the Dutch Relief Alliance (DRA) and a member of the Board of Partos. Within Oxfam International, Ton Meijers is a member of the Long Term Development, Knowledge and Institutional Funding platform.

### Pauline Mulder (1974)

Pauline Mulder started as Director Finance & Operations in September 2018. She is responsible for the Corporate Groups: Institutional Fundraising and Donor Relations, Human Resources, ICT & Facilities, Quality Finance & Control and the Integrity team. Pauline Mulder holds consultation meetings with the Works

Council and negotiates with the union on the collective labor agreement on behalf of the Board of Directors. She is also a member of the Board of Supervisors of Triple Jump.

Within Oxfam International, Pauline Mulder is a member of the Executing Affiliate Working Group and the Safeguarding Task Force. She is also chair of the Board of Oxfam Sweden.

## 1.4 OUTLOOK

As part of our strategic review, in 2020-21 we implemented both temporary and structural adjustments in the organization with the objective that the changes to our organization and the changes to the Oxfam model would lead to a financially healthy and future-proof Oxfam Novib. In the year ahead, we will continue to build the foundations for Oxfam Novib's future, reinforcing the alignment between tightening our strategic ambitions, further strengthening the organizational structure and culture, ensuring future-proof financial frameworks, and taking into account the implications of changes occurring within the Oxfam Confederation.

In July 2020, as part of Oxfam Novib's strategic process review in which the income projections were lower than previously estimated, the Board of Directors took the difficult decision to make temporary and structural adjustments, representing a value of around €7 million on an annual basis, to realign the multiannual expenditure level with income and built up again the contingency reserve to ensure financial resilience in the future. During 2020-21 Oxfam Novib went through a deep change process that led to a new design of the organization and a reduction of the number of employees. This reorganization was finalized in March 2021 and managed to rebalance the multiannual budget with a sustainable financial strategy for the medium term.

Next year's 2021-22 budget is aimed at a break-even point. This is €3.4 million better than the transitional multiannual budget which was approved by the Supervisory Board in March 2020. This is the consequence of the structural savings, especially in the organizational costs, achieved with the change process and the reorganization carried out during this financial year.

In terms of investments, in the next financial year we will continue to invest in engaging with our Dutch public, to increase our structural donor base, and to increase our numbers of younger supporters. We will focus on our mission, programs, and campaigns, to demonstrate that we are worthy of our public's trust, and at the same time we will invest in creating a safe and courageous working environment for the people we work with and work for, and ensuring that we provide visible proof that we are reliably, competently, and honestly committed to the highest standards of integrity.

Our organization, as many others, has been affected by the Covid-19 pandemic. In 2020-21, the financial impact was limited, though the medium-term consequences are uncertain. On the one hand, we will continue campaigning in the Netherlands in order to mobilize additional resources from private individuals to fund the emergency actions in the countries in need of help; and new projects have been awarded by donors to fight against the devastating consequences of the pandemic. On the other hand, in our microfinance work, we remain at higher risk for the reimbursement of the loans due to the lockdown of the business worldwide. During 2020-21, most of the pipeline deals were put on hold to avoid increasing the risks in the loan portfolio while the assessment of the impact on the current investees was the major priority. The intention was to ensure a coordinated response providing support to investees in need and increase their chances of longer-term survival, acting

in line with portfolio's mission as a social investor.

At year-end 2020-21, the level of contingency reserves remained at the minimum target of €13 million. The intention is to rebuild them in the coming years.

The multiannual budget 2021-26 as approved by the Supervisory Board in June 2021 is presented in the table below.

## MULTIANNUAL BUDGET 2021-2026

	FY 2021-22 (March 2020)	FY 2021-22 (June 2021)	FY 2022-23 (June 2021)	FY 2023-24 (June 2021)	FY 2024-25 (June 2021)	FY 2025-26 (June 2021)
Amounts in thousands of Euros						
<b>INCOME</b>						
Income from private individuals	22,256	21,800	21,597	22,047	22,639	23,505
Income from companies	6,723	10,497	8,793	8,739	8,886	8,886
Income from lottery organisations	18,500	16,200	16,500	15,500	15,500	15,500
Income from government subsidies	108,770	81,585	78,810	79,560	82,990	75,981
Income from affiliated non-profit organisations	32,426	36,293	33,273	32,045	30,763	31,040
Income from deliveries of products / services	4,609	5,467	5,267	5,267	2,917	1,667
<b>Income from fundraising activities</b>	<b>193,285</b>	<b>171,842</b>	<b>164,240</b>	<b>163,159</b>	<b>163,695</b>	<b>156,578</b>
<b>EXPENDITURE</b>						
Food, Land and Climate	40,118	34,451	32,364	31,853	32,260	30,684
Governance and Financial Flows	53,330	46,472	43,845	43,217	41,547	38,006
Conflict and Fragility	12,491	10,550	10,030	9,901	10,004	9,146
Gender and Youth	15,974	13,253	12,363	12,141	12,315	12,031
Emergency	56,186	47,798	44,594	43,796	44,417	43,369
Public Engagement	7,721	7,771	7,766	7,968	8,225	8,374
<b>Expenditure on goal 'structural poverty alleviation'</b>	<b>185,820</b>	<b>160,295</b>	<b>150,962</b>	<b>148,877</b>	<b>148,767</b>	<b>141,609</b>
Direct fundraising	7,258	6,746	6,652	7,078	7,567	7,838
Third-party campaigns	523	425	424	423	423	424
Securing government grants	1,751	1,622	1,594	1,598	1,616	1,640
<b>Costs of generating income</b>	<b>9,533</b>	<b>8,793</b>	<b>8,670</b>	<b>9,099</b>	<b>9,606</b>	<b>9,902</b>
<b>Management and administration costs</b>	<b>2,459</b>	<b>2,006</b>	<b>2,001</b>	<b>2,021</b>	<b>2,059</b>	<b>2,094</b>
<b>Expenditure from fundraising activities</b>	<b>197,812</b>	<b>171,094</b>	<b>161,632</b>	<b>159,997</b>	<b>160,431</b>	<b>153,605</b>
<b>Balance of financial income and expenses</b>	<b>1,170</b>	<b>(700)</b>	<b>(700)</b>	<b>(700)</b>	<b>(700)</b>	<b>(700)</b>
<b>NET RESULT</b>	<b>(3,357)</b>	<b>48</b>	<b>1,908</b>	<b>2,462</b>	<b>2,563</b>	<b>2,274</b>
<b>APPROPRIATION OF NET RESULT</b>						
Added / charged to: contingency reserve	(2,586)	127	1,168	303	791	601
Added / charged to: project reserve	(2,690)	(1,128)	(387)	1,066	818	818
Added / charged to: other earmarked reserves	2,757	2,506	2,600	2,582	2,457	2,357
Added / charged to: funds	(837)	(1,457)	(1,473)	(1,488)	(1,503)	(1,503)
<b>NET RESULT</b>	<b>(3,357)</b>	<b>48</b>	<b>1,908</b>	<b>2,462</b>	<b>2,563</b>	<b>2,274</b>





## 2. BOARD OF SUPERVISORS' REPORT

The Board of Supervisors exists to critically monitor the functioning of the organization and its Board of Directors. It does so by fulfilling three roles. Members of the Board of Supervisors have the mandate to approve and oversee delivery of the Board of Directors' management responsibility during strategic, planning and implementation stages. Moreover, as the formal employer of all three directors, they have the collective responsibility to appoint and monitor the functioning and integrity of the directors. Lastly, the Board of Supervisors acts as an advisor and sounding board to the Board of Directors, merely on strategic and organizational development topics.

The mandate and tasks of the Board of Supervisors are formally laid down in the statutes and further detailed in a regulation. The Board of Supervisors upholds the principles of the Code of Good Governance for Charities and acts accordingly.

As the Board of Supervisors is the highest body in the organization, accountability of its own functioning through this annual report is extremely important.

### Composition of the Board of Supervisors

In 2020–21, two new members were recruited in order to replace Joyeeta Gupta, whose tenure ended in November 2020, and Laurien Koster, who voluntarily ended her tenure in March 2021. Recruitment criteria reflected the Board of Supervisors' intention to increase its diversity (age, cultural background, gender, among others) and to broaden its expertise in engagement and communication, in line with Oxfam Novib's ambition to strengthen its engagement work in the Netherlands. Following a careful recruitment process, the board welcomed Kirsten Meijer and Lawrence Cheuk as its new members.

The 2020–21 composition of the Board of Supervisors is the following:

#### Peter Verbaas (1959)

Peter Verbaas was first appointed in November 2012, and his maximum period of tenure will end in 2021. He was appointed chair of the Board of Supervisors in November 2018. He is also a member of Oxfam International's Board of Supervisors and of its Finance, Risk and Audit Committee (FRAC).

Peter Verbaas is a partner at Charistar, a not-for-profit consultancy for impact with clients in the charity sector, culture, education, and sports. His other positions include a non-executive position at VU Medisch Centrum Fonds, and membership of the Non-Executive Board of ASN Beleggingsbeheer.

#### Christel de Lange (1989)

Christel de Lange was appointed in July 2018, with a maximum period of tenure ending in 2027. She is a member of the Finance Committee.

Christel de Lange works at the Inspectorate of the Budget of the Ministry of Finance. Until 2018, she was a member of the Advisory Council on Youth within the Council of Europe. Her prior experience includes strategic consultancy, and board membership of the Dutch National Youth Council, where she focused on local and European youth participation and human rights education.

#### Kris Douma (1961)

Kris Douma was appointed in July 2018, with a maximum period of tenure ending in 2027. He is chair of the Finance Committee.

Kris Douma is parttime Director Corporate Engagement at Morningstar and holds supervisory board positions at an insurance company and an audit firm. From 2016 to 2020 he was a director at PRI, the UN-supported initiative Principles for Responsible Investment, in London. In 2015 he was interim manager at NBA, the Dutch professional organization for accountants. Before that he spent seven years as Director Responsible Investment and Governance at MN, a fiduciary asset manager for pension funds. He started his career as a consultant and manager at FNV trade unions. From 2003 to 2006 he represented the Dutch Labor Party (PvdA) in the Lower House (Tweede Kamer) of the Dutch Parliament.

#### Inge Hutter (1959)

Inge Hutter was appointed in October 2018, with a maximum period of tenure ending in 2027. She is chair of the Remuneration Committee since March 2021.

Inge Hutter is Rector at the International Institute of Social Studies (ISS), The Hague, part of Erasmus University Rotterdam. She is also Professor of Participatory and Qualitative Research in Population and Development at ISS. Before joining ISS, she worked in the University of Groningen's Faculty of Spatial Sciences, most recently as Professor of Demography and Dean. In 1994 Inge Hutter was awarded her PhD cum laude by the University of Groningen, conducting research on women's nutrition during pregnancy and its effects on the wellbeing of women and children in South India. She conducted several (participatory) research projects in India, Cameroon, Malawi, and the northern Netherlands, and supervised PhD researchers from, or working in, India, Bangladesh, Pakistan, Tanzania, Uganda, Ghana, the Netherlands, and the USA.



### **Martijn Dadema (1975)**

Martijn Dadema was appointed in November 2018, with a maximum period of tenure ending in 2027. He is chair of the Programs Committee.

Martijn Dadema has been the mayor of Raalte, a municipality of 37,700 inhabitants in the east of the Netherlands, since 2014. He was previously a seasoned diplomat with extensive experience and knowledge of international peace and security, development cooperation, conventional arms control, and the environment, as well as with the United Nations, World Bank and IMF. From 2000 Martijn Dadema held various positions in the Dutch Ministry of Foreign Affairs, including Head of Arms Exports and Control, deputy Head of Political Affairs at the Netherlands Mission to the UN in New York, and First Secretary and deputy permanent representative to UNEP and UN-Habitat in Nairobi.

### **Joyeeta Gupta (1964)**

Joyeeta Gupta was first appointed in November 2012, with a maximum period of tenure that ended in November 2020. She was a member of the programs committee. Joyeeta Gupta was replaced by Kirsten Meijer in November 2020.

Joyeeta Gupta is Professor of Environment and Development in the Global South at the University of Amsterdam (UvA) Faculty of Social and Behavioral Sciences, and at the IHE Delft Institute for Water Education. She holds several other positions on the scientific steering committees of international programs. In 2019 Joyeeta Gupta was appointed co-chair of the Earth Commission (2019-2021), set up by the global network Future Earth.

### **Laurien Koster (1950)**

Laurien Koster was appointed in June 2015, and ended her tenure in March 2021 after serving for two terms. She has been chair of the remuneration committee since June 2015. Laurien has been replaced by Lawrence Cheuk in March 2021. As of 2017, Laurien Koster is the independent chair of the Children’s Rights Collective (KRC), a coalition of NGOs. Until 2015, she was chair of the Netherlands Institute for Human Rights and of its predecessor, the Equal Treatment Commission. Laurien Koster’s prior experience includes being President of the Court in Alkmaar and more than 32 years as a judge and a lawyer.

### **Kirsten Meijer (1979)**

Kirsten Meijer was appointed in November 2020, with a maximum period of tenure ending in 2029. She is part of the Engagement Committee and is the Integrity Focal Point of the Board of Supervisors.

Kirsten Meijer is director of WECF, a feminist network dedicated to transformative gender equality, sustainable development and climate justice. Previously, she was the International Secretary of the Dutch Labor Party (PvdA) and gained extensive campaigning experience in the national campaign team of that party, as well as in her former function as campaign coordinator at Amnesty International. She started her career at the Foundation Max van der Stoel (FMS), where she supported international solidarity in the field of democracy. Today, she is vice-chair of the board of the FMS and chair of the Advisory Council of the Netherlands Institute for Multiparty Democracy.

### **Lawrence Cheuk (1990)**

Lawrence was appointed in March 2021, with a maximum period of tenure ending in 2030. He is a member of the Programs Committee and of the Engagement Committee.

Lawrence Cheuk works at the municipality of Utrechtse Heuvelrug on Sustainable Housing. He is a climate justice activist with extensive experience and networks in, and knowledge of, the Dutch and international climate movement that fight for (youth) participation, climate justice, and intersectionality. Lawrence Cheuk has held various other positions, such as chair of Young Friends of the Earth NL, Board member of Young Friends of the Earth Europe, co-founder and chair of the Board of Supervisors of the Young Climate Movement (‘Jonge Klimaatbeweging’), secretary of the Board of Directors of the Action Fund (‘Actiefonds’) and trainer of Climate Liberation Bloc.

### **Functioning Board of Supervisors**

In 2020-21, the Board of Supervisors met four times for the regular meetings, which were all online this year. Prior to each meeting, the finance committee, the programs committee, and the remuneration committee met with relevant employees of Oxfam Novib to pre-discuss issues on the board meeting’s agenda. Information provided by managers or other staff also feeds into the Board of Supervisors meetings, while two board representatives discuss the agenda with the Works Council, prior to each board meeting. Once a year, all members of the Works Council join a Board of Supervisors meeting, to share their reflections on the functioning of the organization. Lastly, the Board of Supervisors maintains individual contacts within the organization, and participates in events and activities.

In addition to its regular meetings, the Board of Supervisors held a one-day strategy session together with the Board of Directors, in March 2021. Through in-depth interviews, both boards evaluated and discussed the functioning of the Board of Supervisors towards the Board of Directors and the Works Council. A follow-up discussion is scheduled for June

2021, during a second strategy session where the Board of Supervisors will also self-evaluate, facilitated by an external advisor.

### **The Board of Supervisors in its supervisory role**

In its supervisory role, the Board of Supervisors approved the quarterly Board of Directors’ Balanced Scorecards, the 2019-20 Annual Accounts (discussed with external accountants) and the Oxfam Novib 2019-20 Annual Report. The 2020-21 quarterly reports on internal audits and on integrity were also discussed with the Board of Supervisors.

The finance committee has a role to oversee the financial management of Oxfam Novib, prepare related agenda items for the Board of Supervisors and advise the board in its decision-making capacity. In 2020-21 the finance committee kept in regular contact with the Director Finance & Operations, to monitor the impact of Covid-19 and the Oxfam Novib change process on the organization’s operations. Other key issues were risk management and control, especially with regards to the complicated model of cooperation within an international confederation and the restructuring of Oxfam Novib’s investment portfolio. Moreover, the finance committee met several times with the external accountants to formally approve their assignment and monitor recommendations of the external audit.

A second subcommittee is the programs committee. Members of this committee monitor the achievements, challenges and lessons learned from Oxfam Novib’s major programs and projects and provide advice and guidance on emerging issues in the field of development cooperation. With the new strategic framework in place, the programs committee focused on defining clear impact criteria to monitor the implementation of this framework. By the end of 2020-21, the Board of Supervisors decided to establish a fourth committee: the engagement committee. In the next fiscal year, the two new board members will define the focus and activities of this committee.

### **The Board of Supervisors as an employer**

The remuneration committee supports the Board of Supervisors in its role of employer of the Board of Directors. The members of this committee conduct performance reviews and development conversations with the members of the Board of Directors. Moreover, in 2020-21 the remuneration committee was responsible for the recruitment of a new Director Engagement and of two new members of the Board of Supervisors. Supported by an agency specialized in diversity recruitment, the committee successfully hired Lilian Alibux, who started on April 1, 2021 in her position as Director Engagement.

### **The Board of Supervisors as a sounding board**

The Board of Supervisors is regularly informed about and consulted on major changes and important strategic choices relating to organizational development, operations, finance, the strategic direction of Oxfam Novib and decisions relating to Oxfam International. In 2020-21, Oxfam Novib executed an organizational development trajectory to identify improvements in both its structure and culture, which resulted in a restructuring process. The Board of Directors regularly involved the Board of Supervisors in both trajectories, in order to reflect on important findings and proposed actions.

### **Oxfam International**

The Oxfam International Board of Supervisors usually holds two meetings each year. The chair of Oxfam Novib’s Board of Supervisors participates in these meetings on behalf of the organization. Due to the change process in the Oxfam confederation, the Oxfam International Board of Supervisors met more often in 2020-21. It was responsible for designing a new global governance model and for supervising all other changes in the confederation. A new global governance model was approved by the International Board of Supervisors in March 2021. This new model reflects more simplicity and efficiency, and a more globally balanced organization.

### **Compensation**

Members of the Board of Supervisors perform their duties unremunerated. Costs of travel and accommodation made in the performance of their function are reimbursed, based on a regulation applicable to all Oxfam Novib staff members and volunteers. No reimbursements were paid out in 2020-21.

### **Closing remarks**

In this fiscal year, the world experienced a pandemic crisis that has no precedent in the past few generations. As a board, we have proudly witnessed how Oxfam has voiced and initiated global calls for solidarity. For example, Oxfam actively supported the initiative of the People’s Vaccine Alliance to pursue a people’s vaccine for middle and low-income countries.

The Board of Supervisors also wishes to express its deep respect for the courage of our staff and management to absorb the consequences of the corona crisis for Oxfam Novib as an organization, which was amplified by their courage to stand up as a true global activist organization. Last but not least, we wholeheartedly thank our donors and our supporters, who enable us to do our ground-breaking work to fight inequality on a global scale.

### **Peter Verbaas**

Chair, Board of Supervisors Oxfam Novib



# 3. CONSOLIDATED FINANCIAL STATEMENTS

## 3.1 CONSOLIDATED BALANCE SHEET AS AT MARCH 31 AFTER APPROPRIATION OF NET RESULT

Amounts in thousands of Euros	FY 2020-21	FY 2019-20	Section
<b>ASSETS</b>			
Tangible fixed assets	7,339	7,567	3.6.1
Financial fixed assets	39,832	49,888	3.6.2
Inventories	13	11	3.6.3
Receivables from governments			
Long-term	6,490	5,312	
Current	12,053	9,866	
	18,543	15,178	3.6.4
Receivables	27,840	47,320	3.6.4
Cash and cash equivalents	111,530	67,643	3.6.5
<b>TOTAL</b>	<b>205,097</b>	<b>187,606</b>	
<b>LIABILITIES</b>			
Reserves and funds			
Reserves			
Contingency reserve	12,953	13,251	3.6.6.1
Earmarked reserves	56,324	47,929	3.6.6.1
	69,278	61,179	
Funds	33,353	39,705	3.6.6.2
	102,631	100,884	
Provisions	4,922	2,347	3.6.7
Debts			
Long-term	425	852	
Current	16,200	16,757	
	16,625	17,609	3.6.8
Project liabilities			
Long-term	28,322	23,368	
Current	52,598	43,398	
	80,919	66,766	3.6.9
<b>TOTAL</b>	<b>205,097</b>	<b>187,606</b>	

### 3.2 CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE

Amounts in thousands of Euros	FY 2020-21	BUDGET 2020-21	FY 2019-20	Section
<b>INCOME</b>				
Income from private individuals	27,538	25,289	23,861	3.7.1
Income from companies	14,332	9,849	10,405	3.7.2
Income from lottery organisations	13,510	16,800	14,500	3.7.3
Income from government subsidies	83,964	95,703	63,423	3.7.4
Income from affiliated non-profit organisations	39,460	32,577	45,421	3.7.5
Income from other non-profit organisations	2,000	0	0	3.7.6
<b>Income raised</b>	<b>180,803</b>	<b>180,218</b>	<b>157,610</b>	
Income from deliveries of products / services	4,249	4,609	4,524	3.7.7
Other income	103	0	64	3.7.8
<b>Income from fundraising activities</b>	<b>185,155</b>	<b>184,827</b>	<b>162,198</b>	
<b>EXPENDITURE</b>				
Food, Land and Climate	38,418	37,361	32,945	3.7.9
Governance and Financial Flows	53,038	48,544	43,314	3.7.9
Conflict and Fragility	14,390	10,449	9,920	3.7.9
Gender and Youth	13,282	15,939	13,435	3.7.9
Emergency	46,588	55,577	46,695	3.7.9
Public Engagement	7,580	7,642	7,639	3.7.9
<b>Expenditure on goal 'structural poverty alleviation'</b>	<b>173,296</b>	<b>175,511</b>	<b>153,948</b>	
Direct fundraising	6,458	7,179	6,178	3.7.9
Third-party campaigns	189	510	372	3.7.9
Securing government grants	1,599	1,753	1,717	3.7.9
<b>Costs of generating income</b>	<b>8,246</b>	<b>9,443</b>	<b>8,267</b>	
<b>Management and administration costs</b>	<b>2,327</b>	<b>2,449</b>	<b>2,193</b>	3.7.9
<b>Expenditure from fundraising activities</b>	<b>183,869</b>	<b>187,403</b>	<b>164,407</b>	
Financial income	2,692	3,926	1,219	3.7.10
Financial expenses	2,232	2,768	2,026	3.7.10
<b>Balance of financial income and expenses</b>	<b>461</b>	<b>1,158</b>	<b>(807)</b>	3.7.10
<b>NET RESULT</b>	<b>1,747</b>	<b>(1,418)</b>	<b>(3,016)</b>	
<b>APPROPRIATION OF NET RESULT</b>				
Added / charged to: contingency reserve	(296)	(1,260)	(1,603)	
Added / charged to: project reserve	775	(1,712)	(2,711)	
Added / charged to: other earmarked reserves	7,648	2,384	6,679	
Added / charged to: funds	(6,380)	(829)	(5,380)	
<b>NET RESULT</b>	<b>1,747</b>	<b>(1,418)</b>	<b>(3,016)</b>	
Costs of direct fundraising as a % of income from direct fundraising	19.7%	24.4%	19.5%	

### 3.3 CONSOLIDATED CASH FLOW STATEMENT

Amounts in thousands of Euros	FY 2020-21	FY 2019-20
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating result</b>	<b>1,747</b>	<b>(3,016)</b>
Adjustments for:		
Amortization and depreciation	921	883
Changes to allowance for bad debts	(760)	596
Stock dividend/movements in value of participating interests	(436)	575
Movements in provisions	2,575	26
	<b>2,299</b>	<b>2,080</b>
<b>Changes in working capital:</b>		
Inventories	(3)	21
Receivables from governments	(3,365)	9,580
Receivables	19,425	(3,837)
Liabilities	(984)	(20)
Project liabilities	14,154	(24,097)
	<b>29,226</b>	<b>(18,353)</b>
<b>Cash generated from operations</b>	<b>33,272</b>	<b>(19,287)</b>
Interest received	55	(19)
<b>Net cash generated from operating activities</b>	<b>33,328</b>	<b>(19,306)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of tangible assets	(693)	(1,314)
Acquisition of investment property	3,408	802
Committed loans	(8,320)	(4,180)
Disposal of property, plant and equipment (PPE)	0	59
Disposal of investment property	0	0
Repayment on loans	12,686	9,293
Write-off of loans	2,045	164
<b>Net cash used in investing activities</b>	<b>9,126</b>	<b>4,824</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments of borrowings	100	100
<b>Net cash used in financing activities</b>	<b>100</b>	<b>100</b>
<b>NET CASH FLOW</b>	<b>42,553</b>	<b>(14,383)</b>
Exchange gains / (losses) on cash and cash equivalents	1,334	812
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>43,887</b>	<b>(13,570)</b>
Cash and cash equivalents at the end of the financial year	111,530	67,643
Cash and cash equivalents at the beginning of the financial year	67,643	81,212
<b>NET MOVEMENT IN CASH AND CASH EQUIVALENTS</b>	<b>43,887</b>	<b>(13,570)</b>



### 3.3.1 Notes to the cash flow statement

The consolidated cash flow statement shows how cash and cash equivalents have changed in the course of the year as a result of inflows and outflows of funds. Differentiation is made among cash flows from operating activities, from investing activities and from financing activities, with a total net increase in cash and cash equivalents of €43.9 million.

- The cash flow from **operating activities** refers to all cash movements defined as other than investing or financing activities. In this category, there is a decrease in the total of account receivables and an increase of €14.2 million in project liabilities due to the high number of sub-grants approved and signed with third parties during the last quarter of this financial year.
- The cash flow from **investing activities** is essentially influenced by the investment in tangible fixed assets, as well as in financial fixed assets. During this year, the repayments of loans and funds were higher than the new commitments, producing a positive cash flow from investing activities but reducing the end balance of the Oxfam Novib's loan portfolio and the Triple Jump Innovation Fund BV.
- The cash flow from **financing activities** includes loans used and paid back. In this financial year, an amount of €0.1 million loan was repaid by Oxfam Italy, which is one of the affiliates in the Oxfam Confederation.

## 3.4 ACCOUNTING POLICIES FOR THE VALUATION OF ASSETS AND LIABILITIES

### 3.4.1 General

Oxfam Novib's activities focus on realizing a world without poverty through direct poverty reduction by reinforcing the capacity of plural and democratic organizations to pursue fairer power relations, lobbying and advocacy and increasing the knowledge and innovation management.

Oxfam Novib's postal address is P.O. Box 30919, 2500 GX The Hague. Oxfam Novib is a Foundation (in Dutch: Stichting) registered with the Chamber of Commerce (Kamer van Koophandel or KvK) in The Hague under number 27108436.

Oxfam Novib is a member of the Oxfam network and a worldwide development organization that mobilizes the power of people to fight poverty. Around the globe, we work to find practical, innovative ways for people to lift themselves out of poverty and thrive.

The financial statements have been prepared in accordance with the Dutch Accounting Standard for Fundraising organizations (RJ 650) published by the Dutch Accounting Standards Board. This guideline requires costs to be allocated to the achievement of the organization's core thematic activities (Food, Land and Climate; Governance and Financial Flows; Conflict and Fragility; Gender and Youth; Emergency; Public Engagement); costs of generating income, further disaggregated into costs of direct fundraising, expenditure on joint campaigns, expenditure on third-party campaigns and costs of securing government grants; and management and administration costs.

All items listed in the financial statements take into account the currencies of the economic environments in which Oxfam Novib operates (the functional currencies). The financial statements are stated in euros, being both the functional and the presentation currency of Oxfam Novib. These financial statements cover the period from April 1, 2020 through March 31, 2021.

On each balance sheet date, Oxfam Novib assesses whether there are any indications that a fixed asset may be subject to impairment. An impairment occurs when the carrying amount of an asset is higher than the recoverable amount. If there are such indications, the recoverable amount of the asset is determined and disclosed in the notes.

An impairment loss is directly recognized in the profit and loss account while the carrying amount of the asset concerned is concurrently reduced.

Oxfam Novib's management has assessed carefully the impact of the Covid-19 pandemic. In 2020-21, the financial impact has been limited, however the medium-term consequences are uncertain. On the one hand, Oxfam Novib continues campaigning in The Netherlands in order to mobilize additional resources from private individuals to fund the emergency actions in the countries in need of help; and new projects have been awarded by donors to fight against the devastating consequences of the pandemic. On the other hand, in our microfinance work, we remain at higher risk for the reimbursement of the loans due to the lockdown of the business worldwide. Nevertheless, after all these considerations, management has concluded that the going concern assumption is still appropriate as a basis for the preparation of the organization's financial statements.

### 3.4.2 Consolidation

The Oxfam Sweden foundation is a foundation registered under the name 'Insamlingsstiftelsen Oxfam Sverige'. Oxfam Sweden has its headquarters in Stockholm. The foundation is dedicated to raising awareness about people who live in poverty and suffer from injustice. The foundation involves citizens by bringing them together and mobilizing them through campaigns and fundraising for projects and programs run by Oxfam.

The Board of Directors of Oxfam Sweden is the organization's highest decision-making body and consists of six members:

- Chair: P. Mulder
- Board member: C. Daun Wennborg
- Board member: J. den Hertog
- Board member: S. Choi
- Board member: M. Palm-Jensen
- Board member: S. Arkelsten

Oxfam Novib has no equity interest in Oxfam Sweden. The consolidation is done on the basis of Oxfam Novib's significant influence over Oxfam Sweden. Oxfam Sweden is fully included in Oxfam Novib's consolidated financial statements.

### 3.4.3 Tangible fixed assets

Tangible fixed assets are carried at historical cost less accumulative depreciation through their estimated useful life. Depreciation in the first year of an asset's life is calculated on a time-weighted basis. No provision is made for the future costs of large-scale maintenance on buildings. Any maintenance costs are taken to the statement of income and expenditure.

Tangible fixed assets are depreciated as follows:

- Buildings: depending on the type (\*)
- Furniture, fixtures and equipment: 6-10 equal annual installments
- Plant and equipment: depending on the type (\*)
- Vehicles: 3-5 equal annual installments
- Information systems: 7 equal annual installments

(\*) = Based on the NL-SfB code. In 1977 a Dutch SfB Committee was set up which developed a classification catalog for the Dutch building industry, known as NL-SfB. The catalog details, inter alia, the replacement cycle of building components. This period is used as the depreciation period.

### 3.4.4 Financial fixed assets

The asset items under this heading are valued as follows:

- participating interest in Triple Jump: at net asset value;
- ASN-Novib Fund: at net asset value;
- participating interest in TCX: at net asset value;
- loans, deposits for guarantees, Innovation Fund: at amortized cost (translated into euros at the rates of exchange ruling at the balance sheet date, if denominated in a foreign currency).

The foreign exchange risk on microfinance loans granted in developing countries is hedged by means of forward exchange contracts, except where there is no market for forward exchange contracts in the local currency. In accordance with Guideline 290 of the Dutch Accounting Standards, the forward exchange contracts are stated at fair value. The fair value of forward exchange contracts is their quoted market price at the balance sheet date, being the present value of the quoted forward price.

### 3.4.5 Inventories

Inventories are measured at historical cost less a provision for obsolescence. The provision for obsolescence is determined on the basis of anticipated sales. Historical cost comprises all costs directly incurred on the items in question, such as printing costs, royalties, translation costs, author fees, and copyrights.

### 3.4.6 Receivables

Upon first recognition, receivables are stated at fair value of the contribution that is delivered. Trade receivables are subsequently measured at their amortized cost. A provision for bad and doubtful debts is deducted from the carrying amount of the receivables.

Receivables denominated in foreign currencies are translated into euros at the rates of exchange ruling at the balance sheet date. The receivables for projects approved by governments and other external organizations are stated at face value, i.e. the project liabilities in respect of partner organizations less the funds already received for the projects in question.

### 3.4. Cash and cash equivalents

Cash and cash equivalents are stated at face value. Cash and cash equivalents denominated in foreign currencies are translated into euros at the rates of exchange ruling at the balance sheet date. Any exchange differences are taken to the statement of income and expenditure.

### 3.4.8 Provisions

Provisions are recognized for legally enforceable or constructive obligations existing at the balance sheet date, the settlement of which is likely to require an outflow of resources the extent of which can be reliably estimated. Provisions are measured on the basis of the best estimate of the amounts required to settle the obligations at the balance sheet date. Unless otherwise indicated, provisions are stated at the face value of the expenditure expected to be required to settle the obligations. The effect of the time difference between the provisions and the expenditure is expected to be immaterial and therefore the face value is considered to be the best estimate.

### 3.4.9 Other assets and liabilities

Upon first recognition liabilities are stated at fair value and are subsequently measured at their amortized cost. Other assets and liabilities are stated at face value. Other assets and liabilities denominated in foreign currencies are translated into euros at the rates of exchange ruling at the balance sheet date.

### 3.4.10 Related parties

Oxfam Sweden is consolidated in the Oxfam Novib financial statements. All transactions with Oxfam Sweden are at arm's length.

### 3.5 ACCOUNTING POLICIES FOR THE CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE

With due consideration to the accounting policies for the valuation of assets and liabilities outlined above, net income is defined as the difference between (i) income from direct fundraising, the share in revenues from joint campaigns and third-party campaigns, government grants, income from affiliated non-profit organizations, income from other non-profit organizations, and other income, and (ii) expenditure in the context of the goal of 'structural poverty alleviation' (inclusive of imputed costs), the costs of generating income, and the management and administration costs. Income and expenditure are attributed to the year to which they relate, and expenditure is recorded at historical cost unless indicated otherwise.

#### 3.5.1 Income from private individuals

Income from private individuals is recognized in the year to which the item of income relates. Non-recurring items of income are recognized in the year in which they are received. Gains arising from inheritances, legacies, bequests, etc. are recognized at fair value in the year in which the amount involved can be measured reliably. Since 2009, this has been carried out by a specialized external agency.

#### 3.5.2 Income from companies

Income from companies consists of non-recurring income such as donations as well as grants from the US foundations, international and national foundations. Non-recurring items of income are recognized in the year in which they are received. Grants from foundations are recognized on the basis of approved project funds.

#### 3.5.3 Income from lottery organizations

The regular contribution from the Dutch Postcode Lottery is recognized in the

year to which the income in question relates. Proceeds from the 'Extra Drawing' and the 'Dream Fund' are recognized in the year in which the funds are pledged.

#### 3.5.4 Income from government subsidies

Government subsidies are recognized as income on the basis of approved project funds. The proportion of the central overhead costs relating to these government grants is allocated to the year in question on an actual cost basis.

#### 3.5.5 Income from affiliated non-profit organizations

This category of income includes the grants Oxfam Novib receives from other Oxfam affiliates. These grants are mainly derived from their government back donors, but not exclusively. Contributions from other members of the Oxfam confederation and other external organizations are assigned to the year in question, on the basis of project funds approved in collaboration with those organizations.

#### 3.5.6 Income from other non-profit organizations

This category of income includes restricted grants received from SHO (Samenwerkende Hulp Organisaties, a coalition of Dutch humanitarian aid organizations). The funding received from SHO for the implementation of emergency relief programs is recognized in the year in which it is received.

#### 3.5.7 Income from delivery of products and services and other income

The income included within this category is mainly from the publishing house and VOICE program fund. In 2016-17 a public service contract was awarded to Oxfam Novib jointly with Hivos for the implementation of the VOICE fund. This fund aims to strengthen the lobbying and advocacy capacity of the civil society organizations and representatives of the most marginalized and discriminated people, to empower these groups and have their voices heard and respected.

The income from VOICE is recognized according to the stage of completion of the projects at the end of the reporting period.

The publishing house publishes books, calendars, and other print products. Income for the publishing house relates to the sale of products. Revenue is therefore recognized at the point where control, risks, and benefits are transferred to the buyer.

#### 3.5.8 Expenditure on structural poverty alleviation

Expenditure on the goal of structural poverty alleviation is broken down into the following thematic areas:

- Food, Land and Climate;
- Governance and Financial Flows;
- Conflict and Fragility;
- Gender and Youth;
- Emergency/Humanitarian;
- Public Engagement.

The implementation costs are allocated to these categories, as well as to 'costs of direct fundraising.' This allocation is made in accordance with the consistency principle and on the basis of fixed, internally defined allocation keys. These allocation keys are based on the hours worked by staff and the use of resources and services.

The expenditure on public information and marketing also represents the costs of information and communication, including the implementation costs allocated thereto and the costs of the publishing house.

#### 3.5.9 Costs of generating income

The costs of generating income include the costs incurred from the activities of direct fundraising and of running third party campaigns, and the needed to secure government grants. The costs of direct fundraising include the direct and indirect costs of recruiting and maintaining relationships, measured at historical cost. The indirect costs are the allocated implementation costs.

#### 3.5.10 Management and administration costs

The management and administration costs are calculated in accordance with the guideline published by Goede Doelen Nederland, the trade association

of charities. They include the costs of the Board of Directors, the Board of Supervisors, the financial accounting function, the general secretariats and the controllers, and all costs indirectly allocated thereto, to the extent that

these cannot be allocated directly to the goals and generation of income. The way in which Oxfam Novib implements the Goede Doelen Nederland guideline is set out in the table below.

### ALLOCATION OF MANAGEMENT AND ADMINISTRATION COSTS IN ACCORDANCE WITH THE 'GOEDE DOELEN NEDERLAND' GUIDELINE

COST CATEGORY	MANAGEMENT AND ADMINISTRATION ('GOEDE DOELEN NEDERLAND')	NOTES GIVEN BY 'GOEDE DOELEN NEDERLAND'	MANAGEMENT AND ADMINISTRATION (AS IMPLEMENTED BY OXFAM NOVIB)
Board of Supervisors	100%		100%: Board of Supervisors, annual report, auditors' fees
Board of Directors	100%	Except in case of work directly aimed at goals and/or fundraising; then pro rata	50% cost center Board of Directors
General secretariat	100%	Except in case of work directly aimed at goals and/or fundraising; then pro rata	100% cost center Secretariat Board of Directors
Finance, planning, and control	100%	Except in case of work directly aimed at goals and/or fundraising (e.g. project accounting); then pro rata	20% cost center Quality, Finance and Control
Legal costs	partially	To be allocated as far as possible to the matter in question; general legal costs to be allocated to management and administration or pro rata	Legal staff member is allocated to cost center Secretariat Board of Directors: 100% management and administration
ICT	pro rata	To number of staff members or work spaces; specific applications excepted	4% ICT desk and general ICT costs
Housing/support	pro rata	To number of staff members or square meters	4% support costs (internal service), cost of housing, information & service
Human resources	pro rata	To number of staff members	4% HR desk costs and central staff budgets
Staff costs and costs of outside staff	partially	To be allocated as far as possible to the activity to which the (outside) staff member is assigned	100% is allocated to the activity to which the staff member or outside staff member is assigned
Communication	partially	To be allocated as far as possible to the activity to which the activity relates	4% communication desk costs
Private donors and membership accounting	no	To be allocated as far as possible to the activity for which it is used (mostly fundraising and/or public information)	Not charged to management and administration
Project accounting	no	To be allocated in full to projects in question	Not charged to management and administration



### 3.5.11 Foreign currencies translation

Amounts in foreign currencies are translated into euros at the rates of exchange ruling at the balance sheet date. Transactions denominated in foreign currencies are translated at the rates of exchange ruling at the time of the transaction. Exchange differences are taken to the statement of income and expenditure.

### 3.5.12 Pension cost

Effective January 1, 2017, Oxfam Novib changed the pension plan agreed upon with the Works Council. The contract of the pension scheme with Zwitserleven was extended for 1 year until December 2021, under the same conditions as before.

The pension plan is a Defined Contribution Scheme with the following outline: With the contribution that is paid, each member buys their old-age pension and if applicable a partner pension on their retirement date. Additionally, the employer pays for the following insurances:

- Partner pension during employment;
- Orphans' pension;
- Premium Waiver in case of disability.

Oxfam Novib pays the premiums each month. The active members of the pension plan pay pension contributions in the form of a percentage of their pensionable salaries. All previous pension plans are now non-contributory.

## 3.6 NOTES TO THE CONSOLIDATED BALANCE SHEET

### 3.6.1 TANGIBLE FIXED ASSETS

	BUILDINGS	FURNITURE, FIXTURES, PLANT AND EQUIPMENT	INFORMATION SYSTEMS	VEHICLES	TOTAL
<i>Amounts in thousands of Euros</i>					
Acquisition cost at March 31, 2020	10,921	3,857	14,454	494	29,726
Depreciation through March 31, 2020	(5,576)	(2,905)	(13,184)	(494)	(22,159)
<b>Balance at March 31, 2020</b>	<b>5,345</b>	<b>951</b>	<b>1,271</b>	<b>0</b>	<b>7,567</b>
<b>Movements</b>					
Capital expenditure	0	105	588	0	693
Depreciation	(279)	(169)	(473)	0	(921)
<b>Disposals</b>					
Divestments	0	0	0	0	0
Depreciation	0	0	0	0	0
<b>Balance at March 31, 2021</b>	<b>5,066</b>	<b>888</b>	<b>1,386</b>	<b>0</b>	<b>7,339</b>
Acquisition cost at March 31, 2021	10,921	3,962	15,042	494	30,420
Depreciation through March 31, 2021	(5,856)	(3,075)	(13,656)	(494)	(23,080)

All tangible fixed assets are assets that are needed for the organization's operations.

The capital expenditure on information systems relates to hardware and software costs incurred, including several improvements to the information sharing within the organization. The capital expenditure on furniture, fixtures, plant and equipment relates to equipment needed for the employees working at home. The overall capital

expenditure in this financial year was lower than in the previous year due to the closure of the office during the pandemic. The amount was lower than budgeted, as some of the capital expenditure on information systems investments was postponed.

The total depreciation movement was similar to last year and remains low by reason that significant numbers of older assets are already fully depreciated.

In May 2018, the valuation of the headquarters building was reviewed. This review concluded that the market value is €7.5 million, which is €2.4 million higher than the carrying amount presented above.

### 3.6.2 FINANCIAL FIXED ASSETS

	LOANS TO OTHER OXFAMS	PARTICIPATING INTEREST TRIPLE JUMP	PARTICIPATING INTEREST IMPACT INVESTMENTS	TCX	OIKOCREDIT	ASN-NOVIB FUND	TRIPLE JUMP INNOVATION FUND	LOANS ONF	FORWARD EXCHANGE CONTRACTS (POSITIVE)	TOTAL
Amounts in thousands of Euros										
<b>Nominal value at March 31, 2020</b>	281	2,105	0	2,577	326	1,139	6,153	40,201	899	53,681
<b>Positive movements:</b>										
Paid-up share capital	0	0	0	0	0	0	0	0	0	0
Movements in value of participations	0	84	0	375	0	0	0	0	0	459
Exchange rate differences	0	0	0	0	0	0	0	0	0	0
Changes in value of forward exchange contracts	0	0	0	0	0	0	0	0	0	0
Committed loans	0	0	0	0	0	0	0	8,320	0	8,320
	0	84	0	375	0	0	0	8,320	0	8,779
<b>Negative movements:</b>										
Paid capital	0	0	0	0	0	0	3,408	0	0	3,408
Movements in value of participations	0	0	0	0	0	23	0	0	0	23
Exchange rate differences	0	0	0	0	0	0	447	623	264	1,334
Repayments on loans	100	0	0	0	0	0	0	12,686	0	12,786
Write-off of loans	0	0	0	0	0	0	0	2,045	0	2,045
	100	0	0	0	0	23	3,855	15,354	264	19,596
<b>Nominal value at March 31, 2021</b>	181	2,190	0	2,952	326	1,116	2,298	33,167	635	42,865
Provision at March 31, 2021	0	0	0	0	0	0	0	3,033	0	3,033
<b>Balance at March 31, 2021</b>	181	2,190	0	2,952	326	1,116	2,298	30,134	635	39,832
Oxfam Novib's share in share capital		23%	41%							

All financial fixed assets are mission-related assets.

#### Participating interest

Oxfam Novib holds a 23 percent participation interest in Triple Jump's equity. Triple Jump B.V. is an impact-focused investment manager based in Amsterdam that provides meaningful and responsible investment opportunities in emerging markets. This firm believes that opportunities are not spread equally around the world, but talented people are. By providing financing and support to companies in emerging markets, they aim to empower individuals to improve their quality of life.

In 2019-20 Oxfam Novib had a 41 percent participation interest in Inclusive Impact Investments B.V. (Triple I). This was an impact investing company based in The Hague that specialized in financing and supporting small and medium-sized enterprises (SMEs) in Africa and Asia. In 2020, Triple I did not have enough cash

to repay the loans and the financial situation had been deteriorated even further with the pandemic. Hence, at the end of 2019-20, Oxfam Novib decided to divest its interest in Triple I, negotiating an agreement with the other shareholder. Although the financial consequences were already recognized in the 2019-20 statement of income and expenditure, the sales agreement was signed and finalized in 2020-21.

#### Other investments

In December 2007, Oxfam Novib took an equity interest in the TCX Currency Exchange Fund. TCX is based in Amsterdam and is an initiative of Dutch Entrepreneurial Development Bank FMO. It is a guarantee fund with the object of minimizing the foreign exchange risks associated with loans provided in local currencies.

In 1996 Oxfam Novib invested in Oikocredit (Ecumenical Development Cooperative Society UA, EDCS), having

its registered office in Amersfoort in the Netherlands.

The ASN-Novib Fund was established in partnership with ASN Bank, having its registered office in The Hague. The ASN-Novib Fund was opened to the public on January 1, 2000. The fund is managed by Triple Jump BV, an Amsterdam-based company which was incorporated by ASN Bank, NOTS Foundation, Stichting Doen, and Oxfam Novib to provide support to more new microfinance institutions and to make it possible for them to develop into professional financial institutions within a short timeframe.

Triple Jump Innovation Fund BV was launched in 2013 (TJIF) as a closed-end fund. Oxfam Novib is an anchor investor, holding both senior and junior notes. We invest in this fund together with other likeminded social investors. TJIF's primary goal is to provide access to finance for still underserved people and communities worldwide to improve

the quality of life for people at the base of the pyramid. We do so by investing in financial institutions providing innovative financial products and services, such as education, housing, water and sanitation, healthcare, mobile banking, and SME finance. Covid-19 is reversing decades of progress on poverty, healthcare, and education.

More than ever before, people at the base of the pyramid need access to finance to help them recover. The crisis has affected both end clients and investees of the fund. To ensure enough support to its clients and while still allowing for responsible exits for noteholders, TJIF extended its end date twice within one year, from October 15, 2019 (initial end date) to October 15, 2022 (second and last extension signed in March 2021). Despite the crisis, TJIF managed to fulfill its obligation towards the Senior Noteholders; €3.4 million was repaid during 2020-21.

Oxfam Novib Fund (ONF) was established in 1998 by Oxfam Novib to support high potential, high-impact microfinance institutions worldwide. The management of Oxfam Novib's loan portfolio was transferred to Triple Jump effective March 1, 2007. ONF seeks out financial intermediaries that focus on underserved markets and target specific groups (rural communities, women borrowers, etc.). These institutions are often still young and small, but they have significant potential. In this financial year the invested portfolio financed 33 microfinance institutions supporting projects in 23 countries. The loan portfolio is monitored regularly, and in the event of any doubtful debt related to repayments or interest, the bad loan provision is adjusted accordingly to cover the identified risk.

The foreign exchange risk on outgoing loans (for microfinance in developing countries) is hedged by means of forward exchange contracts matching

the duration and amount of the long-term microfinance contract in order to avoid currency risk for our beneficiaries. However, in some cases hedging is impossible if there is no market for foreign exchange contracts in the local currencies.

In accordance with Guideline 290 of the Dutch Accounting Standards, the forward exchange contracts have been stated at fair value, as determined by their quoted market price at the balance sheet date, since 2008. The fair value of the forward exchange contracts at year-end 2020-21 was €0.2 million. The contracts with a positive value of €0.6 million are included above under 'Financial fixed assets', and the contracts with a negative value of €0.4 million are included under 'Long-term debts' in section 3.6.8 'Debts'.



## SPECIFICATION OF PROVISION FOR BAD LOANS

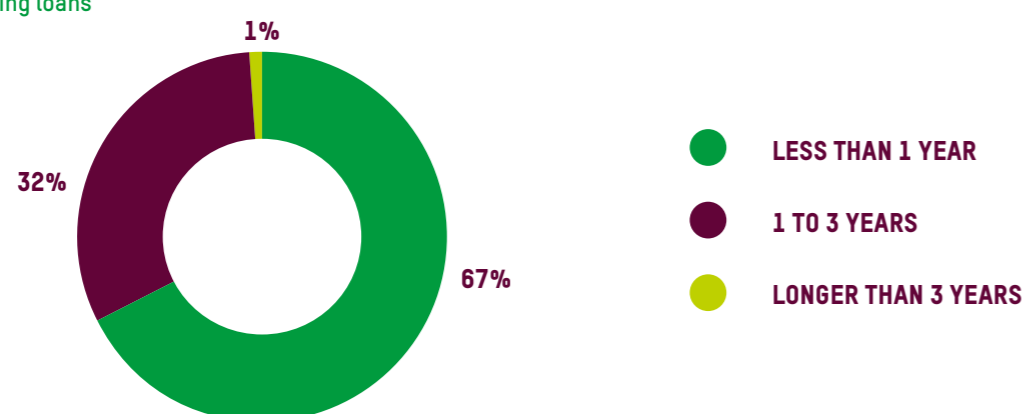
Amounts in thousands of Euros

PROVISION FOR BAD LOANS	
Balance at March 31, 2020	3,793
Plus: addition from net income	2,040
Less: write-off of loans	2,045
Less: release to net income	755
Balance at March 31, 2021	3,033

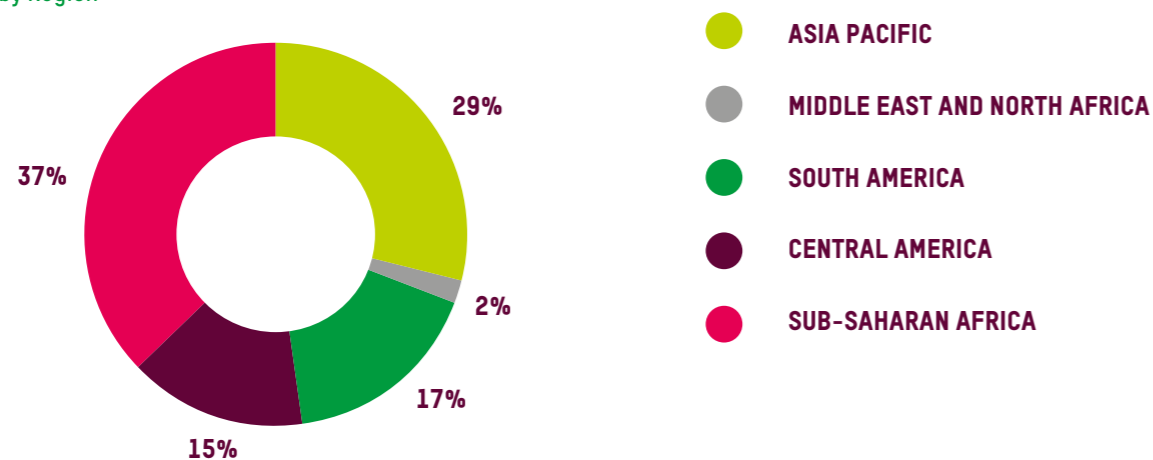
### Specification of the provision for bad loans

On the basis of the assessment of non-repayment of old overdue loans already provisioned, an amount of €2 million has been written off and an amount of €0.8 million has been released. At the same time, an amount of €2 million has been added to the bad loan provision to cover, among other factors, the higher risk in the current portfolio due to the pandemic. The total provision was €3.0 million at year-end 2020-21.

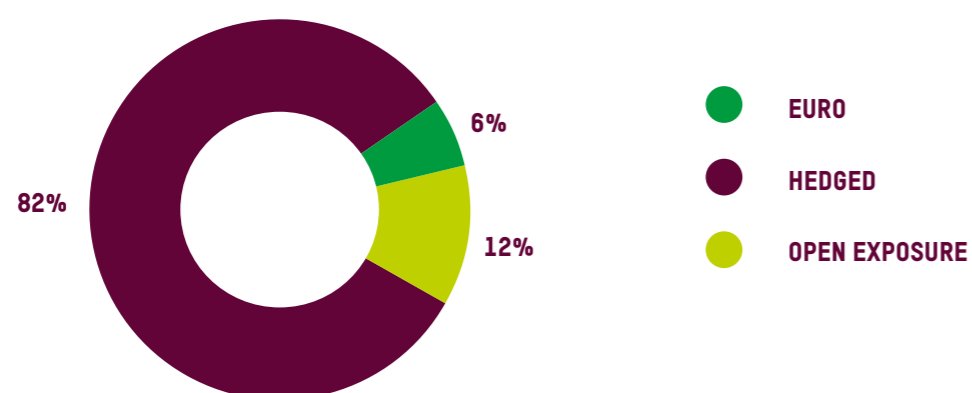
### Life of outstanding loans



### Loan Portfolio by Region



### Loan Distribution by Currency



## 3.6.3 INVENTORIES

Amounts in thousands of Euros

	FY 2020-21	FY 2019-20
Inventories publishing house	16	13
Less: provision for obsolescence	2	2
<b>Total</b>	<b>13</b>	<b>11</b>
<b>Movements in provision for obsolescence</b>		
Balance at March 31, 2020	2	16
Plus: addition from net income	15	26
Less: charged to the provision	15	40
Balance at March 31, 2021	2	2

## 3.6.4 RECEIVABLES, RECEIVABLES FROM GOVERNMENTS AND PROJECT FUNDS OVERVIEW

Amounts in thousands of Euros

	FY 2020-21	FY 2019-20
Receivables from governments	18,543	15,178
Other debtors	1,420	1,508
Debtors - Other Oxfam	(9)	2,068
Project funds Oxfam and other external organizations	14,222	30,097
Debtor Dutch National Postcode Lottery	3,375	3,365
Central overhead costs institutional funds	4,367	5,776
Fundraising proceeds receivable	1,733	1,016
Interest receivable	(44)	12
Prepaid pension	0	0
Other prepaid costs	411	470
Amounts to be received by field offices	2,372	3,010
Other prepayments and receivables	63	55
Less: provision for bad and doubtful debts	(70)	(56)
<b>Receivables</b>	<b>27,840</b>	<b>47,320</b>

Receivables from governments include approximately 35 percent long-term and 65 percent current receivables. Non-governmental receivables are current in nature.

Receivables from contributions pledged by participants in Partner Plans by regular donors and government donors are shown under either receivables or

receivables from governments above, and are stated less a provision for bad debts.

## PROJECT FUNDS OVERVIEW

	MARCH 31, 2020				CHANGES IN 2020-21					MARCH 31, 2021				
	PROJECT OBLIGATIONS	RECEIVABLES/ PREPAYMENTS DONORS	COMMITMENT SPACE	TOTAL	APPROVED	RECEIVED FUNDS	PROJECT TRANSFERS	FX AND INTEREST	BANK COST	PROJECT OBLIGATIONS	RECEIVABLES/ PREPAYMENTS DONORS	COMMITMENT SPACE	TOTAL	
Amounts in thousands of Euros														
DGIS Strategic Partnership	10,280	4,963	0	5,317	32,067	22,037	14,965	0	0	27,382	14,993	0	12,389	
Dutch government	9,999	1,138	0	8,862	12,537	17,349	17,126	0	0	5,411	(3,674)	0	9,085	
European Union	8,621	5,102	0	3,520	21,836	17,882	14,085	0	0	16,372	9,056	0	7,316	
Bilateral donors	5,986	3,976	0	2,010	7,858	13,665	9,484	111	0	4,360	(1,832)	111	6,303	
<b>Governments funds</b>	<b>34,887</b>	<b>15,178</b>	<b>0</b>	<b>19,709</b>	<b>74,298</b>	<b>70,933</b>	<b>55,659</b>	<b>111</b>	<b>0</b>	<b>53,525</b>	<b>18,543</b>	<b>111</b>	<b>35,093</b>	
Oxfams	20,715	22,641	29	(1,897)	37,581	51,686	40,638	11	0	17,658	8,536	40	9,162	
United Nations	985	1,353	0	(368)	5,532	6,239	5,709	0	0	808	646	0	162	
World Bank	0	(8)	0	8	0	0	0	0	0	0	(8)	0	8	
US Foundations	0	(93)	0	93	63	49	63	0	0	0	(79)	0	79	
International Foundations	1,877	3,765	0	(1,888)	3,257	5,553	3,509	0	0	1,625	1,469	0	156	
National Foundations	5,129	3,194	0	1,935	8,846	8,460	8,821	0	0	5,153	3,579	0	1,574	
<b>External funds</b>	<b>28,707</b>	<b>30,852</b>	<b>29</b>	<b>(2,117)</b>	<b>55,278</b>	<b>71,987</b>	<b>58,740</b>	<b>11</b>	<b>0</b>	<b>25,244</b>	<b>14,143</b>	<b>40</b>	<b>11,141</b>	
AIDS FUND	0	0	47	47	20	0	20	0	0	0	0	28	27	
SHO CAMPAIGNS FUND	0	0	0	0	1,860	1,860	1,860	0	0	0	0	0	0	
NPL FUND	403	0	1,552	1,956	284	(70)	672	0	0	15	0	1,198	1,213	
<b>Third Party Campaigns</b>	<b>403</b>	<b>0</b>	<b>1,600</b>	<b>2,003</b>	<b>2,164</b>	<b>1,790</b>	<b>2,552</b>	<b>0</b>	<b>0</b>	<b>15</b>	<b>0</b>	<b>1,226</b>	<b>1,241</b>	
Oxfam Novib Projects	2,769	0	12,165	14,934	6,732	8,710	7,367	(1,217)	14	2,135	0	12,911	15,046	
<b>Own funds</b>	<b>2,769</b>	<b>0</b>	<b>12,165</b>	<b>14,934</b>	<b>6,732</b>	<b>8,710</b>	<b>7,367</b>	<b>(1,217)</b>	<b>14</b>	<b>2,135</b>	<b>0</b>	<b>12,911</b>	<b>15,046</b>	
<b>TOTAL</b>	<b>66,766</b>	<b>46,030</b>	<b>13,794</b>	<b>34,529</b>	<b>138,472</b>	<b>153,420</b>	<b>124,319</b>	<b>(1,095)</b>	<b>14</b>	<b>80,919</b>	<b>32,686</b>	<b>14,288</b>	<b>62,521</b>	

The table above discloses the movements in the project funds in 2020-21. The closing balances of the project funds are reported in the consolidated balance sheet at March 31, 2021:

- The total project obligations are €80.9 million, which is presented as total

project liabilities in the consolidated balance sheet.

- The total receivables/prepayments donors (from government funds) are €18.5 million, which is presented as total receivables from governments in the consolidated balance sheet.

- The total commitment space is €14.3 million, which is partly presented as funds in section 3.6.6.2 'Funds' and partly included in the earmarked reserve for Oxfam Novib projects in section 3.6.6.1 'Reserves'.

In 2020-21 the level of cash was higher than in the previous year, mainly due to the net reimbursement of microfinance loans, the partial repayment of the Triple Jump Innovation Fund BV and the donor funds received at the beginning of the implementation of several large projects, such as 'PVP: Fair for All', Masarouna and VOICE Phase II.

For further information regarding the cash movements, refer to section 3.3 'Consolidated cash flow statement'.

### 3.6.5 CASH AND CASH EQUIVALENTS

	MARCH 31, 2021	MARCH 31, 2020
Amounts in thousands of Euros		
Savings accounts	8,571	23,416
Cash and current accounts	102,959	44,226
<b>TOTAL</b>	<b>111,530</b>	<b>67,643</b>

A total amount of €111.5 million in cash and cash equivalents is available on short notice. Out of this amount, €103.0 million consists of earmarked funds for projects and for microfinance operations; and €8.6 million is held in savings accounts.

### 3.6.6 NOTES TO THE RESERVES AND FUNDS

In accordance with the Dutch Accounting Standard for Fundraising Organizations (RJ 650), Oxfam Novib's equity is divided

into reserves and funds:

- within the reserves, a distinction is made between the contingency reserve and the earmarked reserves;
- funds are resources that are tied to particular purposes by third parties.

#### 3.6.6.1 RESERVES

#### CONTINGENCY RESERVE

Amounts in thousands of Euros		CONTINGENCY RESERVE
<b>Balance at March 31, 2020</b>		<b>13,251</b>
Added		0
Withdrawn		297
<b>Net movements</b>		<b>(297)</b>
<b>Balance at March 31, 2021</b>		<b>12,953</b>



The contingency reserve exists to ensure that the organization is able to meet its obligations in the future. The amount in the reserve is determined by the risks the organization runs of any drop in income.

This reserve is intended to guarantee the organization's continuity. For further information regarding the contingency

reserve, refer to section 1.2.4 'Policies'. The contingency reserve was €13.3 million at the start of the year and €13.0 million at year-end. The contingency reserve remained at the minimum of the target range of €13 - €20 million.

The contingency reserve has remained below the maximum size (1.5 times the

work organization's annual cost), as stated in the Association of Fundraising Organizations 'Reserves of Charities' code (VFI). In Oxfam Novib's case that maximum is €121.7 million (refer to section 3.7.9 'Expenditure allocation' for details).

## EARMARKED RESERVES

	OXFAM NOVIB PROJECTS	LOANS / GUARANTEES	MANAGEMENT / ADMINISTRATION COSTS	TOTAL
<i>Amounts in thousands of Euros</i>				
<b>Balance at March 31, 2020</b>	12,165	30,817	4,947	47,928
Added	7,479	19,812	5,368	32,658
Withdrawn	6,732	12,198	5,333	24,263
<b>Net movements</b>	<b>746</b>	<b>7,614</b>	<b>35</b>	<b>8,395</b>
<b>Balance at March 31, 2021</b>	<b>12,911</b>	<b>38,431</b>	<b>4,982</b>	<b>56,324</b>

The earmarked reserves are designated for purposes that have been approved by the Board of Directors and the Board of Supervisors. The total earmarked reserves increased by €8.4 million in 2020-21. For further information regarding the earmarked reserves refer to section 1.2.4 'Policies'.

## EARMARKED RESERVE FOR OXFAM NOVIB PROJECTS

	OXFAM NOVIB PROJECTS
<i>Amounts in thousands of Euros</i>	
<b>Balance at March 31, 2020</b>	<b>12,165</b>
Added: funds received	8,710
Interest less exchange differences	(1,231)
	<b>7,479</b>
Withdrawn: approved funds	6,732
	<b>6,732</b>
<b>Balance at March 31, 2021</b>	<b>12,911</b>

The earmarked reserve for Oxfam Novib projects consists of the part of the unrestricted net assets comprising the funds set aside from the income from direct fundraising, from the Dutch

Postcode Lottery, and from the net income of the publishing house in any year for grants to partner organizations. Approved grants to be disbursed from these funds to partner organizations are

recognized in the statement of income and expenditure and charged to this earmarked reserve. The total reserve for Oxfam Novib projects rose by €0.7 million in 2020-21.

## EARMARKED RESERVE FOR LOANS AND GUARANTEES

	LOANS AND INVESTMENTS	PARTICIPATIONS AND OTHER INVESTMENTS	TOTAL
<i>Amounts in thousands of Euros</i>			
<b>Balance at March 31, 2020</b>	<b>18,516</b>	<b>12,300</b>	<b>30,817</b>
<b>Added:</b>			
Repayments on loans and guarantees	12,686	0	12,686
Appropriation of net result from lending activities	6,666	0	6,666
(Stock) dividends and capital gains on part. interests	0	459	459
	<b>19,352</b>	<b>459</b>	<b>19,812</b>
<b>Withdrawn:</b>			
Paid capital	0	3,408	3,408
Loans and guarantees provided	8,320	0	8,320
(Stock) dividends and capital losses on part. interests	0	470	470
	<b>8,320</b>	<b>3,878</b>	<b>12,198</b>
<b>Balance at March 31, 2021</b>	<b>29,549</b>	<b>8,882</b>	<b>38,431</b>

The earmarked reserve for loans and guarantees comprises two elements. The first element consists of all funds intended for providing loans. Whenever a loan is repaid, a corresponding amount is added to the earmarked reserve for loans and guarantees and withdrawn from the earmarked fund for loans to partner organizations. Whenever a loan is

disbursed, conversely, the corresponding amount is withdrawn from the earmarked reserve for loans and guarantees and added to the earmarked fund for loans to partner organizations. The second element of this reserve consists of the value of the participations held in TCX, ASN-Novib Fund, Triple Jump Innovation Fund, Oikocredit and Triple Jump B.V.,

which are financed from Oxfam Novib's own resources. These investments are made in order to enable the organization to carry out its lending activities as effectively as possible.

For more information about investments, refer to section 3.6.2 'Financial fixed assets'.

## EARMARKED RESERVE FOR MANAGEMENT AND ADMINISTRATION COSTS

Amounts in thousands of Euros	SHO CAMPAIGNS	NPL	GOVERNMENT	OTHER DONORS	TOTAL
Balance at March 31, 2020	75	0	2,116	2,756	4,947
Added: approved management and administration costs	140	70	4,177	981	5,368
Withdrawn: realized management and administration costs	90	0	3,399	1,844	5,333
Balance at March 31, 2021	125	70	2,894	1,893	4,982

The 'earmarked reserve for management and administration costs' is used to finance the cost of managing projects in developing countries. The level of this earmarked reserve is determined with due regard for internal guidelines designed to guarantee the continuity of the project cycle. This reserve remained at the same level as the previous year.

### 3.6.6.2 FUNDS

Amounts in thousands of Euros	AIDS FONDS	SHO CAMPAIGNS FUND	NPL FUND	PERSONALIZED FUNDS	LOAN FUND	Sida FUND	TOTAL
Balance at March 31, 2020	47	0	1,552	1,651	36,454	0	39,705
Added	0	1,860	(70)	109	8,320	151	10,370
Withdrawn	20	1,860	284	127	14,430	0	16,721
Balance at March 31, 2021	28	0	1,198	1,633	30,344	151	33,353

#### Aidsfonds

Effective December 1, 2016, the organization formerly called STOP AIDS NOW!, a partnership between Aids Fonds, Hivos, ICCO, Cordaid Memisa, and Oxfam Novib, became Aidsfonds. The withdrawal was spent on projects during the financial year.

#### SHO campaigns Fund

SHO (Samenwerkende Hulp Organisaties), also known as Giro555, is a coalition of Dutch humanitarian aid organizations that join forces to raise funds to provide aid to victims when major humanitarian disasters occur. In addition, SHO informs the Dutch public and creates awareness about the situation. Such a disaster happened in August 2020, when an explosion in the port of Beirut wiped out much of the city, killing hundreds and injuring thousands of people, leaving many homeless and without food and medicine. Due to the Covid-19 pandemic, healthcare in the city was already exhausted. Through Giro555, the Dutch public raised over €15 million. A total amount of €2 million was allocated to Oxfam Novib in 2020-21. This funding has been used to rehabilitate housing, distribute food kits and provide physiotherapy and occupational therapy to individuals injured by the blast.

Additionally, in 2020-21, there was some expenditure in the field through implementing organizations related to the SHO Sulawesi action in which Oxfam Novib participated. In September 2018, a devastating earthquake and tsunami struck the Sulawesi province of Indonesia, leaving behind numerous casualties and destruction which affected more than 2 million people. The partners in SHO organized a fundraising day in 2018 that not only raised awareness, but also collected more than €15 million in donations for humanitarian aid. Oxfam Novib participated as one of the largest Dutch NGOs in SHO, providing capacity for the support and

administration as well as awarding funds. Based on the annual allocation key, a total amount of €2.2 million was allocated to Oxfam Novib for the Sulawesi action in 2019-20. The funding has been used to improve access to clean water, sanitation, and hygiene as well as to rebuild livelihoods.

Section 3.9 'SHO' provides more detailed information on the income and

#### NPL special projects Fund

The 'NPL special projects' fund comprises the funds received from extra drawings of the Dutch Postcode Lottery. An amount of €0.3 million was spent in 2020-21.

#### Personalized Fund

The 'Personalized Fund' consists of the assets of individual personalized funds managed separately within Oxfam Novib. The income generated from these assets is recognized on a cash basis as 'income from direct fundraising' and is available for spending or returned to the fund. At year-end the Personalized Fund's assets, which are managed by Oxfam Novib, consisted of the following:

### SPECIFICATION PERSONALIZED FUNDS

Amounts in thousands of Euros	PERSONALIZED FUNDS
Hans Geveling Derde Wereld Fonds	1,052
Herman Schuurman Fonds	110
Douma-Hamers Onderwijs Fonds	103
Verboom-Pieterse Fonds	82
Hogerop Fonds	10
Voorhoeve Fonds	2
Fair Keys First Fund	104
Hilda Buma Fonds	6
Schroders Charity Fund	0
Kihle fonds	35
Martin Vliegenthart Fonds	126
Anne en Sterre fonds	3
Balance at March 31, 2021	1,633

#### Loan Fund

For more information about the loan fund, please refer to Oxfam Novib's loan portfolio in section 3.6.2 'Financial fixed assets'.

#### Sida Fund

This fund consists of the positive foreign exchange rate differences generated on the funds received from Swedish International Development Cooperation Agency (Sida) projects, where the contract states that the exchange rate gains should be added to a fund.



### 3.6.7 PROVISIONS

	HYPOTAX	PROJECT COSTS	REORGANIZATION	SENIOR STAFF	TOTAL
Amounts in thousands of Euros					
Balance at March 31, 2020	1,000	1,216	0	131	2,347
Withdrawn	346	209	0	75	631
	346	209	0	75	631
Reclassification	(273)	0	0	0	(273)
Changes charged to statement of income and expenditure	620	300	2,559	0	3,479
	346	300	2,559	0	3,205
Balance at March 31, 2021	1,000	1,307	2,559	56	4,922

All provisions, as a whole, are current in nature.

#### Hypo tax

Staff members who work abroad and who are non-Dutch residents or of non-Dutch origin are subject to a 'hypo tax'. This means that an amount is withheld from their gross monthly salaries which corresponds to the wage tax that Oxfam Novib would be required to withhold if the staff member in question were a tax resident in the Netherlands. Oxfam Novib adds these hypo tax withholdings to a provision and uses the funds in question to pay any wage tax or equivalent tax due in respect of the staff members working abroad.

At year-end 2020-21, the hypo tax provision remained at €1.0 million. An amount of €0.3 million was utilized to cover wage taxes for staff members working abroad, an amount of €0.3 million was released to the contingency reserve and €0.6 million was added to the provision in this financial year.

#### Project costs

This provision is for realized project costs where there is a risk of contractual funds being uncollectible from donors.

An additional provision of €0.3 million was added this year after €0.2 million was utilized.

#### Reorganization

During the last years, the unrestricted income of Oxfam International and Oxfam Novib has been under continuous pressure, with a deterioration of the overall contingency reserves. As a consequence, the level of expenditure had to be rebalanced with the income projections.

Oxfam International's Executive Board agreed to make changes to Oxfam's presence and the scope of its work in the various countries. For Oxfam Novib's countries, this decision resulted in phase-out announcements in Afghanistan, Burundi and Egypt; clustering country programs in Cambodia and Vietnam; and changing Nigeria into an influencing office. Additionally, in 2020-21, a reorganization was announced by the Board of Directors. A social plan for the employees hired through The Hague was approved by the trade union and the Board of Directors. The financial consequences of the reorganization in the countries and in The Hague have been accounted

for in this financial year with a total provision of €2.6 million. Out of this amount, approximately €1.6 million is intended to cover current liabilities, and the remaining €1 million is provisioned for long-term liabilities related to the change process in the countries.

#### Senior Staff

An earmarked reserve was created in 2002 to cover the extra costs related to the policy on staff >55 years. Employees who were aged 55 and older in 2001 were able to gradually shift into retirement while retaining their salaries. This group was extended to include employees aged 53 or 54 in 2001 who opted to participate in this scheme. While this policy is no longer applicable, at the end of March 2021, Oxfam Novib still has obligations for an amount of €0.1 million towards the employees who joined this retirement plan. The withdrawal in 2020-21 was €0.1 million. This provision will be kept to cover the existing liabilities.

### 3.6.8 DEBTS

	FY 2020-21	FY 2019-20
Amounts in thousands of Euros		
<b>Long-term debts</b>		
Forward exchange contracts (Negative)	425	852
	425	852
<b>Current debts</b>		
Accounts payable	7,697	8,566
Taxes	644	634
Fundraising contributions received in advance	2,804	2,707
Other accruals and payables	5,056	4,849
	16,200	16,757
<b>TOTAL</b>	<b>16,625</b>	<b>17,609</b>

The €0.4 million for contracts with negative values is reported as long-term debts. For more information about the forward exchange contracts to hedge the foreign exchange risk on loans granted to microfinance organizations, refer to section 3.6.2 'Financial fixed assets', where the forward exchange contracts with positive values are explained.

### 3.6.9 PROJECT LIABILITIES

Project liabilities outstanding at March 31, 2021 were €80.9 million (March 31, 2020: €66.8 million). Approximately 65 percent of these liabilities are current in nature and are payable by April 1, 2022. The other 35 percent represents long-term project liabilities, i.e., due after more than one year. There are no project liabilities with a remaining term to maturity of more than five years. For further details of these project liabilities please refer to table 3.6.4 'Project funds overview'.

### 3.6.10 ASSETS AND LIABILITIES NOT INCLUDED IN THE BALANCE SHEET

Oxfam Novib's building serves as collateral for the forward exchange contracts concluded to hedge the foreign exchange risk on loans granted to microfinance institutions.

Oxfam Novib has lease commitments relating to printers and the telephone

switch at its offices in The Hague for an amount of €113 thousand next year and for an amount of €73 thousand until 2024.

The total value of contracts signed by donors in 2020-21 was €190 million, which is significantly higher than the €117 million signed in 2019-20.

The other off-balance-sheet commitments are rental contracts for country offices, as presented in the table below:

Amounts in thousands of Euros	REMAINING PERIOD OF THE CONTRACT		
	<1 YEAR	1-5 YEARS	>5 YEARS
Office rental contracts for country offices	186	79	0

## 3.7 NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE

### 3.7.1 INCOME FROM PRIVATE INDIVIDUALS

Amounts in thousands of Euros	FY 2020-21	BUDGET 2020-21	FY 2019-20
Legacies	2,865	1,689	899
Donations and gifts	24,673	23,600	22,962
<b>TOTAL</b>	<b>27,538</b>	<b>25,289</b>	<b>23,861</b>

In the Netherlands and in Sweden, the income from legacies was €1.2 million higher than budgeted, and donations and gifts were €1.1 million higher than budgeted. This is a good performance considering that the face-to-face acquisition activities were put on hold

during the Covid-19 lockdown periods. In response to the public health crisis, Oxfam Novib launched a Covid-19 campaign multimedia channel, and will continue its multimedia campaigning efforts throughout the remainder of the calendar year.

On behalf of the entire Oxfam Confederation, Oxfam Novib assumed responsibility for setting up a fundraising office in Sweden. In 2020-21 the income from private individuals collected in Sweden is reported jointly with the income collected in the Netherlands.

### 3.7.2 INCOME FROM COMPANIES

Amounts in thousands of Euros	FY 2020-21	BUDGET 2020-21	FY 2019-20
United States foundations	75	0	54
International foundations	3,693	2,475	6,086
Dutch non-governmental donor organizations	9,146	5,712	2,575
Public Fundraising income from companies	1,418	1,662	1,691
<b>TOTAL</b>	<b>14,332</b>	<b>9,849</b>	<b>10,405</b>

In 2020-21, income from companies was €14.3 million, which is €4.5 million above the budgeted amount and €3.9 million

higher than in the previous year. The greatest positive difference is in income from Dutch non-governmental donor

organizations, which is €3.4 million more than budgeted due to timing differences in the project implementation.

### 3.7.3 INCOME FROM LOTTERY ORGANISATIONS

Amounts in thousands of Euros	FY 2020-21	BUDGET 2020-21	FY 2019-20
National Postcode Lottery - Extra Drawing	0	3,300	998
National Postcode Lottery	13,510	13,500	13,502
<b>TOTAL</b>	<b>13,510</b>	<b>16,800</b>	<b>14,500</b>

Income from lottery organizations was €3.3 million below the budgeted amount. This was due to the budgeted €3.3 million Extra Drawing income from the National Postcode Lottery (NPL) for the 'Money Trail' project, from which no amount was granted in this financial year.

**Dutch Postcode Lottery**  
Oxfam Novib received €13.5 million during the 'Goed Geld Gala' fundraising gala in February 2021. Based on the existing agreements, Oxfam Novib understands that €13.5 million will be awarded during the 'Goed Geld Gala' in February 2022.

Therefore, 25 percent of the €13.5 million has been added to the receivables.

### 3.7.4 INCOME FROM GOVERNMENT SUBSIDIES

Amounts in thousands of Euros	FY 2020-21	BUDGET 2020-21	FY 2019-20
DGIS - Strategic Partnership	31,916	6,637	11,980
Bilateral donors - SIDA	8,068	18,896	14,122
European Union	23,775	25,672	13,049
Dutch government	14,417	40,630	18,621
United Nations	5,789	3,869	5,651
<b>TOTAL</b>	<b>83,964</b>	<b>95,703</b>	<b>63,423</b>

The total income from government subsidies increased significantly compared with the previous year, though still below budget due to the timing of project implementation. This type of income is recognized when the project expenditures are incurred, so the rise in income relates to the level of program expenditure. In fact, during the year 2020-21, many approvals for the new 'PVP: Fair for All' project awarded by the Dutch government (DGIS) were contracted with third parties in the last quarter of this financial year, resulting in a considerable rise in program expenditure.

A significant amount of the income from government subsidies has a contractual duration of 3 to 5 years. Each of these multi-year contracts is governed by its own contractual conditions, as result of negotiations based on donor-specific and program-specific requirements. Large long-term contracts stipulate reports that are subject to yearly auditing, and the financial settlement takes place at the end of the program, based on a final report to the donor and a project audit. The deliverables in the contracts and the corresponding program objectives are in line with Oxfam Novib's Thematic Goals.

#### DGIS - Strategic Partnership

The Dutch government (DGIS) remains Oxfam Novib's main partner and was our biggest donor in 2020-21, with the bulk of funding coming through Strategic

Partnerships. In 2020-21, the existing Strategic Partnership 'Dialogue and Dissent' entered in its final year while Oxfam Novib managed to secure the new Power of Voices grant framework (PVP: Fair for All); the SDG5 grant framework on SRHR (Masarouna); and a Women, Peace and Security program in the occupied Palestinian territory (oPt), as co-applicant,

In 2020-21, the total grant income from the Dutch Government Strategic Partnership was €31.9 million, of which €6.9 million relates to the 'Dialogue and Dissent' strategic partnership and €25.0 million relates to the new 'PVP: Fair for All' grant. The high increase versus the budget is mainly due to the differences in the timing of third party approvals related to the new 'PVP: Fair for All' project.

#### Bilateral donors - Sida

Grant income from non-Dutch governments, including the Swedish International Development Cooperation Agency (Sida), was €8.1 million in 2020-21, which is €10.8 million lower than budgeted. Fewer contracts were signed with Sida this year than in previous years. This is due to the fact that Sida allocated a 1-year bridging grant to the Fair Finance Guide project instead of a new multi-year grant, and to some opportunities that did not materialize in the Sahel.

#### European Union

Grant income from the European Union was €23.8 million in 2020-21, which is €1.9 million less than budgeted and €10.8 million more than in 2019-20. Major European donors were DG ECHO (European Civil Protection and Humanitarian Aid Operations), DG DEVCO (International Cooperation and Development) and DG NEAR (Neighborhood and Enlargement Negotiations).

#### Dutch government

Grant income other than the Strategic Partnership from Dutch government bodies described above was €15.3 million in 2020-21, which is €25.3 million below budget, due to the postponement of some projects and the focus on the large grant frameworks to be implemented in the coming years. The income for 2020-21 includes €1.7 million linked to the VOICE fund.

#### United Nations

Grant income from the United Nations was €5.8 million in 2020-21, which is €1.9 million higher than budgeted.

### 3.7.5 INCOME FROM AFFILIATED NON-PROFIT ORGANIZATIONS

Amounts in thousands of Euros	FY 2020-21	BUDGET 2020-21	FY 2019-20
Oxfam South Korea	40	40	44
Other Oxfams	39,420	32,537	45,377
<b>TOTAL</b>	<b>39,460</b>	<b>32,577</b>	<b>45,421</b>

#### Other Oxfams

Grant income from other confederation members was €39.4 million in 2020-21, which is €6.9 million higher than budgeted, and €6.0 million lower than in 2019-20. The income shown here is the amount received from other affiliates of the Oxfam Confederation for implementation of projects by Oxfam Novib and its partners.

### 3.7.6 INCOME FROM OTHER NON-PROFIT ORGANISATIONS

Amounts in thousands of Euros	FY 2020-21	BUDGET 2020-21	FY 2019-20
Samenwerkende Hulporganisaties	2,000	0	0
<b>TOTAL</b>	<b>2,000</b>	<b>0</b>	<b>0</b>

#### Samenwerkende Hulporganisaties (SHO)

Refer to section 3.6.6.2 and section 3.9 for further details on SHO campaigns.

### 3.7.7 INCOME FROM DELIVERIES OF PRODUCTS / SERVICES

Amounts in thousands of Euros	FY 2020-21	BUDGET 2020-21	FY 2019-20
Publishing House	1,492	1,359	1,518
VOICE	2,757	3,250	3,006
<b>TOTAL</b>	<b>4,249</b>	<b>4,609</b>	<b>4,524</b>

Income from deliveries of products and services was €0.4 million below budget. This was mainly due to the lower than budgeted income received from the VOICE fund, which is specifically for administration, capacity strengthening and linking and learning purposes.

The publishing house publishes books, calendars, and other printed products. Its income was €0.1 million above

budget. The public information relates to development cooperation in general and to Oxfam Novib's mission in particular. The publishing house's expenditure is included under 'Public information and marketing' (refer to section 3.7.9 'Expenditure allocation').

In 2016-17, Oxfam Novib was awarded a public service contract to implement the VOICE fund, in partnership with Hivos.

The object of that fund is to improve the lobbying and advocacy capacity of civil society organizations and representatives of the most marginalized and discriminated people, in order to empower those groups and ensure that their voices are heard and respected.

### 3.7.8 OTHER INCOME

Amounts in thousands of Euros	FY 2020-21	BUDGET 2020-21	FY 2019-20
Other income	103	0	64
<b>TOTAL</b>	<b>103</b>	<b>0</b>	<b>64</b>

Other income includes income not covered by the other categories described above.



### 3.7.9 EXPENDITURE ALLOCATION

	GOAL OF STRUCTURAL POVERTY ALLEVIATION					COSTS OF GENERATING INCOME			MANAGEMENT & ADMINISTRATION	TOTAL			
	FOOD, LAND AND CLIMATE	GOVERNANCE AND FINANCIAL FLOWS	CONFLICT AND FRAGILITY	GENDER AND YOUTH	HUMANITARIAN/ EMERGENCY	PUBLIC ENGAGEMENT	DIRECT FUNDRAISING	THIRD-PARTY CAMPAIGNS	GOVERNMENT GRANTS		FY 2020-21	BUDGET 2020-21	FY 2019-20
Amounts in thousands of Euros													
1. Grants and contributions	22,343	30,997	9,455	6,273	23,200	0	0	0	0	0	92,268	101,327	62,666
2. Fees and other payments	802	971	198	339	1,236	0	0	0	0	0	3,546	4,855	5,030
3. Publicity, communication, other	(350)	1,237	(58)	(5)	(666)	4,203	4,649	37	6	154	9,207	14,389	9,920
4. Staff costs	8,039	10,566	2,662	3,420	10,969	2,589	1,575	121	1,084	1,558	42,585	32,388	46,635
5. Provision for reorganization	437	519	136	238	713	239	71	10	131	105	2,598	0	0
6. Housing costs	103	122	32	56	168	56	17	2	31	25	613	892	698
7. Office and general expenses	6,888	8,444	1,918	2,879	10,718	416	124	14	302	453	32,155	32,463	38,526
8. Depreciation	155	184	47	82	251	76	23	3	45	33	898	1,089	932
<b>TOTAL</b>	<b>38,418</b>	<b>53,038</b>	<b>14,390</b>	<b>13,282</b>	<b>46,588</b>	<b>7,580</b>	<b>6,458</b>	<b>189</b>	<b>1,599</b>	<b>2,327</b>	<b>183,869</b>	<b>187,403</b>	<b>164,407</b>
Publicity and communication (except if allocated to goals):							4,649	37	6	154	4,846		
Other internal operating costs	15,186	19,316	4,659	6,437	22,105	3,138	1,739	141	1,462	2,068	76,251		
<b>Total internal operating costs</b>											<b>81,097</b>		
<b>Maximum size of contingency reserve (1.5 times the annual internal operating costs):</b>													<b>121,645</b>

#### Notes to the expenditure allocation

Oxfam Novib uses various different cost allocation keys:

- keys for allocation of the costs incurred by the central and management departments and the Board of Directors to management and administration costs. More information can be found in Section 3.5 'Accounting policies for the consolidated statement of income and expenditure';
- keys used within the Public Engagement unit for allocation of costs to goals of structural poverty alleviation, direct fundraising, third-party campaigns (Dutch Postcode Lottery), and management & administration;

- keys for allocation of the costs of the primary process to activities that further the organization's goals and to generation of income from institutional sources of funding;
- keys for allocation of the costs of generation of income from external sources of funding to government grants, joint campaigns, and third-party campaigns;
- keys for allocation of the costs of shared resources (ICT, housing, miscellaneous staff costs, support departments, etc.) to the different expenditure categories on the basis of full-time equivalents;
- keys for allocation of the costs of grants (project approvals) to the goals of structural poverty alleviation on the basis of the outcome indicators. The costs of approved projects related to the thematic areas are also included.

#### Notes to the figures

- Grants and contributions**  
This expenditure reflects the amounts that have been approved for disbursement to partner organizations. These grants are disbursed on a cash basis. Conversely, income and expenditure are recognized on the basis of partner organizations' projects and programs that have been approved by Oxfam Novib. Under the Dutch Accounting Standard for Fundraising Organizations (RJ 650), income and expenditure must be recognized on the basis of approvals rather than on a cash basis.  
  
The €92.3 million at year-end 2020-21 is lower than the budgeted amount, but higher than in the previous year. The considerable rise in the program expenditure level is due to the large number of contracts signed with third

parties for the new 'PVP: Fair for All' project in the last quarter of the financial year.

#### 2. Fees and other payments

Fees and other payments mainly exist of a core contribution to Oxfam International (OI). The contribution was €1.3 million lower than budgeted, thanks to the agreed reduction as a part of the restructuring measures taken in this financial year to rebalance the expenditure levels with the income. The amount in 2020-21 is also €1.5 million lower than last year.

#### 3. Publicity, communication, and other campaigning costs

This category comprises the campaigning costs incurred on projects, as well as the costs associated with recruitment, public information &

marketing, the provision of information to the corporate sector, and third-party campaigns. The expenditure was €5.2 million below the budgeted amount and also lower than the previous year, since many activities were put on hold during the Covid-19 pandemic.

#### 4. Staff costs

In 2020-21, staff costs were €10.2 million higher than budgeted, with the increase stemming from the staff costs for projects. The main reason is that the budgeted project staff costs were calculated as an estimated 10 percent of the total planned contracts to be signed based on historical trends. However, in 2020-21, a shift occurred from 'Other project costs' to 'Staff costs' as a result of budget changes in the project activities.

The salary costs are lower than in the previous year since there has been a drop in the total number of Full Time Equivalents (FTEs), mainly in the countries. Additionally, there was a reduction in the other personnel cost such as temporary workers, commuting costs and other costs as a consequence of the 'working from home' period during the Covid-19 pandemic.

## STAFF COSTS

Amounts in thousands of Euros

	FY 2020-21
Salaries The Hague	19,170
Salaries local contracts and expats	18,199
Social security contributions	2,728
Pension costs	2,037
Temporary workers	263
Commuting costs	147
Other costs (incl. participations)	41
<b>TOTAL</b>	<b>42,585</b>

### Employees

As at March 31, 2021, the total number of people employed through Oxfam Novib's offices in The Hague was 340 (62 percent women), of whom 308 were based in The Hague (March 31, 2020: 312). In the twelve countries in which Oxfam Novib is an Executing Affiliate, another 861 people (37 percent women) were employed, with the largest offices being Afghanistan, Uganda, Nigeria, and Niger. In 2019-20, the number of employees in the countries was 985, so there was a significant decline, mainly because last year additional employees were hired to work on the emergency relief program in Mozambique. Our employees represent 59 different nationalities, with 75 percent coming from countries outside Europe.

### Staff pensions

The pensions of Oxfam Novib's staff are insured with Zwitserleven. Pension accrual under the pension plan is based on a defined contribution scheme.

### 5. Provision for reorganization

In 2020-21, an amount of €2.6 million was provisioned for the reorganization costs in The Hague and in the countries. For further details refer to section 3.6.7 'Provisions'.

### 6. Housing costs

The housing costs in 2020-21 were €0.3 million lower than budgeted, and slightly lower than the housing costs in 2019-20.

### 7. Office and general expenses

This category is defined as including both part of the operational expenses (such as travel, training, insurance costs, hosting services, system maintenance, licenses and other ICT-related costs, and third-party services) and program-related costs other than grants and contributions or staff costs. For Oxfam Novib, around 83 percent of the costs in this category in the financial year 2020-21 were program-related.

The office and general expenses were slightly below budget. These costs are the expenses allocated to projects such as advisory services from external experts and other third-party services used in program implementation, such as materials and facilities provided during humanitarian response (water points, latrines and bathing cubicles, hygiene kits, fresh food, and safe drinking water).

### Auditors' fees

The following auditors' fees were charged to the statement of income and expenditure in the financial year: The fees specified in the table relate to services provided to Oxfam Novib by audit firms and external auditors as defined in Section 1(1) of the Netherlands Audit Firms Supervision Act (Wta) (as well as by accounting firms in the Netherlands and abroad, including their tax and consultancy departments) which were charged directly to Oxfam Novib. In 2020-21, €0.1 million was paid

to Mazars in fees for the audit of the financial statements, and an additional €0.2 million relates to project compliance audits in accordance with donor agreements, which are included in the program costs.

### 8. Depreciation

Depreciation costs in 2020-21 were €0.2 million lower than the budget, with some capital expenditure being put on hold, and at same level as in 2019-20, in result of a large number of older assets already being fully depreciated.

### 3.7.9.1 Costs of direct fundraising

The costs of direct fundraising were €6.5 million in 2020-21, which is slightly below budget. The variation is linked to delays in face-to-face fundraising campaigns affected by the Covid-19 pandemic.

### 3.7.9.2 Salary and emoluments paid to directors

Oxfam Novib applies the Advisory Scheme for the Remuneration of Directors of Charity Organizations of *Goede Doelen Nederland* (the Association of Fundraising

Organizations) and the SBF Code of Good Governance. The 'Remuneration Policy for the Board of Directors' is based on the criteria of this Scheme and Code as they relate to remuneration, job grading, and maximum salaries for directors.

The Advisory Scheme defines criteria for determining the levels of skill, effort, and responsibility required for executive positions and sets maximum annual income standards. The Board of Supervisors assesses the positions of the Board of Directors based on those criteria.

Oxfam Novib has a multi-member Board of Directors, consisting of one chair and two other members. The *Basis Score Directiefuncties* (basic rating for executive positions, commonly abbreviated to 'BSD') for 2020 adds up to an organization score of 595 BSD points according to the updated 2020 standards. The position of chair (the Executive Director) was rated at 518 points, which corresponds to a maximum annual income for 2020 of €162,397 based on full-time employment. The positions of the

other members of the Board of Directors were rated at 476 points each, which corresponds to a maximum annual income for 2020 of €141.765 based on full-time employment.

*Goede Doelen Nederland* publishes the BSD guidelines against which Directors' actual annual incomes are assessed every year. Because of the financial uncertainties related to the Covid-19 situation and in solidarity with Oxfam affiliates which had to absorb high financial losses, the Board of Directors decided to waive the percentage increase in salaries as set out by *Goede Doelen Nederland*. The table on the next page shows the remunerations paid to Board members in the period from January 1, 2020 to December 31, 2020.

On October 1, 2018, Mr. Servaes was appointed as the new Executive Director. He continued in this position during this financial year, while being also the chair of the Board of Directors, which consists of the Executive Director and two directors: Ms. Mulder and Mr. Meijers.

## AUDITORS' FEES

Amounts in thousands of Euros

	AUDIT OF THE FINANCIAL STATEMENT	OTHER AUDIT SERVICES	OTHER SERVICES	TOTAL
Mazars NV	116	227	2	345
SGS	0	0	4	4
KPMG	0	34	10	43
Deloitte	0	0	18	18
<b>TOTAL</b>	<b>116</b>	<b>261</b>	<b>33</b>	<b>410</b>

## SALARY AND EMOLUMENTS PAID TO DIRECTORS

Amounts in Euros

Name	M. SERVAES	P. MULDER	T. MEIJERS
Function	EXECUTIVE DIRECTOR	DIRECTOR FINANCE AND OPERATIONS	DIRECTOR PROGRAMS AND CAMPAIGNS
<b>Employment</b>			
Contract Type	permanent	permanent	permanent
Hours	36	36	36
FTE percentage	100	100	100
Period	01/01/20-31/12/20	01/01/20-31/12/20	01/01/20-31/12/20
<b>Remuneration</b>			
Gross salary	122,460	94,584	97,734
Holiday allowance	9,505	7,324	7,780
Payment of unused holidays	0	769	769
<b>Total Income as BSD guideline</b>	<b>131,965</b>	<b>102,677</b>	<b>106,283</b>
Income	131,965	102,677	106,283
Pension premium (employer's contribution)	14,810	13,303	21,547
Other deferred remuneration	2,340	2,691	3,293
<b>TOTAL</b>	<b>149,115</b>	<b>118,670</b>	<b>131,123</b>

No loans or guarantees have been provided and no advance payments have been made to the members of the Board of Directors.

Members of the Board of Supervisors do not receive any remuneration or fees. Each member of the Board of Supervisors was appointed for the entire financial year. No expense reimbursements were paid out in 2020-21.

The members of the Board of Supervisors of Oxfam Sweden receive no remuneration, fees or expense reimbursements.

### 3.7.9.2.1 Executives' Pay Financed from Public Funds (Disclosure) Act

In 2020-21 Oxfam Novib fell outside the purview of the Dutch Executives' Pay Financed from Public Funds (Disclosure) Act (*Wet normering bezoldiging*

*topfunctionarissen publieke en semi publieke sector* or WNT). Nevertheless, the taxable annual salaries of its officers are disclosed above. In 2020, none of the directors or other officers of Oxfam Novib, nor any individuals employed on a consultancy basis, received a taxable annual salary in excess of the maximum amount of €201 thousand as regulated by the WNT.

## 3.7.10 BALANCE OF FINANCIAL INCOME AND EXPENSES

	FY 2020-21	BUDGET 2020-21	FY 2019-20
Amounts in thousands of Euros			
Interest income	3,519	3,378	3,722
Interest expenses	(146)	0	(51)
Bank costs	(112)	0	(55)
Dividend	42	0	49
Realized and unrealized foreign exchange results	(1,047)	(636)	(1,877)
Other financial income	437	544	(746)
Costs of investment	(2,232)	(2,128)	(1,850)
<b>TOTAL</b>	<b>461</b>	<b>1,158</b>	<b>(807)</b>

The balance of financial income and expenses for the financial year 2020-21 was €0.5 million, which is €1.3 million better than in the previous year and €0.7 million lower than the budgeted amount. This shortfall is due to the €-1.0 million for realized and unrealized foreign exchange losses, of which €-1.0 million was realized negative differences (relating to program costs); €0.9 million was unrealized positive differences (mainly related to accounts receivable from donors); and €-0.9 million foreign

exchange losses in the Oxfam Novib microfinance portfolio.

The interest income from the microfinance portfolio was €3.5 million, which is €0.1 million higher than budgeted and €0.2 million lower than in the previous year, due to the reduction of the size of the loan portfolio. The cost of investments was €2.2 million, which is €0.1 million higher than budget and in the previous year.

Other financial income and expenses includes the net movements in the value of the participations in different investment vehicles at March 2021.

The table on the next page presents the figures in the format specified by 'Goede Doelen Nederland' in its Financial Management Guidelines. The figures are based on the returns on savings and investments. Net income from cash and cash equivalents represents the interest received on current account deposits and on the organization's own funds.



## SUMMARY ON THE BASIS OF THE 'GOEDE DOELEN NEDERLAND' FINANCIAL MANAGEMENT GUIDELINE

### Return on savings and investments

Amounts in thousands of Euros	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
<b>Mission-related investments</b>						
Bond yields	242	305	298	284	320	282
Dividends	79	79	111	80	49	42
Realized price gains	69	600	691	41	(653)	353
Unrealized price gains	(538)	587	(1,322)	892	290	(447)
<b>Gross investment return</b>	<b>(148)</b>	<b>1,571</b>	<b>(222)</b>	<b>1,297</b>	<b>6</b>	<b>230</b>
Investment costs	0	0	0	0	0	0
<b>Net investment return</b>	<b>(148)</b>	<b>1,571</b>	<b>(222)</b>	<b>1,297</b>	<b>6</b>	<b>230</b>
<b>Investment performance</b>						
Average invested capital	11,721	13,490	12,859	13,792	12,299	8,882
Return on investments (%)	-1.3%	11.6%	-1.7%	9.4%	0.0%	2.6%
<b>Net income from cash and cash equivalents</b>						
Interest on current account and organization's own funds on savings accounts and deposits	(55)	39	(72)	(75)	(51)	(146)

## 3.8 SEPARATE FINANCIAL STATEMENTS OXFAM NOVIB

### 3.8.1 SEPARATE BALANCE SHEET OXFAM NOVIB AS AT MARCH 31 AFTER APPROPRIATION OF NET RESULT

Amounts in thousands of Euros	FY 2020-21	FY 2019-20
<b>ASSETS</b>		
Tangible fixed assets	7,182	7,505
Financial fixed assets	39,832	49,888
Inventories	13	11
<b>Receivables from governments</b>		
Long-term	6,490	5,312
Current	12,053	9,866
	18,543	15,178
Receivables	27,596	47,115
Cash and cash equivalents	111,234	67,283
<b>TOTAL</b>	<b>204,400</b>	<b>186,980</b>
<b>LIABILITIES</b>		
Reserves and funds		
Reserves		
Contingency reserve	12,547	12,979
Earmarked reserves	56,324	47,929
	68,871	60,907
Funds	33,353	39,705
	102,224	100,612
Provisions	4,922	2,347
Debts		
Long-term	425	852
Current	15,910	16,402
Prepayments from donor organizations	0	0
	16,334	17,254
Project liabilities		
Long-term	28,322	23,368
Current	52,598	43,398
	80,919	66,766
<b>TOTAL</b>	<b>204,400</b>	<b>186,980</b>

### 3.8.2 SEPARATE STATEMENT OF INCOME AND EXPENDITURE

Amounts in thousands of Euros	FY 2020-21	BUDGET 2020-21	FY 2019-20
<b>INCOME</b>			
Income from private individuals	27,365	25,289	23,841
Income from companies	14,332	9,849	10,405
Income from lottery organisations	13,510	16,800	14,500
Income from government subsidies	83,964	95,703	63,423
Income from affiliated non-profit organisations	39,460	32,577	45,421
Income from other non-profit organisations	2,000	0	0
<b>Income raised</b>	<b>180,630</b>	<b>180,218</b>	<b>157,590</b>
Income from deliveries of products / services	4,249	4,609	4,524
Other income	103	0	64
<b>Income from fundraising activities</b>	<b>184,982</b>	<b>184,827</b>	<b>162,178</b>
<b>EXPENDITURE</b>			
Food, Land and Climate	38,418	37,361	32,945
Governance and Financial Flows	53,038	48,544	43,314
Conflict and Fragility	14,390	10,449	9,920
Gender and Youth	13,282	15,939	13,435
Emergency	46,588	55,577	46,695
Public Engagement	7,558	7,642	7,632
<b>Expenditure on goal 'structural poverty alleviation'</b>	<b>173,275</b>	<b>175,511</b>	<b>153,940</b>
Direct fundraising	6,407	7,179	6,161
Third-party campaigns	189	510	372
Securing government grants	1,599	1,753	1,717
<b>Costs of generating income</b>	<b>8,195</b>	<b>9,443</b>	<b>8,250</b>
<b>Management and administration costs</b>	<b>2,323</b>	<b>2,449</b>	<b>2,191</b>
<b>EXPENDITURE FROM FUNDRAISING ACTIVITIES</b>	<b>183,792</b>	<b>187,403</b>	<b>164,382</b>
<b>BALANCE OF FINANCIAL INCOME AND EXPENSES</b>	<b>461</b>	<b>1,158</b>	<b>(807)</b>
<b>NET RESULT</b>	<b>1,650</b>	<b>(1,418)</b>	<b>(3,010)</b>
<b>APPROPRIATION OF NET RESULT</b>			
Added / charged to: contingency reserve	(393)	(1,260)	(1,598)
Added / charged to: project reserve	775	(1,712)	(2,711)
Added / charged to: other earmarked reserves	7,648	2,384	6,679
Added / charged to: funds	(6,380)	(829)	(5,380)
<b>NET RESULT</b>	<b>1,650</b>	<b>(1,418)</b>	<b>(3,010)</b>

### 3.8.3 ACCOUNTING POLICIES FOR THE VALUATION OF ASSETS AND LIABILITIES IN THE SEPARATE FINANCIAL STATEMENTS

#### General

The financial statements have been prepared in accordance with the Dutch Accounting Standard for Fundraising Organizations (RJ 650) as published by the Dutch Accounting Standards Board.

The separate financial statements do not include the consolidated figures from Sweden. The accounting policies for the separate financial statements are the same as for the consolidated financial statements. Accordingly, see the notes to the consolidated financial statements except as otherwise specified below. Additional notes to policies regarding the consolidation are set out in section 3.4.2.

### 3.8.4 NOTES TO FINANCIAL STATEMENT ITEMS AFFECTED BY THE CONSOLIDATION OF OXFAM SWEDEN

The consolidated result and equity are not identical to the corresponding figures as presented in the separate financial statements. Although it holds no equity interest in Oxfam Sweden, Oxfam Novib has significant control over it. For this reason, Oxfam Sweden's result and equity are included in the consolidated financial statements of Oxfam Novib but not in the separate financial statements.

Oxfam Sweden had a net result of €0.8 million and a positive equity balance of €0.4 million. Oxfam Novib's reserves add up to €68.9 million, against €69.3 million in the consolidated financial statements after the consolidation adjustments.

The receivables and the tangible fix assets are both €0.2 million less, as well as cash and cash equivalents are €0.3 million less than in the consolidated financial statements. Debts are €0.3 million less than in the consolidated financial statements. Reserves are €0.4 million lower than in the consolidated financial statements.

As a consequence of the intercompany eliminations of transactions, the separate statement of income and expenditure shows the following movements compared with the consolidated statement:

- Total income is €173 thousand less than stated in the consolidated statement of income and expenditure.
- Total expenditure is €77 thousand less than stated in the consolidated statement of income and expenditure.

### EARMARKED RESERVES

Amounts in thousands of Euros	OXFAM NOVIB PROJECTS	LOANS & GUARANTEES	MANAGEMENT & ADMINISTRATION COSTS	TOTAL EARMARKED RESERVES
Balance at March 31, 2020	12,165	30,817	4,947	47,928
Added	7,479	19,812	5,368	32,658
Withdrawn	6,732	12,198	5,333	24,263
<b>Net movements</b>	<b>746</b>	<b>7,614</b>	<b>35</b>	<b>8,395</b>
Balance at March 31, 2021	12,911	38,431	4,983	56,324

### CONTINGENCY RESERVE

Amounts in thousands of Euros	CONTINGENCY RESERVE
Balance at March 31, 2020	12,979
Added	0
Withdrawn	432
<b>Net movements</b>	<b>(432)</b>
Balance at March 31, 2021	12,547

### 3.9 SHO

#### 3.9.1 SULAWESI ACTION

The table below discloses the income and expenditure of the Sulawesi Action in Oxfam Novib and in other implementing organizations in the countries. Refer to section 3.6.6.2 'SHO campaigns' for further details.

	FISCAL YEAR			UP TO FISCAL YEAR (INCLUSIVE)		
	EMERGENCY	REHABILITATION	TOTAL	EMERGENCY	REHABILITATION	TOTAL
Amounts in thousands of Euros						
<b>INCOME</b>						
Public donations (SHO funds)			0			2,150
Interest			0			0
<b>Total income</b>			<b>0</b>			<b>2,150</b>
<b>Cost of preparation and coordination (ICR)</b>						
ICR			49			150
<b>Total available for aid activities</b>			<b>0</b>			<b>2,000</b>
<b>EXPENDITURE</b>						
Commitments, contractual obligations (D)						
- Expenditure through implementing organizations (field)	0		0	2,000		2,000
- Expenditure through international umbrella organization						
- Aid provided directly by the organization						
<b>Total available for commitments</b>	<b>0</b>		<b>0</b>	<b>0</b>		<b>0</b>
<b>OVERVIEW OF THE ORGANIZATION'S CASH TRANSFERS</b>						
Transfers						
- Expenditure through implementing organizations (field)	0		0	2,000		2,000
- Expenditure through international umbrella organization						
- Aid provided directly by the organization						
<b>OVERVIEW OF THE ORGANIZATION'S EXPENDITURE IN THE FIELD</b>						
- Expenditure through implementing organizations (field)	0	648	648	591	1,409	2,000
- Expenditure through international umbrella organization						
- Aid provided directly by the organization						

#### 3.9.2 BEIRUT ACTION

	FISCAL YEAR			UP TO FISCAL YEAR (INCLUSIVE)		
	EMERGENCY	REHABILITATION	TOTAL	EMERGENCY	REHABILITATION	TOTAL
Amounts in thousands of Euros						
<b>INCOME</b>						
Public donations (SHO funds)			2,000			2,000
Interest						
<b>Total income</b>			<b>2,000</b>			<b>2,000</b>
<b>Cost of preparation and coordination (ICR)</b>						
ICR			40			140
<b>Total available for aid activities</b>			<b>1,860</b>			<b>1,860</b>
<b>EXPENDITURE</b>						
Commitments, contractual obligations (D)	1,860		1,860	1,860		1,860
- Expenditure through implementing organizations (field)	1,860		1,860	2,000		2,000
- Expenditure through international umbrella organization						
- Aid provided directly by the organization						
<b>Total available for commitments</b>	<b>0</b>		<b>0</b>	<b>0</b>		<b>0</b>
<b>OVERVIEW OF THE ORGANIZATION'S CASH TRANSFERS</b>						
Transfers						
- Expenditure through implementing organizations (field)	1,860		1,860	1,860		1,860
- Expenditure through international umbrella organization						
- Aid provided directly by the organization						
<b>OVERVIEW OF THE ORGANIZATION'S EXPENDITURE IN THE FIELD</b>						
- Expenditure through implementing organizations (field)	532		532	532		532
- Expenditure through international umbrella organization						
- Aid provided directly by the organization						



### 3.9.3 SHO ALLOCATION KEY

The key for allocating the income from SHO fundraising activities is based on a 3-year average of the volume of emergency aid and reconstruction activities and the income from the SHO participant's own fundraising.

Amounts in thousands of Euros	FY 2018-19	FY 2019-20	FY 2020-21
1. Volume of emergency aid and reconstruction activities	20,479	30,209	29,184
2. Income from own fundraising	43,668	35,938	46,115

The table above shows the relevant figures for Oxfam Novib for the period 2018-19 to 2020-21.

The volume of delivered emergency aid and reconstruction activities does not include SHO funds or funds transferred to other organizations in the role of administrative lead agency/horizontal

lead agency (for example in the role of lead agency in the DRA).

The income from own fundraising for 2018-19 and after is calculated as the sum of income from private individuals, income from companies, and income from other non-profit organizations, less income from SHO and income from sale of goods and or rendering of services.

### 3.10 EVENTS AFTER THE BALANCE SHEET DATE

There have been no material post-balance-sheet events which would require adjustment to Oxfam Novib's financial statements for the financial year 2020-21.

The Hague, July 5, 2021

#### Board of Directors

**Michiel Servaes**, Executive Director  
**Pauline Mulder**, Director Finance and Operations  
**Ton Meijers**, Director of Programs and Campaigns

The Hague, July 5, 2021

#### Board of Supervisors

**Peter Verbaas**, Chair, Member of Oxfam International's Board of Supervisors and of its Finance, Risk and Audit Committee (FRAC)  
**Joyeeta Gupta**, Member of Programs Committee (until November 2020)  
**Laurien Koster**, Chair of Remuneration Committee (until March 2021)  
**Christel de Lange**, Member of the Finance Committee  
**Kris Douma**, Chair of the Finance Committee  
**Inge Hutter**, Chair of Remuneration Committee  
**Martijn Dadema**, Chair of Programs Committee  
**Kristen Meijer**, Member of the Engagement Committee and the Integrity Focal Point of the Board of Supervisors  
**Lawrence Cheuk**, Member of the Programs Committee and of the Engagement Committee

# 4. OTHER INFORMATION



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## 4.1 RESULT APPROPRIATION ACCORDING TO THE BYLAWS

According to the bylaws (Article 23.3), the appropriation of the net result should be carried out in line with the regulations in the 'Goede Doelen Nederland' guideline 'reserves goede doelen' (reserves of charities). According to Article 10.2, the Board of Directors is the body that adopts the Annual Accounts and according to Article 19.2, the Board of Supervisors is the body that approves them.

## 4.2 INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors and Board of Directors of Stichting Oxfam Novib

### Report on the audit of the financial statements for the year ended 31 March 2021 included in the annual accounts

#### Our opinion

We have audited the financial statements for the year ended 31 March 2021 of Stichting Oxfam Novib, based in The Hague.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting Oxfam Novib as at 31 March 2021, and of its result for the year then ended in accordance with the Guideline for annual reporting 650 "Fundraising Organizations" of the Dutch Accounting Standards Board.

The financial statements comprise:

1. the consolidated and separate balance sheet as at 31 March 2021;
2. the consolidated and separate statement of income and expenditure for the year then ended;
3. the consolidated cash flow statement for the year then ended; and
4. the notes comprising 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 Oxfam Novib 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 accounts

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

- the Directors' Report;
- the Board of Supervisors' Report;
- 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.

The Board of Directors is responsible for the preparation of the Directors' Report in accordance with the Guideline for annual reporting 650 "Fundraising Organizations" of the Dutch Accounting Standards Board.

### Description of responsibilities regarding the financial statements

#### Responsibilities of the board of directors and the board of supervisors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting 650 "Fundraising Organizations" of the Dutch Accounting Standards Board. Furthermore, the Board is responsible for such internal control as it 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, the Board is responsible for assessing the organization's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board should prepare the financial statements using the going concern basis of accounting unless the Board either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

The board of Directors should disclose events and circumstances that may cast significant doubt on the organization's ability to continue as a going concern in the financial statements.

The Board of Supervisors is responsible for supervising the process of financial reporting by the foundation.

#### Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment 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 skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- 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 company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board;
- concluding on the appropriateness of the Board'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 organization'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.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with the Board of Supervisors 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.

We provide the Board of Supervisors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Rotterdam, 15 July 2021

**Mazars N.V.**

Original has been signed by: drs. S. Boomman RA





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