

OXFAM NOVIB ANNUAL REVIEW

FINANCIAL STATEMENTS 2014-15



OXFAM
Novib



CONTENTS

CHAPTER 7

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	4
7.1 INTRODUCTION	5
7.1.1 INCOME	5
7.1.2 EXPENDITURE	6
7.1.3 THE OPERATING RESULT	7
7.1.4 GENERAL NOTES TO THE CONSOLIDATED BALANCE SHEET	7
7.2 KEY CBF FIGURES	8
7.3 CONSOLIDATED ENTITIES	8

CHAPTER 8

8 CONSOLIDATED FINANCIAL STATEMENTS	10
8.1 CONSOLIDATED BALANCE SHEET AT 31 MARCH AFTER APPROPRIATION OF NET INCOME	11
8.2 CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE	12
8.3 CONSOLIDATED CASH FLOW STATEMENT	13
8.4 ACCOUNTING POLICIES FOR THE VALUATION OF ASSETS AND LIABILITIES	14
8.5 ACCOUNTING POLICIES FOR THE CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE	15
8.6 NOTES TO THE CONSOLIDATED BALANCE SHEET	19
8.7 NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE	35
8.8 SEPARATE FINANCIAL STATEMENTS OXFAM NOVIB	47
8.9 NOTES TO THE SEPARATE FINANCIAL STATEMENTS	49
8.10 SHO	51

CHAPTER 9

9 OTHER INFORMATION	54
9.1 RESULT APPROPRIATION ACCORDING TO STATUTES	55
9.2 RESULT APPROPRIATION FOR THE YEAR	55
9.3 AFTER BALANCE SHEET DATE INFORMATION	55
9.4 REPORT OF INDEPENDENT AUDITOR	56

CHAPTER 10

10 APPENDICES	57
10.1 BUDGET 2015-16 AND MULTI ANNUAL BUDGET 2016 – 2020	58



CHAPTER 7

NOTES TO THE FINANCIAL STATEMENTS

7.1 INTRODUCTION

In order to align with other Oxfam affiliates, Oxfam Novib decided to change its financial year from 1 January – 31 December to 1 April – 31 March, as of 1 April 2014. The financial year 2013 had therefore been prolonged with three months and comprises a 15 month period (1 January 2013 – 31 March 2014). The budget 2013-14 covers the period 1 January 2013 – 31 March 2014. Therefore, when reviewing the financial statements for the financial year 2014-15, the effects of comparing a 12-months financial year (2014-15) to a 15-months financial year (2013-14) should be taken into account.

The financial year 2014-15 is the first year that Oxfam Novib presents consolidated and separate financial statements. Due to Oxfam Novib's significant influence over Oxfam Sweden and because it owns 100% of the shares of Impact Investments B.V., both entities are consolidated in Oxfam Novib's financial statements.

The budget for the financial year 2014-15 was based on an ambitious growth target on income, both on institutional fundraising as well as on community fundraising. Oxfam Novib has partly been able to realise this ambitious growth target. She managed to increase the growth in income from institutional fundraising that was realised in 2013-14. The ambitious growth target which Oxfam Novib set itself for the financial year 2014-15 has not been met. The pressure on income from community fundraising was high: Income from community fundraising continued to show a decreasing trend and has become more restricted in nature.

MFS II funding from DGIS will end at 31 December 2015. This will have severe consequences for the income of Oxfam Novib. At the same time, Oxfam Novib has qualified for the Strategic Partnership on influencing (called "Samenspraak en tegenspraak") of the Dutch government. The income for Oxfam Novib from this new funding modality will be significantly less than from MFS II and restricted to influencing activities. Also, significant changes are taking place within the worldwide Oxfam confederation. The Oxfam strategy called "Oxfam 2020" foresees increased cooperation among Oxfam affiliates and foresees to anchor the organization more firmly in the global South. Oxfam will continue to search for increased synergy in support services, which will result in fewer costs per affiliate. In response to this increased volatility in income and the increased cooperation among Oxfam affiliates, the Board of Directors decided to make a gradual shift towards the new context of 2016-2020. She took a number of decisions with the aim to prepare the organization for the budget cuts that will affect the organisation as of 1 January 2016 and transform the organization into a project organization, with the aim to be more agile, innovative and impactful.

Oxfam Novib managed to close the financial year with a positive net result. This provides a solid basis for the future. The budget cuts that will affect the organisation as of 1 January 2016 are anticipated with confidence.

This chapter details the income, expenditure and financial position of Oxfam Novib in the financial year 2014-15. The financial statements have been prepared in accordance with the Dutch Accounting Standard for Fundraising Institutions (RJ 650). Compliance with this guideline is a requirement of the CBF (Central Bureau on Fundraising). Accordingly, all expenditure is committed to Oxfam Novib's goal of 'structural poverty alleviation', and to the generation of income, and management and administration. The goal of 'structural poverty alleviation' is divided into five categories:

- Supporting projects run by partner organisations. In the financial statements this is referred to as 'Projects and Programmes'.
- Supporting and strengthening partner organisations themselves. This comes under 'Support provided to partner organisations'.
- Campaigning in the Netherlands to encourage people to commit to the movement towards a just world without poverty. This falls under the category 'Popular campaigning'.
- Influencing governments, companies and other organisations to work, either on their own or jointly with others, towards poverty alleviation and development. This falls under the categories 'Lobbying and advocacy by Oxfam Novib' and 'Lobbying and advocacy by partner organisations'.
- Conveying Oxfam Novib's vision – a just world without poverty – to a wide public and maintaining relationships with people who support Oxfam Novib. This falls under the category 'Public information and marketing'.

7.1.1 Income

In 2014-15 Oxfam Novib generated 193.4 million euros in income, which is 16.6 million euros less than budgeted. The amount in 2013-14 was 206.9 million euros for a 15 months period. Income from direct fundraising accounted for 30.1 million euros of income. This is 3.5 million euros less than budgeted. The amount in 2013-14 was 35.7 million euros for a 15 months period. Revenues from third party campaigns accounted for 17.8 million euros, which is 2.0 million euros above budget. In 2013-14 this amount was 23.0 million euros (15 months). Government grants co-financing accounted for 84.5 million euros, which is 4.5 million euros above budget. The amount in 2013-14 was 88.7 million euros. Other government grants accounted for 52.6 million euros, which is 22.2 million euros less than budgeted. The amount in 2013-14 was 53.1 million euros for 15 months. Other income accounted for 5.4 million euros, which is 2.7 million euros more than budgeted.

Income from direct fundraising

Income from direct fundraising in 2014-15 was 30.1 million euros, which is 3.5 million euros less than budgeted. The amount in 2013-14 (15 months) was 35.7 million euros. The lower income than budgeted was caused by lower income from the income source 'foundations' (2.0 million euros), by lower income from companies (0.9 million euros), inheritances (0.8 million euros) and Oxfam Sweden (0.3 million euros). Income from donations by notarial deed (0.1 million euros), private donors (0.3 million euros) and gifts (0.2 million euros) were higher than budgeted.

Revenues from third party campaigns

Revenues from third party campaigns amounted to 17.8 million euros; 2.0 million euros more than budgeted. In 2013-14 revenues from third party campaigns amounted to 23.0 million euros for 15 months. The sources include the Dutch Postcode Lottery, emergency relief umbrella group Samenwerkende Hulporganisaties (SHO), and Stop Aids Now!

- Dutch Postcode Lottery:

During the "Goed Geld Gala" in February 2015 Oxfam Novib received 13.5 million euros. This amount concerned the calendar year 2014. In 2014-15 extra drawings of 1.6 million euros from the Dutch Postcode Lottery have been received. Based on the existing agreements and taking into account a risk analysis, Oxfam Novib assumes that during the "Goed Geld Gala" in February 2016 13.5 million euros will be received.

- Emergency relief 'Samenwerkende hulporganisaties' (SHO):

In 2014-15, 1 new emergency relief actions has been undertaken as part of 'Samenwerkende hulporganisaties (SHO)', the Ebola response. Income from SHO is recognized on the basis of cash received from SHO. For the financial year 2014-15 income amounts to 2.2 million euros. Income relates to the Ebola response and to the Haiyan (Philippines) response.

- Stop AIDS Now!

Stop AIDS Now! is a partnership of Aids Fonds, Hivos, ICCO, Cordaid Memisa, and Oxfam Novib. Each partner gets a part of the revenue to support HIV/AIDS projects. The share of Oxfam Novib was 0.5 million euros in 2014-15.

Government grants - co-financing

Income received from government grants (co-financing) in 2014-15 amounted to 84.5 million euros, which is 4.5 million euros more than budgeted. In 2013-14 the amount was 88.7 million euros for a 15 month period. The IMPACT alliance, of which Oxfam Novib is lead party, has been granted 373.7 million euros by the Dutch Ministry of Foreign Affairs (Development Cooperation) as a block grant ('mede-financierings stelsel' II) for the period 2011-2015.

Government grants - other

The category 'government grants (other)' includes grants from Dutch embassies, Dutch government tenders from the Netherlands Ministry of Foreign Affairs, the European Union, other governments (including the United Nations, Swedish government, and Finnida), and other Oxfam affiliates. Income from other Oxfam affiliates is classified in this category because the grants Oxfam Novib receives from other Oxfam affiliates are mainly derived from their government back donors.

Income realised from government grants (other) in 2014-15 amounted to 52.6 million euros, which is 22.2 million euros less than budgeted. In 2013-14 this income amounted to 53.1 million euros for 15 months. The amount of contracts signed with back donors increased in 2014-15 to 69.5 million euros (65.3 million euros in 2013-14).

Other income

Other income includes exchange results and income from the publishing house and amounts to 5.4 million euros in 2014-15, which is 2.7 million euros more than budgeted. In 2013-14 the amount was 2.2 million euros (15 months).

7.1.2 Expenditure

Total expenditure in 2014-15 amounted to 179.0 million euros, this is 27.7 million euros less than budgeted. In 2013-14 total expenditures amounted to 201.2 million euros for 15 months. The decrease in total expenditures relating to the budget is mainly caused by the goal of 'structural poverty alleviation' (25.9 million euros) and 'cost of generating income' (1.7 million euros). Also the expenditures in the category 'management and administration' showed a slight decrease.

Expenditure on goal of 'structural poverty alleviation'

Oxfam Novib spent 168.3 million euros on activities in furtherance of the goal of 'structural poverty alleviation' (which is 25.9 million euros less than budgeted). The amount in 2013-14 was 189.0 million euros during 15 months. The amounts spent on activities in furtherance of the organisation's goals accounted for 94 per cent of total expenditure (in 2013-14: 93.9 per cent). This percentage is explained in Section 7.2 ('Key CBF figures').

The amounts spent on activities in furtherance of the organisation's goals are divided into the five categories mentioned in Section 7.1:

- Supporting projects run by partner organisations. In the financial statements this is referred to as 'Projects and Programmes'.
- Supporting and strengthening partner organisations themselves. This comes under 'Support provided to partner organisations'.
- Campaigning in the Netherlands to encourage

people to commit to the movement towards a just world without poverty. This falls under the category 'Popular campaigning'.

- Influencing governments, companies and other organisations to work, either alone or jointly with others, towards poverty alleviation and development. This falls under the categories 'Lobbying and advocacy by Oxfam Novib' and 'Lobbying and advocacy by partner organisations'.
- Conveying Oxfam Novib's vision – a just world without poverty – to a wide public and maintaining relationships with people who support Oxfam Novib. This falls under the category 'Public information and marketing'.

The decrease in expenditures is mainly caused by a decrease in expenditures on projects and programmes (127.0 million euros as compared to a budgeted amount of 155.7 million euros). This is caused by lower approvals to partner organisations on projects funded by institutional donors (including other Oxfam affiliates, European Commission and other governments).

At the same time, support provided to partner organisations increased to 4.9 million euros (as compared to a budgeted amount of 3.5 million euros).

In addition, loans and guarantees for a total amount of 7.8 million euros were granted to local micro-finance institutes by March 2015, and the total amount received in repayment on previous loans was 12.3 million euros. The loan portfolio is 32.2 million euros (including exchange rate differences of 4.1 million euros).

Costs of generating income

The costs of direct fundraising amounted to 6.3 million euros in 2014-15, which is according to budget. The amount in 2013-14 was 6.7 million euros (15 months). The costs of direct fundraising accounted for 20.9 per cent of income from direct fundraising versus 18.7 per cent in 2013-14. The increase in the percentage of costs of direct fundraising is caused by lower income from direct fundraising compared to 2013-14 and a same level of cost of direct fundraising compared to 2013-14.

Management and administration cost

Management and administration costs accounted for 2.5 million euros (0.2 million euros lower than budgeted). The amount in 2013-14 was 3.4 million euros (15 months). This is 1.3 per cent of the organisation's expenditures (including loans granted less repayments received). This percentage is explained in Section 7.2 ('Key CBF figures').

7.1.3 The operating result

The operating result in 2014-15 was 14.5 million euros positive (15 months). That deviates with 11.2 million euros from the budgeted result and 8.9 million euros from the result of 2013-14 (which was 5.6 million euros positive).

The result is earmarked for the following reserves and funds:

Adding to earmarked reserves	11.0 million euros
Mutations to earmarked funds	-5.9
Adding to projects reserve	6.8
Adding to contingency reserve	2.6
Net result	14.5 million euros

7.1.4 General notes to the consolidated balance sheet

Total assets and liabilities increased in 2014-15 compared to 2013-14 by 7.3 million euros. The debts show a decrease of 11.6 million euros (prepayments from governments), the provisions an increase of 4.4 million euros and the reserves and funds show an increase of 14.5 million euros. Financial fixed assets show an increase of 2.3 million euros due to investments in a new investment-based business models (Triple Jump Innovation Fund and the Impact Investment Facility). As a result the most important increase on the asset side of the balance sheet is cash and cash equivalents, which were 97.9 million euros at the end of 2013-14 and 104.4 million euros at 31 March 2015. This is an increase of 6.5 million euros. For further explanations, please refer to the notes to the consolidated balance sheet (chapter 8.6).

7.2 KEY CBF FIGURES

Amounts in thousands of euros

INCOME FROM DIRECT FUNDRAISING

Costs of direct fundraising

as a % of income from direct fundraising in the year

as a % of income from direct fundraising 3-year average (CBF criterion max. 25%)

MANAGEMENT AND ADMINISTRATION

as a % of total expenditure + loans granted (in the year) (own criterion max. 2%)

EXPENDITURE ON GOALS

as a % of total income

as a % of total expenditure

The costs of direct fundraising amounted to 20.9 per cent of the income from direct fundraising. The three-year average is 19.7 per cent. The CBF criterion for organizations holding the CBF Seal of Approval is that the average costs over three consecutive years may not be higher than 25 per cent of the direct fundraising income. The key figure 'Management and administration costs' was 1.3 per cent. This is slightly above the budgeted level of 1.2 per cent and below the 2.0 per cent maximum set by the Board of Directors of Oxfam Novib. The allocated management costs to management and administration is in accordance with the VFI guideline (see Section 8.5.7 'Allocation of management and administration costs in accordance with the VFI guideline').

The key figure 'Expenditure on goals' is stated as a percentage of total income and total expenditure. 'Expenditure on goals' accounts for 94 per cent of total expenditure, which is slightly above budget (93.9 per cent).

In addition to the key CBF figures, Oxfam Novib is also steered on the amount it has to contribute ('self-sourced income') under the financial rules of the MFS II co-financing system.

Under the Co-Financing System Policy Framework of the Dutch government, a recipient organisation must derive at least 25 per cent of its income from sources other than the MFS grant (self-sourced income). Oxfam Novib derives this income mainly from direct fundraising and from other donors (the Dutch Postcode Lottery, SHO, the European Union and other institutional donors). In 2014-15 the self-sourced income as % of total income was 51%. This is lower than the budgeted percentage of 59% and lower than the % in 2013-14 (52%).

SELF-SOURCED INCOME

TOTAL INCOME

Other grants by Foreign Affairs (additional grants: included in other government grants)

Less all interest income

TOTAL INCOME AS PER DEFINITION FINANCIAL RULES MFS

MFS grant - based on RJ 650

MFS grant as a % of total income

Self-sourced income as a % of total income

7.3 CONSOLIDATED ENTITIES

The consolidated financial statements contain the information of Oxfam Novib as "head" of the group. Oxfam Sweden and Impact Investments B.V. are the entities that have been consolidated.

Oxfam Sweden

Oxfam Sweden is a foundation and has the statutory name "Insamlingsstiftelsen Oxfam Sverige". Oxfam Sweden has its headquarters in Stockholm. The foundation dedicates itself to raise awareness about the people who are living 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 held by Oxfam.

	FINANCIAL STATEMENTS 2010	FINANCIAL STATEMENTS 2011	FINANCIAL STATEMENTS 2012	FINANCIAL STATEMENTS 2013-14	BUDGET 2014-15	FINANCIAL STATEMENTS 2014-15
	28.807	27.724	31.158	35.660	33.589	30.072
	6.391	6.590	6.147	6.671	6.510	6.283
	22.2%	23.8%	19.7%	18.7%	19.4%	20.9%
	22.2%	22.9%	21.8%	20.5%	19.7%	19.7%
	2.735	3.245	3.366	3.388	2.688	2.452
	1.6%	2.4%	2.0%	1.5%	1.2%	1.3%
	147.512	109.349	146.287	188.990	194.158	168.289
	82.9%	84.6%	93.5%	91.4%	92.5%	87.0%
	92.2%	89.5%	91.8%	93.9%	93.9%	94.0%

	FINANCIAL STATEMENTS 2010	FINANCIAL STATEMENTS 2011	FINANCIAL STATEMENTS 2012	FINANCIAL STATEMENTS 2013-14	BUDGET 2013-14	FINANCIAL STATEMENTS 2014-15
	177.893	129.318	156.386	206.855	209.974	193.431
	730	2.251	6.873	17.760	11.825	19.214
	4.013	4.057	4.704	4.164	3.022	3.011
	173.150	123.009	144.809	184.931	195.127	171.206
	96.901	44.709	59.563	88.682	80.019	84.486
	56%	36%	41%	48%	41%	49%
	44%	64%	59%	52%	59%	51%

The Board of Directors of Oxfam Sweden is the organisation's highest decision making body and consists of 6 members:

- Chairman: T. van der Lee
- Board member: W. Blokhuis
- Board member: P. Mensen
- Board member: C. Daun Wennborg
- Board member: A. Barton
- Board member: B. Tallack

Impact Investments B.V.

Impact Investments B.V. is a limited liability company that has as statutory name "Inclusive Impact Investments B.V." It has its headquarters in The Hague. Impact Investments B.V. aims to fight poverty and injustice by

means of direct investment in local entities in developing countries such as Uganda, Nigeria and Vietnam with loans and equity.

Oxfam Novib is 100% shareholder of Impact Investments B.V. The directors are:

- General Director: L. van Vliet
- Fund Director: B. 't Hooft



Photo: Hoang Huy

CHAPTER 8

CONSOLIDATED FINANCIAL STATEMENTS

8.1 CONSOLIDATED BALANCE SHEET AT 31 MARCH AFTER APPROPRIATION OF NET INCOME

Amounts in thousands of euros

	31 MARCH 2015	31 MARCH 2014	paragraph
ASSETS			
Tangible fixed assets	9.954	10.714	8.6.1
Financial fixed assets	42.431	40.085	8.6.2
Inventories	52	65	8.6.3
Receivables from governments			
Long-term	3.270	5.144	
Short-term	5.208	6.052	
	8.478	11.196	8.6.4
Receivables	18.079	16.046	8.6.4
Cash and cash equivalents	104.358	97.924	8.6.5
TOTAL	183.352	176.031	
LIABILITIES			
RESERVES AND FUNDS			
Reserves			
Contingency reserve	16.935	14.301	8.6.6.1
Earmarked reserves	59.069	41.302	8.6.6.1
	76.004	55.603	
Funds	32.956	38.891	8.6.6.2
	108.960	94.494	
Provisions	6.938	2.524	8.6.7
Debts:			
Long-term	3.026	217	
Short-term	10.815	11.467	
Prepayments from governments	5.798	17.127	
	19.638	28.811	8.6.8
Project liabilities			
Long-term	5.509	8.886	
Short-term	42.307	41.316	
	47.816	50.202	8.6.9
TOTAL	183.352	176.031	

8.2 CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE

Amounts in thousands of euros

	CONSOLIDATED FIN STMT. 2014-15	CONSOLIDATED BUDGET 2014-15	CONSOLIDATED FIN STMT. 2013-14	
INCOME	12 months	12 months	15 months	
Income from direct fundraising	30.072	33.589	35.660	8.7.1
Revenues from third-party campaigns	17.840	15.818	23.033	8.7.2
Government grants - co-financing	84.486	80.019	88.682	8.7.3
Government grants - other	52.644	74.825	53.094	8.7.3
Income from interest	3.011	3.022	4.164	8.7.4
Other income	5.378	2.701	2.222	8.7.5
TOTAL INCOME	193.431	209.974	206.855	
EXPENDITURE				
Expenditure on goal of 'structural poverty alleviation'				
Projects and programs	126.969	155.663	142.769	8.7.6
Lobbying and advocacy by partner organizations	19.725	19.484	22.341	8.7.6
Lobbying and advocacy by Oxfam Novib	5.783	5.044	7.152	8.7.6
Support provided to partner organizations	4.888	3.513	4.991	8.7.6
Popular campaigning	5.472	4.757	5.969	8.7.6
Public information and marketing	5.452	5.697	5.769	8.7.6
	168.289	194.158	188.990	
Costs of generating income				
Costs of direct fundraising	6.283	6.510	6.671	8.7.6.1
Expenditure on third-party campaigns	305	507	475	7.1.2
Costs of securing government grants	1.636	2.845	1.722	7.1.2
	8.224	9.862	8.868	
Management and administration				
Management and administration costs	2.452	2.688	3.388	7.1.2
TOTAL EXPENDITURE	178.965	206.708	201.246	
NET RESULT	14.466	3.266	5.609	
Expenditure on goals - not reflected in statement of income and expenditure				
Loans and guarantees disbursed	7.784	14.142	17.547	8.6.2
Loans and guarantees instalments	12.282	14.176	21.399	
Oxfam Novib Impact Investment	0	6.950	0	
Triple Jump Innovation Fund	2.816	4.005	1.322	
Appropriation of net result				
Added / charged to: earmarked reserves	10.983	-8.773	8.161	8.6.6
Added / charged to: earmarked funds	-5.937	10.021	-4.034	
Added / charged to: projects reserve	6.784	718	145	
Added / charged to: contingency reserve	2.636	1.300	1.337	
Net result	14.466	3.266	5.609	

8.3 CONSOLIDATED CASH FLOW STATEMENT

Amounts in thousands of euros

	2014-15	2013-14
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating result	14.466	5.609
Adjustments for:		
Amortization and depreciation	1.440	2.425
Changes in provision on loans	-109	-157
Stock dividend/movements in value of participating interests	490	-36
Movements in provisions	4.413	-362
	6.234	1.870
Changes in working capital:		
Inventories	14	87
Receivables from governments	2.718	-3.849
Receivables	-2.080	-4.479
Debts	-9.173	16.169
Project liabilities	-2.386	10.661
	-10.906	18.589
CASH GENERATED FROM OPERATIONS	9.794	26.068
Interest received	47	59
Dividends received	0	0
Interest paid	0	142
Income tax expense	0	0
NET CASH GENERATED FROM OPERATING ACTIVITIES	9.841	26.269
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	-679	-1.692
Acquisition of investment property	-2.528	-1.322
Committed loans	-8.513	-17.547
Disposal of property, plant and equipment (PPE)	0	0
Disposal of investment property	0	0
Repayment on loans	13.012	21.399
NET CASH USED IN INVESTING ACTIVITIES	1.292	838
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	0	0
Purchase of treasury shares	0	0
Dividends paid	0	0
Proceeds from borrowings	-79	-120
Repayments of borrowings	169	74
NET CASH USED IN INVESTING ACTIVITIES	90	-47
NET CASH FLOWS	11.223	27.061
Exchange gains / (losses) on cash and cash equivalents	-4.789	1.358
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	6.434	28.419
Cash and cash equivalents at the end of the financial year	104.358	97.924
Cash and cash equivalents at the beginning of the financial year	97.924	69.506
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	6.434	28.418

The cash flow statement is prepared according to the indirect method. Cash and cash equivalents increased in 2014-15 from 97.9 million euros at 1 April 2014 to 104.4 million euros at 31 March 2015. This balance of cash and cash equivalents comprises a variety of components. The main ones are briefly discussed below.

- Cash and cash equivalents are needed because funds pledged are made available in steps (such as in the case of SHO) or are 'restricted funds', i.e. tied to particular purposes (such as in the case of the 'Named Fund');
- In addition there are reserves which are largely earmarked for particular purposes;
- Project funding has, on balance, been received in advance.

Put briefly, the increase in cash and cash equivalents in 2014-15 is attributable to:

- **Operating activities**

Adjusted for depreciation charges and the decrease in provisions, the net cash flow from operating activities is 9.8 million euros. The net cash flow from operating activities mainly exists of:

- An increase in provisions of 4.4 million euros, caused by the provision for reorganization that has been newly accounted for in the financial year;
- A decrease in debts of 9.2 million euros, consists mainly of a decrease in prepayments from governments by 13.9 million euros, due to higher expenditures on MFS funded projects compared to the financial year 2013-14. In addition, an increase in debts is explained by an increase in forward exchange contracts of 2.8 million euros, due to a devaluation of the euro against the US dollar in 2014-15.
- Cash flow from project liabilities decreased with 2.4 million euros as transfers were higher than approvals to partner organisations.

- **Investing activities**

The cash flows from investing activities were positive 1.3 million euros. These cash flows relate to capital expenditure on financial fixed assets (commitment and repayment of microfinance loans and investment in Innovation Fund) and tangible fixed assets.

- **Financing activities**

The cash flow from financing activities is limited.

8.4 ACCOUNTING POLICIES FOR THE VALUATION OF ASSETS AND LIABILITIES

8.4.1 General

- The activities of Oxfam Novib focus on realizing a just world, without poverty. The activities can be categorised as follows: Direct poverty reduction, increasing people's capacity to provide for their basic needs by themselves;

- Civil society building, reinforcing the capacity of plural and democratic organizations – tailored to local organizations – to pursue more just power relations;
- Lobbying and advocacy, directed at those in power, such as policy-makers within governments and businesses;
- Knowledge and innovation management, systematically collecting, documentation, analyzing and ensuring access to knowledge and experience for the benefit of innovation and quality improvement across all areas of the organization, these and intervention strategies.

Oxfam Novib is located at PO box 30919, 2500 GX The Hague.

The financial statements have been prepared in accordance with the Dutch Accounting Standard for Fundraising Institutions (RJ 650) published by the Dutch Accounting Standards Board. This guideline requires that costs be allocated not only to the costs of direct fundraising and the achievement of the organisation's goals (projects and programmes, providing support to partners, lobbying and advocacy, popular campaigning and public information and marketing) but also to:

- Management and administration costs
- Costs of generating income, disaggregated into costs of direct fundraising, expenditure on joint campaigns, expenditure on third-party campaigns and costs of securing government grants.

The item 'other income' has been broken down into different categories (Section 8.7.5) and the other expenditure has been allocated to the goal of structural poverty alleviation, the costs of generating income and management and administration costs.

All items in the financial statements take into account the currencies of the economic environment in which Oxfam Novib operates (the functional currencies). The Financial statements are stated in euros, both the functional as the presentation currency of Oxfam Novib.

8.4.2 Tangible fixed assets

Tangible fixed assets are carried at historical cost less depreciation calculated to write off the cost of those assets over 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 future costs of large maintenance on buildings. Any maintenance costs are taken to the statement of income and expenditure.

8.4.3 Financial fixed assets

The asset items under this heading are valued as follows:

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

The foreign exchange risk on loans granted (microfinance loans in developing countries) is hedged by means of forward exchange contracts, except if there is no market for forward exchange contracts in the local currency. In accordance with Guideline 290, the forward exchange contracts are valued at fairvalue.

8.4.4 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.

8.4.5 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 price. A provision for bad and doubtful debts is deducted from the book value of the receivables.

Receivables denominated in foreign currency 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 organisations are valued at face value, i.e. the project liabilities to partner organisations less the funds already received for the projects in question.

8.4.6 Cash and cash equivalents

Cash and cash equivalents are stated at face value. Cash and cash equivalents denominated in foreign currency 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.

8.4.7 Provisions

Provisions are recognised 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 indicated otherwise, provisions are stated at the face value of the expenditure expected to be required to settle the obligations.

8.4.8 Other assets and liabilities

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

8.5 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 of revenues from joint campaigns and third-party campaigns, government grants, 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 is attributed to the year to which it relates and expenditure is recorded at historical cost unless indicated otherwise.

8.5.1 Income from direct fundraising

Income from direct fundraising is recognised in the year to which the item of income relates. Non-recurring items of income are recognised in the year in which they are received. Gains arising from inheritances, legacies, bequests, etc. are recognised in the year in which the amount involved can be measured reliably. Since 2009, this has been done by a specialised external agency. Grants from US and international foundations are recognised as income on the basis of approved project funds.

8.5.2 Costs of direct fundraising

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.

8.5.3 Share of revenues from joint campaigns

Contributions from other members of the Oxfam confederation and other external organisations are assigned to the year in question, on the basis of project funds approved in collaboration with those organisations.

8.5.4 Share of revenues from third-party campaigns

The regular contribution by the Dutch Postcode Lottery is recognised in the year to which the income in question relates. Proceeds from the 'Extra Drawing' and the 'Dream Fund' are recognised in the year in which the funds are pledged. Funding received from emergency relief programmes implemented by SHO (a coalition of Dutch humanitarian aid organisations) is recognised in the year in which it is received. Contributions received from Stop AIDS Now! are recognised in the year to which the contribution relates.

8.5.5 Government grants and Oxfam Novib's own project funds

Government grants are recognised 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. The project funds allocated from the income from direct fundraising and the Dutch Postcode Lottery are added to the 'Earmarked Reserve for Oxfam Novib Development Cooperation Projects' and recognised as expenditure, on the basis of project funding approved during the year, in the statement of income and expenditure and charged to the earmarked reserve. Other Oxfam affiliates are classified in this category because the grants Oxfam Novib receives from other Oxfams are mainly derived from their government back donors.

8.5.6 Expenditure on structural poverty alleviation

Expenditure on the goal of structural poverty alleviation is broken down into five categories:

- Projects and programmes;
- Lobbying and advocacy by Oxfam Novib and by partner organisations;
- Support provided to partner organisations;
- Popular campaigning;
- Public information and marketing.

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.

Projects and programmes

This expenditure represents the project funds approved during the year for external projects.

Lobbying and advocacy by Oxfam Novib and by partner organisations;

This expenditure represents the project funds approved during the year for external projects and costs of lobbying and advocacy activities performed by Oxfam Novib or other members of the Oxfam confederation.

Support provided to partner organisations;

This expenditure represents the project funds approved during the year for external projects and costs of programme activities undertaken by Oxfam Novib itself to support and strengthen partner organisations.

Popular campaigning

This expenditure represents the project funds approved during the year for external projects and costs of programme activities undertaken by Oxfam Novib itself in the context of popular campaigning.

Public information and marketing

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

8.5.7 Management and administration costs

The management and administration costs are calculated in accordance with the guideline published by VFI, the trade association of charities. They include the costs of the Board of Directors, the Supervisory Board, the financial accounting function, the general secretariats, 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 VFI guideline is set out in the table on the next page.

ALLOCATION OF MANAGEMENT AND ADMINISTRATION COSTS IN ACCORDANCE WITH THE VFI GUIDELINE:

COST CATEGORY	MANAGEMENT AND ADMINISTRATION (VFI)	NOTES VFI	MANAGEMENT AND ADMINISTRATION (AS IMPLEMENTED BY OXFAM NOVIB)
1. Executive Board / Supervisory Board	100%		100%: Supervisory Board, annual report, auditors' fees
2. Board of Directors	100%	except in case of work directly aimed at goals and/or fundraising; then pro rata	cost centre Board of Directors: 37.5% (Executive Director 50%, Operations Director 100%, Lobbying and campaigns Director and Director International Department 0%)
3. general secretariat	100%	except in case of work directly aimed at goals and/or fundraising; then pro rata	100% cost centre secretariat Board of Directors
4. finance, planning and control	100%	except in case of work directly aimed at goals and/or fundraising (e.g. project accounting); then pro rata	cost centre quality and control 37%: head, secretary, controllers; balance to goals / cost centre financial accounting 100% / controllers International Department 100%
5. 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 centre secretariat Board of Directors: 100% management and administration
6. ICT	pro rata	to number of staff members or work spaces; specific applications excepted	ICT desk and general ICT costs allocated to categories 1 to 5
7. housing/support	pro rata	to number of staff members or square metres	support costs (internal service), cost of housing, Information & Service allocated to categories 1 to 5
8. human resources	pro rata	to number of staff members	HR desk costs and central staff budgets allocated to categories 1 to 5
9. 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 (outside) staff member is assigned
10. communication	partially	to be allocated as far as possible to the activity to which the activity relates	communication desk costs allocated to categories 1 to 5
11. 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)	55% charged to management and administration
12. project accounting	no	to be allocated in full to projects in question	not charged to management and administration

8.5.8 Foreign currency translation

Amounts in foreign currency are translated into euros at the rates of exchange ruling at the balance sheet date. Transactions denominated in foreign currency 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.

8.5.9 Pension cost

Per 1 January 2015 Oxfam Novib prolonged the 1 year contract entered into in 2014 for 5 years till 31 December 2019.

Characteristics of the pension insurance are:

- 100% coverage;
- Insurance is based on average salaries;
- No indexation is applicable.

Oxfam Novib pays the yearly pension premium in advance. After year end, the final settlement is done. Based on an analysis of expected cost resulting from the settlement, a provision has not been deemed necessary.

Oxfam Novib's pension plans can be outlined as follows:

Pension Plan B:

This pension plan applies to employees who entered the service of Oxfam Novib on or after 1 January 2002 but prior to 1 January 2006 and who were born before 1 January 1950, as well as to employees who were aged 53 or 54 on 1 January 2002 and who have opted for membership of Pension Plan B and who were in Oxfam Novib's service both on 31 December 2001 and on 1 January 2002. Pension plan B is an average salary pension plan. The retirement age is the retirement age as indicated in the "Algemene Ouderdoms Wet" (general law on elderly provisions). (in 2015: 65 and 3 months) and the pension accrues from 2015 at a rate of 1.875 per cent of the pensionable earnings per year of service. In the final period of service, from the time when the member attains the age of 53 until the standard retirement age, the retirement pension temporarily accrues at 7 per cent.

Pension Plan C:

This pension plan applies to Oxfam Novib employees born on or after 1 January 1950 and employees who entered the service of Oxfam Novib on or after 1 January 2006. Pension Plan C is an average salary pension plan. The retirement age is the retirement age as indicated in the "Algemene Ouderdoms Wet" (general law on elderly provisions) (in 2015: 65 and 3 months) and the pension accrues from 2015 at the rate of 1.875

per cent of the pensionable earnings per year of service (according to the maximum allowed considering fiscal regulations).

The members of all pension plans pay a pension contribution in the form of a percentage of the pensionable earnings.

8.6 NOTES TO THE CONSOLIDATED BALANCE SHEET

8.6.1 Tangible fixed assets

Amounts in thousands of euros

	BUILDINGS	FURNITURE, FIXTURES, PLANT AND EQUIPMENT	INFOR- MATION SYSTEMS	VEHICLES	TOTAL
Acquisition cost at 31 March 2014	10.141	2.736	11.878	340	25.094
Depreciation up to and including March 31, 2014	-4.121	-2.095	-7.954	-211	-14.380
BOOK VALUE AT 31 MARCH 2014	6.020	641	3.924	128	10.714
Changes					
Capital expenditure in 2014-2015	21	212	1.049	13	1.295
Depreciation in 2014-2015	-219	-144	-1.396	-65	-1.824
Disposals 2014-15					
Desinvestments in 2014-2015	-	-	-308	-	-308
Depreciation up to and incl March 31st 2015	-	-	76	-	76
BOOK VALUE AT 31 MARCH 2015	5.822	709	3.347	76	9.954
Acquisition cost at March 31, 2015	10.162	2.948	12.619	352	26.081
Depreciation up to and including March 31, 2015	-4.340	-2.239	-9.273	-276	-16.128

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

Tangible fixed assets are depreciated as follows:

- **buildings**
depending on the type (*)
- **furniture, fixtures and equipment**
8-10 equal annual instalments
- **plant and equipment**
depending on the type (*)
- **ICT infrastructure**
3-5 equal annual instalments
- **ICT workstation**
3-5 equal annual instalments
- **ICT other**
3-5 equal annual instalments
- **ERP system**
7 equal annual instalments
- **Vehicles**
3 equal annual instalments

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

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. As a result of the decentralisation of Oxfam Novib's international department, several field offices have a limited number of cars available for their operations.

8.6.2 Financial fixed assets

Amounts in thousands of euros

	LOANS TO OTHER OXFAMS	PARTICI- PATING INTEREST TRIPLE JUMP	TCX	OIKO- CREDIT
NOMINAL VALUE AT 31 MARCH 2014	485	925	2.346	295
Provision at 31 march 2014	-	-	-	-
BOOK VALUE AT 31 MARCH 2014	485	925	2.346	295
POSITIVE MOVEMENTS:				
Paid-up share capital	-	-	-	-
Movements in value of participating interests	-	152	-714	6
Exchange rate differences	-	-	678	-
Changes in value of forward exchange contracts	-	-	-	-
Committed loans	79	-	-	-
	79	152	-36	6
NEGATIVE MOVEMENTS:				
Repayments on loans	169	-	-	-
Loans committed but not yet disbursed	-	-	-	-
Mutation provision for bad loans				
	169	-	-	-
NOMINAL VALUE AT 31 MARCH 2015	395	1.077	2.310	301
Provision at 31 march 2015	-	-	-	-
BOOK VALUE AT 31 MARCH 2015	395	1.077	2.310	301
Oxfam Novib's share of share capital		20%		

	ASN-NOVIB FUND	LOANS	TRIPLE JUMP INNOVATION FUND	GUARAN- TEES	FORWARD EXCHANGE CONTRACTS	TOTAL
	1.009	32.586	1.322	288	1.351	40.607
	-	523	-	-	-	523
	1.009	32.064	1.322	288	1.351	40.084
	-	-	2.816	288	-	2.528
	66	-	-	-	-	-490
	-	4.137	1.042	-	-	5.857
	-	-	-	-	-1.069	-1.069
	-	15.874	-	-	-	15.953
	66	20.011	3.858	288	-1.069	22.779
	20	13.012	-	-	-	13.181
	-	7.361	-	-	-	7.361
		-109				
	-	20.264	-	-	-	20.542
	1.075	32.333	5.180	-	282	42.844
	-	414		-	-	414
	1.075	31.920	5.180	-	282	42.431

All financial fixed assets are mission related assets. Not all commitments on loans translate into a disbursement. Based on past experience, Oxfam Novib's policy is that the amount of commitments on loans may exceed the targeted amount of loans by 50%.

In 1996 Oxfam Novib took a participating interest in the equity of Oikocredit (Ecumenical Development Cooperative Society UA, EDCS), having its registered office in Amersfoort.

In collaboration with ASN Bank, having its registered office in The Hague, the ASN-Novib Fund was established. This fund was opened to the public on 1 January 2000. Manager of the ASN-Novib Fund is Triple Jump. Triple Jump BV is an Amsterdam-based company incorporated by ASN Bank, NOTS Foundation, Stichting Doen and Oxfam Novib to provide support to more new microfinance institutions and to allow them to develop into professional financial institutions in a short time-frame. In 2006, Oxfam Novib took a 20 per cent interest in Triple Jump's equity and sits on the Board of Triple Jump BV. The management of Oxfam Novib's loan portfolio was also transferred to Triple Jump with effect from 1 March 2007.

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 FMO (Entrepreneurial Development Bank). It is a guarantee fund which aims to minimise the foreign exchange risks associated with loans provided in local currencies.

In 2013, the Triple Jump Innovation Fund foundation was launched. The goal of the Triple Jump Innovation Fund foundation is to promote and support innovation in developing countries. Oxfam Novib focuses in particular on start-up MFIs with good growth potential.

Guarantees are amounts held on deposit for which guarantees have been issued to third parties, such as Oikocredit.

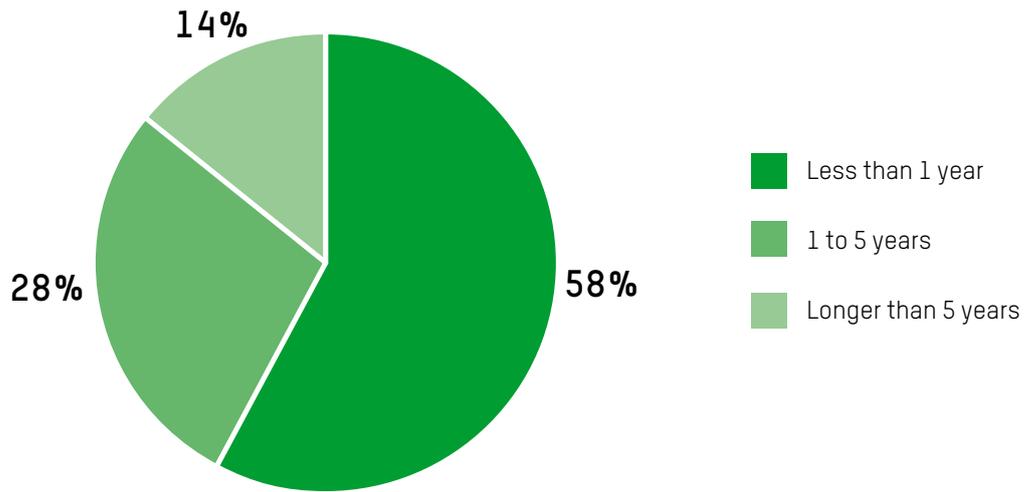
On the basis of an estimate of the risk of non-repayment of the current loan portfolio, a release for bad and doubtful debts of 0.1 million euros has been added to the statement of income and expenditure. The total provision amounted to 0.4 million euros at the end of the financial year 2014-15 and is intended to provide for 6 substandard loans.

Specification of provision

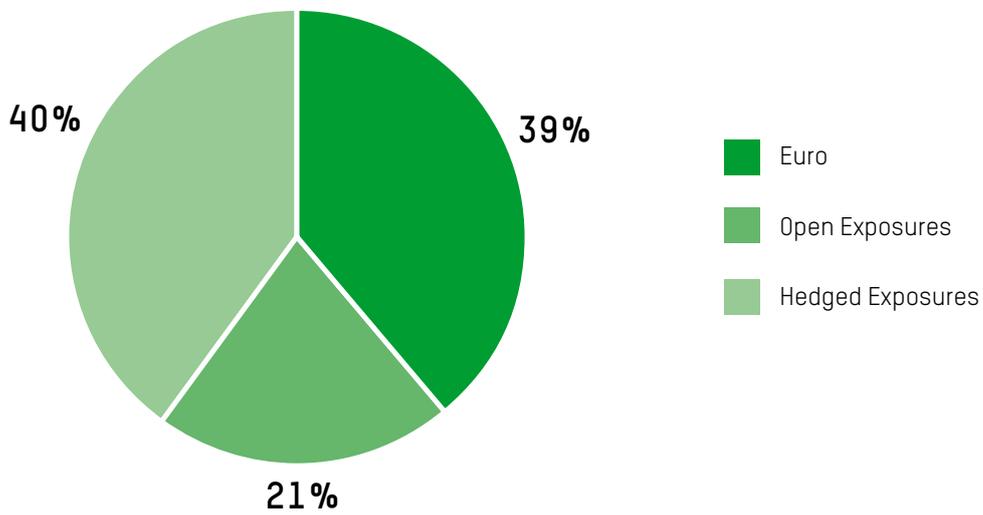
Amounts in thousands of euros

	PROVISION BAD LOANS
BALANCE AT 31 MARCH 2014	523
Plus: addition from net income	0
Less: write-off of loans	0
Less: release to net income	109
BALANCE AT 31 MARCH 2015	414

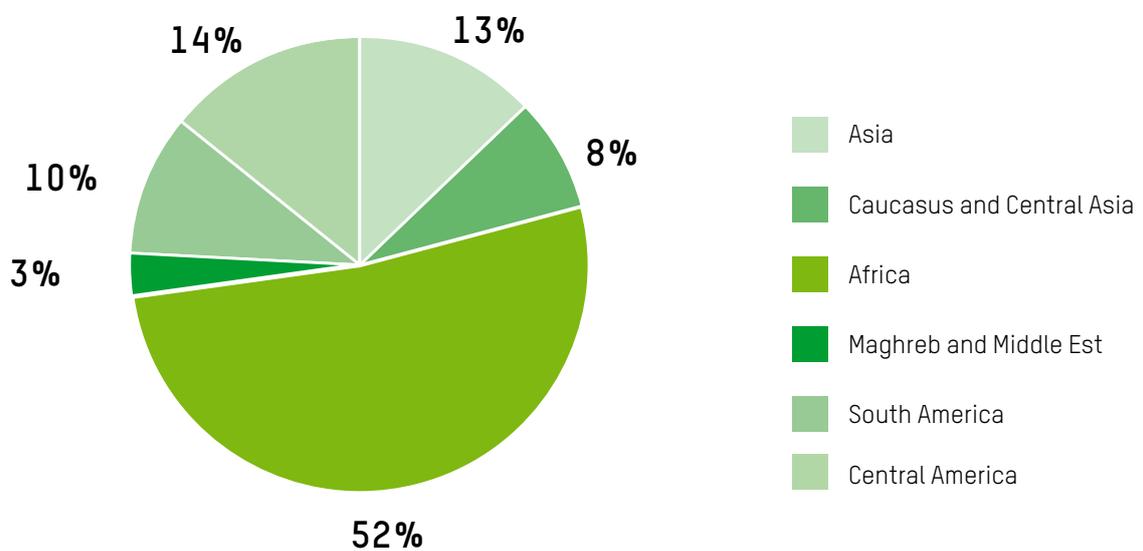
Life of loans outstanding



Loan distribution by currency



Loan portfolio by region



The foreign exchange risk on loans granted (for microfinance in developing countries) is hedged by means of forward exchange contracts, that always match the duration and amount of the long-term micro-finance contract in order to avoid currency risk for our beneficiaries. However, in some cases there is no market for foreign exchange contracts in the local currencies and in those cases hedging is not possible. At the end of the financial year 2014-15 the foreign exchange risks of 50 loans had been hedged by 78 forward contracts. In accordance with Guideline 290 the forward exchange contracts have been valued at fair value since 2008. The fair value of the forward exchange contracts at the end of the financial year 2014-15 was a negative 2.7 million euros on balance.

The contracts with a positive value (0.3 million euros) are included under 'Financial fixed assets', and contracts with a negative value (3.0 million euros) are included under 'Debts'.

8.6.3 Inventories

Amounts in thousands of euros

	31 MARCH 2015	31 MARCH 2014
Inventories publishing house	70	103
Less: provision for obsolescence	18	38
BALANCE	52	65
MOVEMENTS IN PROVISION FOR OBSOLESCENCE		
BALANCE AT 31 MARCH 2014	38	26
Plus: addition from net income	100	16
Less: charged to the provision	120	4
BALANCE AT 31 MARCH 2015	18	38

8.6.4 Receivables. receivables from governments and project funds overview

Amounts in thousands of euros

	31 MARCH 2015	31 MARCH 2014
RECEIVABLES FROM GOVERNMENTS	8.478	11.196
Debtors other	143	175
Project funds Oxfam and other external organizations	6.772	4.440
Debtor Dutch National Postcode Lottery	3.375	3.375
Central overhead costs institutional funds	4.375	3.192
Fundraising proceeds receivable	994	1.383
Interest receivable	131	84
Prepaid pension	134	1.776
Other prepaid costs	769	-
Amounts to be received by field offices	1.291	904
Other prepayments and receivables	94	717
Receivables	18.079	16.046
SPECIFICATION OF DEBTORS AND RECEIVABLES FROM GOVERNMENTS		
Debtors - general and government receivables	9.155	11.640
Less: provision for bad and doubtful debts	535	291
	8.621	11.349

All receivables are, given as a whole, short-term in nature.

Receivables on account of contributions pledged by participants in a Partner Plan, by regular donors and government donors are shown under 'Debtors and receivables from governments' and are stated less a provision for uncollectability.

The item 'Project funds Oxfam and other external organisations' relates to project funds to be received from other members of the Oxfam confederation (3.5 million euros) all other government agencies and all other external funds (jointly accounting for 3.3 million euros).

Project funds overview

Amounts in thousands of euros

	BALANCE AT 31 MARCH 2014			
	Project obligations	Receivables	Commitment space	Total
Co financing	15.373	-17.127		32.500
Dutch government	6.529	4.075		2.454
European Union	7.160	7.008		152
GOVERNMENTS FUNDS	29.062	-6.044	0	35.106
Oxfams	4.968	2.688		2.280
Other government and external funds	7.467	1.752	2	5.717
EXTERNAL FUNDS	12.435	4.440	2	7.997
Stop Aids Now!	346	113	340	573
SH0-Action Floods Pakistan	2	0	0	2
SH0-Action Philippines	2.365	0	-73	2.292
SH0-Action Ebola	0	0	-0	-0
SUBTOTAL	2.713	113	267	2.867
Oxfam Novib Projects	3.111	0	17.086	20.197
NPL special Projects	2.881	0	790	3.671
OWN FUNDS	5.992	0	17.876	23.868
TOTAL GENERAL	50.202	-1.491	18.145	69.838

8.6.5 Cash and cash equivalents

Amounts in thousands of euros

	31 MARCH 2015	31 MARCH 2014
Savings accounts	30.205	36.298
Cash, bank and giro balances	58.958	55.359
Current account Triple Jump	15.195	6.267
	104.358	97.924

CHANGES IN 2014-15			BALANCE AT 31 MARCH 2015			
Approved	Received funds	Project transfers	Project obligations	Receivables	Commitment space	Total
70.610	56.673	67.842	18.141	-3.189		21.330
16.482	14.383	17.217	5.794	6.173		-379
5.756	10.459	8.469	4.447	2.304		2.143
92.848	81.515	93.528	28.382	5.288	0	23.094
10.626	9.780	9.583	6.011	3.534		2.477
19.534	20.786	19.481	7.520	516	19	7.023
30.160	30.566	29.064	13.531	4.050	19	9.500
651	455	835	162	114	144	192
0	0	2	0	0	0	0
667	743	2.666	366	0	2	368
1.409	1.409	1.000	409	0	-0	409
2.727	2,607	4.503	937	114	146	969
7.616	14.398	7.329	3.398	0	23.868	27.266
386	1.542	1.698	1.569	0	1.946	3.515
8.002	15.940	9.027	4.967	0	25.814	30.781
133.737	130.628	136.122	47.816	9.452	25.979	64.344

An amount of 54.9 million euros of cash and cash equivalents is readily available, 18.7 million euros consists of earmarked project funds and 30.2 million euros is in savings accounts.

With effect from January 2011 Rabobank became the new (principal) bank of Oxfam Novib.

8.6.6 Notes on reserves and funds

In accordance with the Dutch Accounting Standard for Fundraising Institutions (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 funds are resources that are tied to particular purposes by third parties.

Contingency reserve

The contingency reserve exists to ensure that the organisation can meet its obligations in the future. Its level is determined by the risks the organisation runs of any drop in income. This reserve is meant to guarantee the organisation's continuity.

In line with the model developed, the desirable size of the contingency reserve was recalculated on the basis of an estimate of the insecurity in income flows and the flexibility of costs. In doing this, the Directive for the Financial Management of Charities ('Richtlijn Financieel Beheer Goede Doelen') issued by the Dutch Association of Fundraising Organisations (VFI) was taken into account. This calculation indicates a desirable minimum size of 13 million euros and a maximum size of 20 million euros. The size of the contingency reserve was 14.3 million euros at the start of the year. The contingency reserve stays well inside the permitted size, mentioned in the code 'Reserves of Charities' of the Association of Fundraising Institutions, of 1.5 times the annual costs of the work or organisation. In the case of Oxfam Novib that would amount to 103.1 million euros.

General notes on earmarked reserves

The earmarked reserves are earmarked for purposes that have been approved by the Board of Directors and the Supervisory Board. The largest earmarked reserves are those for Oxfam Novib development cooperation projects and for loans and guarantees. The funds in question will lead to approvals of projects or loans to partner organisations. The funds held in the earmarked reserve for loans originate from the co-financing programme and repayments on loans previously granted. When a loan is paid out to a partner, the corresponding amount is added to the earmarked loans fund and withdrawn from the earmarked reserve. This guarantees that all funds used for loans are in fact applied for their intended purpose.

General notes on funds

The largest earmarked fund is the earmarked loans fund. The resources added to this fund are the monies paid out as loans to partner organisations. Repayments received on those loans are withdrawn from the fund.

8.6.6.1 Reserves

Amounts in thousands of euros

BALANCE AT 31 MARCH 2014

Added

Withdrawn

NET MOVEMENTS

BALANCE AT 31 MARCH 2015

Earmarked reserve for Oxfam Novib development cooperation projects

Amounts in thousands of euros

	OXFAM NOVIB PROJECTS
BALANCE AT 31 MARCH 2014	17.086
Added: funds received	14.454
Interest less exchange differences	-56
	14.398
Withdrawn: approved funds	7.616
	7.616
BALANCE AT 31 MARCH 2015	23.868

CONTINGENCY RESERVE	EARMARKED RESERVES					TOTAL EARMARKED RESERVES
	Oxfam Novib projects	Policy on senior staff	Loans / guarantees	Management and Administration costs	Exchange rate results	
14.302	17.086	764	18.950	4.504	-	41.303
2.633	14.398	-	22.114	18.860	1.360	56.732
-	7.616	226	12.651	18.473	-	38.966
2.633	6.782	-226	9.463	387	1.360	17.766
16.935	23.868	538	28.413	4.891	1.360	59.069

Earmarked reserve for Oxfam Novib development cooperation projects

The 'earmarked reserve for Oxfam Novib development cooperation projects' consists of the part of the unrestricted net assets comprising the funds earmarked in any year for grants to partner organisations from the income from direct fundraising, from the Dutch Postcode Lottery and from the net income of the publishing house. Approved grants to be disbursed from these funds to partner organisations are recognised in the statement of income and expenditure and charged to this earmarked reserve. The increase in the earmarked reserve for Oxfam Novib development cooperation projects of 6.8 million euros is explained by lower approvals to partner organizations on own funds, release of personalised fund, and investments in Oxfam Sweden.

Earmarked reserve for policy on staff > 55 years

An earmarked reserve was created in 2002 to cover the extra costs related to the policy on staff > 55 years. Employees aged 55 and older in 2001 could gradually shift into retirement while retaining their salary. This group was extended to include employees aged 53 or 54 in 2001 who opted for participation in this scheme. An amount of 0.2 million euros was withdrawn from this reserve in 2014-15. This amount represents the difference between the budgeted gross addition and the costs in fact incurred.

Earmarked reserve for loans and guarantees

Amounts in thousands of euros

	COMMITMENT SPACE	PARTICIPATING INTERESTS / GUARANTEES	TOTAL
BALANCE AT 31 MARCH 2014	14.375	4.575	18.950
ADDED:			
Investment TJ Innovation Fund	0	4.138	4.138
Investment Impact Investment BV	0	0	0
(Stock) dividends and capital gains on part. interests	0	1.230	1.230
Repayments on loans and guarantees	13.012	1.230	13.012
Appropriation of net income from lending activities	3.734	0	3.734
	16.746	5.368	22.114
WITHDRAWN:			
Investment TJ Innovation Fund	4.138	0	4.138
Investment Impact Investment BV	0	0	0
Loans and guarantees provided	8.513	0	8.513
	12.651	0	12.651
BALANCE AT 31 MARCH 2015	18.470	9.943	28.413

The earmarked reserve for loans and guarantees consists of two elements. The first element consists of all funds intended for the provision of loans, investments in the Triple Jump Innovation Fund and the Oxfam Novib Impact Investment facility that have not yet been disbursed. When a loan is disbursed, a corresponding amount is added to the 'earmarked fund for loans to partner organisations'. The second element of this reserve

consists of the value of the participating interests held in TCX, ASN-Novib Fund, Oikocredit and Triple Jump, which have been financed from Oxfam Novib's own resources. These participating interests are held in order to enable the organisation to carry out its lending activities as effectively as possible. For more information about these participating interests please refer to section 8.6.2 'financial fixed assets'.

Earmarked reserve for management and administration costs

Amounts in thousands of euros

	STOP AIDS NOW!	SHO CAMPAIGNS	NPL	GOVERNMENT	OTHER DONORS	TOTAL
BALANCE AT 31 MARCH 2014	68	171	100	1.603	2.562	4.504
Added: approved management and administration costs	45	78	71	16.188	2.478	18.860
Withdrawn: realized management and administration costs	47	87	124	16.192	2.023	18.473
SAP BALANCE AT 31 MARCH 2015	66	162	47	1.600	3.015	4.891

The 'earmarked reserve for management and administration costs' (the 'AKV reserve') is used to finance activities related to the management of 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. The increase in this reserve was 0.4 million euros in 2014-15.

8.6.6.2 Funds

Amounts in thousands of euros

	STOP AIDS NOW!	SHO CAMPAIGNS	NPL	FUNDS BY NAME	GUARAN-TEES	LOANS PARTNER ORGANIZATIONS	SEEDS GROW	TOTAL
BALANCE AT 31 March 2014	340	-73	790	3.022	288	34.520	3	38.892
Added	455	2.152	1.542	110	-288	7.559	16	11.546
Withdrawn	651	2.076	386	1.356	0	13.012	0	17.492
BALANCE AT 31 MARCH 2015	144	3	1.946	1.776	0	29.067	19	32.956

Stop AIDS Now!

Stop AIDS Now! is a partnership of Aids Fonds, Hivos, ICCO, Cordaid Memisa and Oxfam Novib. Each of the partners receives an equal share of the income, which is used to finance HIV and AIDS projects. Oxfam Novib's share was 500,000 euros during the financial year 2014-15. After deduction of 9 per cent management and administration costs, 455,000 euros were added to this fund. The 0.7 million euros spent on projects were withdrawn.

NPL special projects

The 'NPL special projects' fund comprises the funds received from extra drawings of the Dutch Postcode Lottery that have not yet been spent.

SHO campaigns

SHO (Samenwerkende Hulp Organisaties) is a coalition of Dutch humanitarian aid organisations that join forces to raise funds in case of major humanitarian disasters for the provision of aid to victims. SHO coordinates the provision of aid by its members and ensures that the general public in the Netherlands is well informed of the situation. During the financial year 2014-15, 1 new campaign started, relating to the Ebola response. The Haiyan typhoon response (started during the financial year 2013-14) continued in the financial year 2014-15. More details are provided in section 8.10.

Personalized Fund

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

amounts in thousands of euros	BALANCE AT 31 MARCH 2015
Hans Geveling Derde Wereld Fonds	1.025
Herman Schuurman Fonds	130
Douma-Hamers Onderwijs Fonds	58
Verboom-Pieterse Fonds	62
Hogerop Fonds	52
Voorhoeve Fonds	32
Fair Keys First Fund	78
Hilda Buma Fonds	51
Schroders Charity Fund	52
Kihle fonds	42
Martin Vliegthart Fonds	196
Total	1.776

Guarantees and loans to partner organisations

For more information about the loans and guarantees funds please refer to section 8.6.2 'financial fixed assets'.

8.6.7 Provisions

Amounts in thousands of euros

	DECENTRA- LIZATION 2012-13	HYP0 TAX	PROJECT COSTS	REORGANI- ZATION 2015-16	TOTAL
BALANCE AT 31 MARCH 2014	204	1.207	1.113	-	2.524
Withdrawn	157	1.004	-	-	1.161
	157	1.004	-	-	1.161
Changes charged to income and expenditure statement	-47	1.012	-622	5.232	5.575
	-47	1.012	-622	5.232	5.575
BALANCE AT 31 MARCH 2015	-	1.215	491	5.232	6.938

All provisions are, given as a whole, short-term in nature.

Decentralization

In 2010 Oxfam Novib decided to decentralize a large proportion of its operational activities to the countries where it works. During the year, the decentralization was finalized.

Hypo tax

Staff members who work abroad and who are non-Dutch residents or of non-Dutch origin are subject to 'hypo tax': an amount is withheld from their gross monthly salary which is equal to the wage tax that Oxfam Novib would have to withhold if the staff member in question were resident in the Netherlands for tax purposes. Oxfam Novib adds the hypo tax withheld 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.

Project costs

A provision is made for realised project costs in cases of the risk of uncollectability of agreed funds with donors.

Reorganization 2015-16

During the year 2014-15 a reorganisation has been announced by the Board of Directors. The end of the government co-financing period as per December 2015 forced the need for a reorganization. A social plan has been drafted and has been approved by the Trade Union and the Board of Directors. The financial consequences of the reorganisation in general and the social plan specifically have been budgeted. A provision of 5.2 million euros has been accounted for. Of this amount, 3.9 million euros will be charged to MFSII funds.

Costs that are provisioned for, result from the reorganization that has been announced in the financial year 2014-15. During the announcement, Oxfam Novib staff has been informed of important aspects of the reorganization and the social plan has been shared with staff.

Costs relate to cost of implementing the social plan for the Hague staff and cost resulting from the reorganization in country offices, including several support cost to facilitate the reorganization.

8.6.8 Debts

Amounts in thousands of euros

	31 MARCH 2015	31 MARCH 2014
LONG-TERM DEBTS		
Forward exchange contracts	3.026	217
	3.026	217
SHORT-TERM DEBTS		
Accounts payable	5.858	4.379
Taxes	802	628
Fundraising contributions received in advance	2.595	2.679
Other accruals and payables	1.560	3.781
	10.815	11.467
PREPAYMENTS FROM GOVERNMENTS		
Dutch Government concerning MFS	3.189	17.127
Bilateral donors	2.609	0
	5.798	17.127
	19.638	28.811

For more information about the forward exchange contracts to hedge the foreign exchange risk on loans granted to microfinance institutions, please refer to section 8.6.2 'financial fixed assets', where the forward exchange contracts with a positive value are explained. Contracts with a negative value are reported as debts. The contracts with a negative value can be broken down into those with maturities of less than 1 year (2.5 million euros) and those of more than one year (0.5 million euros).

8.6.9 Project liabilities

Project liabilities outstanding at 31 March 2015 amounted to 47.8 million euros (31 March 2014: 50.2 million euros). 42.3 million euros of these liabilities are short-term in nature and are payable before 1 April 2016. The remaining 5.5 million euros are long-term project liabilities, i.e. due in more than one year. There are no project liabilities maturing after five years. For further details of these project liabilities please refer to section 8.6.4 'Project funds overview'.

8.6.10 Assets and liabilities not included in the balance sheet

Together with 1%CLUB, Butterfly Works, HIRDA and SOMO, Oxfam Novib has formed the IMPACT alliance to submit a

single application to the Dutch Ministry of Foreign affairs for a grant under the MFS II co-financing system for the period 2011-2015. Oxfam Novib is the secretary of the IMPACT alliance. A total of 373.7 million euros has been granted to the alliance for the period 2011-2015, 14.4 million euros of which is intended for the other members of the IMPACT alliance for the period 2011-2015.

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 telephone exchange at head office up till the end of the calendar year 2015 (< 1 year) for an amount of 74,000 euro. There are no obligations > 1 year.

Oxfam Novib has contract commitments relating to the implementation of a Customer Relations Management-system (CRM) at head office up till the end of the financial year 2015/2016 (< 1 year) for an amount of 430,000 euro. There are no obligations > 1 year.

Several offices are leased on long-term leases:

Amounts in thousands of euros

	REMAINING PERIOD OF THE CONTRACT		
	< 1 year	1 - 5 years	> 5 years
OFFICE RENT CONTRACT COUNTRY OFFICES	293	388	-

The total value of contracts signed by back donors in 2014-15 amounts to 69.5 million euros.

8.7 NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE

8.7.1 Income from direct fundraising

Amounts in thousands of euros

	FIN STMNT. 2014-15	BUDGET 2014-15	FIN STMNT. 2013-14
INCOME FROM DIRECT FUNDRAISING	12 months	12 months	15 months
Donations by notarial deed	2.685	2.752	4.096
Inheritances	839	1.643	1.545
Private donors	17.019	16.678	22.129
Gifts	2.392	2.171	2.696
Companies	2.777	3.709	3.291
Oxfam Sweden	324	576	1
Foundations (US and Fin)	4.036	6.060	1.902
	30.072	33.589	35.660

In 2014-2015, 332.000 people and companies supported Oxfam Novib financially (in 2013-2014: 336.000). This consists of 219.000 regular donors and 114.000 incidental donors. From direct fundraising Oxfam Novib received 29.8 million euros and Oxfam Sweden received 0.3 million euros; this is 3.5 million euros less than budgeted (in 2013-2014: 35.7 million euros for 15 months).

In 2014-15 the high competition in the fundraising market continues. The income from donations by notarial deed, private donors and gifts were 0.5 million euros higher than budgeted. Income from inheritances was 0.8 million euros lower than budgeted.

On behalf of the entire Oxfam confederation, Oxfam Novib has assumed responsibility for setting up a fundraising office in Sweden. The income was 0.2 million euros lower than budgeted, due to delays that are part of starting up a new organization.

Income from foundations was 2.0 million euros lower than budgeted.

8.7.2 Share of revenues from third-party campaigns

Amounts in thousands of euros

	FIN STMNT. 2014-15	BUDGET 2014-15	FIN STMNT. 2013-14
SHARE OF REVENUES FROM THIRD-PARTY CAMPAIGNS	12 months	12 months	15 months
Standard contribution NPL	13.500	13.500	16.875
Other contributions NPL	1.611	1.500	100
Emergency relief SH0	2.229	0	5.433
Stop Aids Now!	500	775	625
Postcode Lottery Sweden	0	43	0
	17.840	15.818	23.033

Revenues from third-party campaigns include: Samenwerkende Hulporganisaties (SH0), Stop AIDS Now! (SAN!) and the Dutch Postcode Lottery.

Dutch Postcode Lottery

During the "Goed Geld Gala" in February 2015 Oxfam Novib received 13.5 million euro's. This amount concerned the calendar year 2014. Due to the fact that the financial year differs from the calendar year there is a revenue gap for the first quarter of calendar year 2015. Based on the existing agreements and taking into account a risk analysis, Oxfam Novib assumes that during the "Goed Geld Gala" in February 2016 13.5 million euros will be received. Based on this assumption 25% of the 13.5 million is added to the revenues.

The other contributions exist of "The golden ribbon award" that was awarded to Oxfam Novib's Country Director in Cambodia. He has received 25,000 euro, to be spent on a project of his choice in Cambodia. And during the "Goed Geld Gala" in February 2015 a grant of 1,586,463 euro was awarded from the additional NPL draw for the project "Zaai goed in Zimbabwe". This project is aimed at improving the food supply and biodiversity by establishing practice schools for local farmers and seed banks.

Stop Aids Now!

Stop AIDS Now! is a cooperation between Aids Fonds, Hivos, ICCO, Cordaid Memisa and Oxfam Novib. Each partner gets a part of the revenue to support HIV and AIDS projects. The share of Oxfam Novib is 500.000 euros in 2014/2015.

Samenwerkende Hulporganisaties (SH0)

As a matter of policy, Oxfam Novib does not budget any income from emergency relief programmes. During the financial year 2013-14, 2 new campaigns started, one

relating to the Syria crisis and one relating to the Haiyan typhoon in the Philippines. All funds related to the Syria crisis response have been spent in the financial year 2013-14. During the financial year 1 new campaign started, the Ebola response. The income amounted to 1.5 million euros. The Haiyan response continued in 2014-15 and accounted for an income in this year of 0.8 million euros. Section 8.10 provides more detailed information on the income and expenditures of 2014-15 and previous years.

8.7.3 Government grants

Amounts in thousands of euros

	FIN STMNT. 2014-15	BUDGET 2014-15	FIN STMNT. 2013-14
Government grants	12 months	12 months	15 months
Co-financing	84.486	80.019	88.682
Other Dutch government grants	19.214	11.825	17.760
European Union	7.321	15.750	8.525
Other governments	14.961	28.350	14.870
Oxfams	11.148	18.900	11.939
	137.130	154.844	141.776

Co-financing

Oxfam Novib receives government grants under the co-financing programme of the Dutch Ministry of Foreign Affairs (Development Cooperation) on the basis of a grant application made in 2010. The amount of these grants is fixed for the period 2011-2015. The grants are disbursed on a cash basis. Conversely, income and expenditure is recognised on the basis of the projects and programmes of partner organisations that have been approved by Oxfam Novib. Under the Dutch Accounting Standard for Fundraising Institutions (RJ 650), income and expenditure must be recognised on the basis of approvals rather than on a cash basis.

Income received from government grants (co-financing) in 2014-15 amounted to 84.5 million euros, which is 4.5 million euros more than budgeted due to income from the Dutch Ministry of Foreign Affairs that will partially cover the costs of the reorganization. (2013-14: 88.7 million euros during 15 months).

The IMPACT alliance, of which Oxfam Novib is lead party, has been granted 373.7 million euros by the Dutch Ministry of Foreign Affairs (Development Cooperation) as a block grant ('mede-financierings stelsel' II) for the period 2011-2015.

Other Dutch government grants

Grant income from Dutch government other than co-financing amounted to 19.2 million euros in 2014-15, which is 7.4 million euros more than budgeted (2013-14: 17.8 million euros during 15 months). New contracts were signed for an amount of 14.8 million euros. These contracts included a contract of 9.9 million euros for emergency assistance in Western Africa during and after the Ebola-crisis.

European Union

Grant income from the European Union was 7.3 million euros in 2014-15, which is 8.4 million euros less than

budgeted and 1.2 million euros less than in 2013-14 (15 months). Oxfam Novib strives for donor diversification and the allocation of income to the various types of donors is difficult to estimate in advance. With respect to the EU file the extra efforts have clearly proved successful. New contracts were signed with the European Union in 2014-15, representing a total value of 17.7 million euros. One of the projects covered by these contracts is about promoting durable peace and development in Myanmar for 7.0 million euros.

Other governments

Grant income from other governments than the Dutch and European governments was 15.0 million euros in 2014-15, which is 13.4 million euros less than budgeted and 0.1 million euros more than in 2013-14 (15 months).

New contracts were signed for 16.1 million euros. These contracts signed include a contract with SIDA for 12.7 million euros for civil society support in Mozambique.

Other Oxfams

Grant income from other Oxfams was 11.1 million euros in 2014-15, which is 7.8 million euros lower than budgeted, and 0.8 million euros lower than in 2013-14 (15 months period). The income shown here is the income received from other members of the Oxfam confederation for the implementation of projects by Oxfam Novib and partners. New contracts were signed for an amount of 13.5 million euros.

8.7.4 Related Parties

Oxfam Sweden and Impact Investment B.V. are consolidated in the Oxfam Novib financial statements.

For other related parties like Triple Jump and ASN Bank, please refer to paragraph 8.6.2, Financial Fixed Assets. All transactions with the indicated related parties are at arm's length.

8.7.5 Other income and revenue

Amounts in thousands of euros

	FIN STMT. 2014-15	BUDGET 2014-15	FIN STMT. 2013-14
INCOME FROM INTEREST	12 months	12 months	15 months
Interest current account	48	50	96
Interest own funds	-36	150	166
Interest on loans, deposits and participating interests	2.999	2.822	3.902
	3.011	3.022	4.164
OTHER INCOME			
Exchange results	3.799	0	0
Stock dividend/changes share capital value	-319	0	41
Dividend payment Triple Jump	68	0	47
Impact Investment income	139	664	0
Income (gross profit) public information activities publishing house	1.691	2.036	2.135
	5.378	2.700	2.222

The interest received on current account deposits and loans were in line with the budgeted amounts. For interest on own funds the interest received is lower than anticipated in the budget by 0.2 million euros. In total the interest received was in line with the budget. The higher interest on loans by 0.2 million euros as compared to budget is mainly a result of the relatively weak position of the euro in 2014-15. This caused a good performance on the non-hedged loans.

Other income is 2.7 million higher than budgeted. This is mainly caused by exchange results and income from publishing house.

Exchange results are 3.8 million euros higher than budgeted, this is the result of the decline of the euro rate in 2014. These exchange results include 2.0 million euros exchange gains on loans which are compensated to a large extent by a loss on hedge contracts. Of the amount of 1.8 million euros other exchange gains, 1.4 million euros relates to unrealized exchange gains on outstanding receivables and debts, these provisional gains have been allocated to the earmarked reserve for exchange rate results.

The publishing house publishes books, calendars and other print products and is 0.3 million euros less than budgeted. The gross profit of the publishing house is recorded under 'other income' because the publishing house is not a fundraising business but has a public

information role. The public information relates to development cooperation in general and Oxfam Novib's mission in particular. The expenditure of the publishing house is included under 'Public information and marketing' (table 8.7.6).

The income from stock dividends/change in share capital value relates to the participating interests held in Triple Jump, TCX, ASN-Novib Fund and Oikocredit (see section 8.6.2 'financial fixed assets').

The table on the next page presents the figures in the format specified by VFI in its Financial Management Guideline. The figures are based on the profit figures of the entities in which the aforesaid participating interests are held. Net income from cash and cash equivalents represents the interest received on current account deposits and on the organisation's own funds. For more information on the management of cash and cash equivalents, please refer to the section on 'Cash and cash equivalents' in the notes to the balance sheet.

Summary on the basis of the VFI Financial Management Guideline

Return on savings and investments

Amounts in thousands of euros

		2009	2010	2011	2012	2013	2014
MISSION-RELATED INVESTMENTS							
Bond yields		-	-	-	-	-	67
Dividends		77	61	86	182	47	68
Realized price gains		-35	-	47	-41	-	1.720
Unrealized price gains		936	544	-10	540	123-	642-
Gross investment return		978	605	123	681	-76	1.213
Investment costs		-	-	-	-	-	-
NET INVESTMENT RETURN		978	605	123	681	-76	1.213
INVESTMENT PERFORMANCE							
Average performance 2010-2014 %	11.62%						
Average performance 2010-2014 amount	509						
NET INCREASE IN CASH AND CASH EQUIVALENTS							
Interest on current account and organization's own funds on savings accounts and deposits		635	243	425	342	262	12

8.7.6 Expenditure allocation

GOAL OF STRUCTURAL POVERTY ALLEVIATION						
	Projects and programs	Lobbying and advocacy by partner organizations	Lobbying and advocacy by Oxfam Novib	Support provided to partner organizations	Popular campaigning	Public information and marketing
Grants and contributions	79.681	13.296	-	-	2.638	-
Fees and other payments	-	-	2.074	-	-	-
Outsourced work	853	142	-	-	-	-
Publicity, communication, other campaigning costs	275	24	1.039	-	952	4.011
Staff costs	19.992	2.827	2.056	2.960	1.449	1.121
Provision reorganization	4.017	538	81	259	58	44
Housing costs	423	40	32	90	22	14
Office and general expenses	20.492	2.742	413	1.320	294	223
Depreciation	1.235	117	88	260	60	39
TOTAL	126.969	19.725	5.783	4.888	5.472	5.452
Publicity and communication (except if allocated to goals:)						
Other internal operating costs	42.142	5.726	2.589	4.630	1.825	1.397
TOTAL INTERNAL OPERATING COSTS						

Maximum size of contingency reserve is 1.5 times the annual internal operating costs:

COSTS OF GENERATING INCOME				MANAGEMENT AND ADMINISTRATION	TOTAL		
Direct fundraising	Third-party campaigns	Government grants			Financial statements 2014-15	Budget 2014-15	Financial statements 2013-14
-	-	-	-	-	95.615	148.669	124.136
-	-	-	-	-	2.074	1.918	2.718
-	-	-	-	-	995	1.451	1.359
4.927	228	-	-	167	11.623	16.618	14.284
1.036	45	1.030	-	1.491	34.008	24.584	37.632
43	5	80	-	109	5.232	-	-
16	1	31	-	35	703	923	1.022
219	23	407	-	555	26.688	10.729	17.669
43	3	88	-	96	2.028	1.814	2.425
6.283	305	1.636	-	2.452	178.965	206.704	201.245
4.927	228	-	-	167	5.322		
1.313	72	1.556	-	2.177	63.427		
					68.749		
					103.124		

Notes on expenditure allocation

Oxfam Novib uses several cost allocation keys:

- a. keys for the allocation of costs of the central and management departments and the Board of Directors to management and administration costs. More information can be found in Section 8.4 'Accounting policies for the valuation of assets and liabilities';
- b. keys used within the Campaigns department for the allocation of costs to public information and marketing, direct fundraising, popular campaigning, third-party campaigns (Dutch Postcode Lottery) and management and administration;
- c. keys for the allocation of the costs of the primary process to activities in furtherance of the organisation's goals and to the generation of income from institutional sources of funding;
- e. key for the allocation of the costs of the generation of income from external sources of funding to government grants, joint campaigns and third-party campaigns;
- f. keys for the 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;
- g. key for the allocation of the costs of grants (project approvals) to 'lobbying and advocacy' and 'projects and programmes' on the basis of the three intervention strategies. The costs of approved projects aimed at sustainable poverty reduction and civil society building are included under 'Projects and programmes'. The costs of approved projects aimed at 'lobbying and advocacy' are included under 'Lobbying and advocacy'.

Notes to the figures

Grants and contributions

These expenditures reflect the amounts that have been approved for disbursement to partner organisations. Grants and contributions were 53.1 million euros less than budget, which is caused by a number of reasons: Income from institutional fundraising stayed behind budget with 19.9 million euros, resulting in fewer approvals to partner organisations than budgeted. Furthermore more own implementation of projects has been realized than budgeted, which is reflected in higher expenditures on staff costs, office and general expenses in the field. Lastly, the amount committed to projects funded from Oxfam Novib's own resources was lower than budgeted (8.9 million euros).

In comparison to the financial year 2013-14, the decrease of 28.5 million euros on expenditures on grants and contributions is mainly explained by taking into account a 12 months period (24.8 million euros). The resulting 3.7 million euros decrease also reflects the trend of

more expenditures on own implementation for instance relating to lobbying and campaigning activities.

These grants are disbursed on a cash basis. Conversely, income and expenditure is recognised on the basis of the projects and programmes of partner organisations that have been approved by Oxfam Novib. Under the Dutch Accounting Standard for Fundraising Institutions (RJ 650), income and expenditure must be recognised on the basis of approvals rather than on a cash basis.

Fees and other payments

Fees and other payments mainly exists of core contribution to Oxfam International and are in line with the budget.

Outsourced work

Outsourced work comprises the fee paid to Triple Jump (1 million euros). The fee paid to Triple Jump was lower than budget (0.5 million euros).

Publicity, communication and other campaigning costs

This category comprises the campaigning costs incurred on 'lobbying and advocacy' and 'popular campaigning', as well as the costs associated with loans, recruitment, public information and marketing, the provision of information to the corporate sector and third-party campaigns.

The budget was under spent by 5 million euros. The main causes can be summarised as follows:

- As the income from community fundraising stayed behind budget, a steer was given to cut on cost of direct fundraising. This resulted in a decrease of 0.8 million euros against budget.
- Oxfam Novib Impact Investments is 1 million euros lower than budgeted. The pilot period is extended and thus far realized costs are mainly staff costs.
- Costs for loans activities were 1.7 million euros less than budget, due to less provision on subordinated loans for micro finance activities of 1.1 million euros and a currency gain instead of a budgeted currency loss (0.6 million euros).

Staff costs

Staff costs were 9.4 million euros higher than budgeted. The main causes can be summarised as follows:

- Staff costs allocated to projects, own implementation part, were higher than budgeted (5.2 million euros). These costs are difficult to estimate as they depend on donor approvals.
- 2.3 million euros has been spent on staff costs relating to the project The Future Starts Now. Oxfam Novib will continue until the end of December 2015 to give a solid

boost to innovation in our programmatic development and in our capacity to develop innovative project proposals.

The composition of staff costs is as follows:

Amounts in thousands of euros

Salaries headquarters	19.742
Salaries local contracts and ex-pats	7.587
Social security contributions	2.711
Pension costs	1.792
Temporary workers	520
Travel home-work	620
Other costs	1.035
TOTAL	34.008

The Hague

The total number of staff members working at Oxfam Novib's headquarters was 329 at 31 March 2015 (1 April 2014: 315). The increase by 14 staff members is due to an increase of staff funded by external funds and temporary activities.

Country offices

The number of field staff increased from 346 on 1 April 2014 to 478 on 31 March 2015. This growth of 38% is due to the allocation of staff members to projects funded by institutional donors in country offices. The staff in field offices is mainly local.

Oxfam Sweden

The average number of employees at Oxfam Sweden is 5.

Impact Investments B.V.

The average number of employees at Impact Investments B.V. is 0.

Staff pensions

The pensions of Oxfam Novib's staff are insured with Zwitserleven. Since January 2015 Oxfam Novib has a prolonged contract for five years with Zwitserleven.

Provision for reorganisation

A provision for reorganisation cost has been formed of 5.2 million euros.

Housing costs

The housing costs in 2014-15 were in line with budget.

Office and general expenses

The office and general expenses are 16 million euros above budget. The main causes can be summarised as follows:

- Cost related to office and general expenses allocated to projects, own implementation part, were higher than budgeted (12.8 million euros).
- 1.6 million euros has been spent on office and general expenses on the project The Future Starts Now. Oxfam Novib will continue until the end of December 2015 to give a solid boost to innovation in our programmatic development and in our capacity to develop innovative project proposals that catch the eye of institutional partners.

Auditors' fees

The following auditors' fees were charged to the statement of income and expenditure in the financial year:

Amounts in thousands of euros

	AUDIT OF THE FINANCIAL STATEMENTS	OTHER AUDIT SERVICES	TAX CONSULTANCY SERVICES	OTHER SERVICES	TOTAL
1. Mazars Paardekooper Hoffmann Accountants NV	127	-	-	-	127
2. Deloitte Accountants BV	-	19	-	-	19
3. Deloitte Sweden AB	4	-	-	-	4
4. PWC Accountants NV	63	87	-	1	150
5. PWC Belastingadviseurs NV	-	-	6	-	6
TOTAL	193	105	6	1	306

The fees specified above 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.

Depreciation

Depreciation cost in 2014-15 were in line with the budget.

8.7.6.1 Costs of direct fundraising

The allocation of costs is as follows:

	Costs of direct fundraising	Public information and marketing	Management and administration costs
Costs of activities, that are primarily focused on recruiting new relations, e.g. notary fees.	100%	0%	0%
Costs of activities where requests for single and structural gifts is associated with giving information about the work Oxfam Novib is doing, e.g. street teams, door-to-door, corporate fundraising and direct mail.	75%	25%	0%
Costs of activities where requests for single and structural gift is equally important as giving information about the work Oxfam Novib is doing, e.g. TV-formats and events.	50%	50%	0%
Costs of activities, that are primarily focused on giving information about the work Oxfam Novib is doing and where requests for single and structural gifts are of secondary importance, e.g. TV commercials and advertisements	25%	75%	0%
Costs of activities, that are primarily focused on giving information about the work Oxfam Novib is doing, e.g. Oxfam Novib News and loyalty activities.	0%	100%	0%
Costs, that are charged by banks for the financial traffic of single and structural gifts.	0%	0%	100%

The costs of direct fundraising amounted to 6.3 million euros in 2014-15. These costs were lower than budgeted by 0.2 million euros. The costs of direct fundraising accounted for 20.9 per cent of total income. The CBF criterion for organizations holding the CBF Seal of Approval is that the average costs over three consecutive years may not be higher than 25 per cent of the income. Oxfam Novib's three-year average is 19.7 per cent.

8.7.7 Salary and emoluments paid to Directors

Oxfam Novib adheres to the Advisory Scheme for the Remuneration of Directors of Charity Organisations of VFI (Association of Fundraising Organisations) and the Wijffels Code of Good Charity Governance. The 'Remuneration Policy for the Board of Directors' is based on the criteria of this Scheme and Code relating to remuneration, job grading and maximum salary for directors. The employment contracts of the Directors are not under the jurisdiction of the Collective Labour Agreement (CAO) for Oxfam Novib.

Annual income

The Advisory Scheme sets criteria for determining the level of skill, effort, and responsibility required for executive positions and sets maximum annual income standards. The Supervisory Board has assessed the positions of the Board of Directors on the basis of those criteria. Oxfam Novib has a multi-member Board of Directors with a Chair. The position of Chair was rated at 470 points, which corresponds with a maximum annual income for 2014 of 124.233 euros on the basis of full-time employment, the same as in 2011, 2012 and 2013. The positions of the other members of the Board

of Directors were rated at 432 points, which corresponds with a maximum annual income for 2014 of 109.550 euros on the basis of full-time employment, also the same as in 2011, 2012 and 2013. VFI has published a guideline against which the actual annual incomes of directors can be assessed. All those incomes remained within the above-mentioned maximum amounts. The annual incomes in 2014-15 were as follows: 107.361

euros for the Chair of the Board of Directors, F. Karimi, 38.835 euros for Director T.J. Bouma, 94.151 euros for Director T. van der Lee, 50.359 for Director A. van der Woude and 55.317 euros for Director A. Galavazi. These amounts are including holiday pay. F. Karimi and T. van der Lee worked full-time (1 FTE) throughout the year. T. Bouma resigned during the year and A. van der Woude and A. Galavazi have been appointed during the year.

Amounts in thousands of euros

NAME	F. KARIMI	T. BOUMA	A. VD WOUDE	T. VAN DER LEE	A. GALAVAZI
Job title	Executive Director	Director International Department	Director International Department	Lobbying and Campaigns Director	Director Operations
EMPLOYMENT					
Type of contract	permanent	permanent	permanent	permanent	permanent
Hours	36	36	36	36	36
FTE percentage	100	100	100	100	100
Period	1/4/14-31/3/15	1/4/14-31/8/14	1/9/14-31/3/15	1/4/14-31/3/15	1/9/14-31/3/15
REMUNERATION (EUR)					
Annual income					
Gross salary	99.408	35.958	46.637	87.177	51.219
Holiday pay	7.953	2.877	3.722	6.974	4.098
Year-end bonus, 13th/14th month	-	-	-	-	-
Variable annual income	-	-	-	-	-
TOTAL	107.361	38.835	50.359	94.151	55.317

Salary and emoluments

In addition to the annual income, the remuneration also comprises taxed allowances, social insurance contributions and pension contributions. The figures for 2014-15 are shown below.

NAME	F. KARIMI	T. BOUMA	A. VD WOUDE	T. VAN DER LEE	A. GALAVAZI
Job title	Executive Director	Director International Department	Director International Department	Lobbying and Campaigns Director	Director Operations
Total annual income 2014/15	107.361	38.835	50.359	94.151	55.317
Employer's social insurance contributions	10.906	4.139	6.382	10.524	6.493
Taxable allowances / additions to taxable income	5.135	5.093	-	-	-
Employer's pension contributions	9.147	4.725	3.288	8.099	3.564
Other deferred employee benefits	-	-	-	-	-
Fixed expense allowance	2.346	981	-	2.346	1.365
Variable travel allowance	-	-	203	-	-
Business travel allowance	110	-	-	-	-
Employment termination payments	-	-	-	-	-
TOTAL REMUNERATION 2014/15	135.005	53.772	60.233	115.120	66.739
<i>Total remuneration 1/1/13-31/12/13</i>	<i>137.153</i>	<i>128.192</i>	<i>-</i>	<i>113.226</i>	<i>-</i>
<i>Total remuneration 1/1/14-31/3/14</i>	<i>37.448</i>	<i>29.269</i>	<i>-</i>	<i>29.269</i>	<i>-</i>

During the financial year 2013-14, the total remuneration for Director Operations A. Papma was 29.782 euros, for the period 1 January 2013 till 31 March 2013.

- The pension costs consist of the employer's portion of the pension contributions to the pension plans.
- The taxable allowances/additions to taxable income for the executive director and the director international department consist of paid out non-statutory leave.
- 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 Supervisory Board do not receive any remuneration or fees and were all assigned for the entire financial year.

8.7.7.1 Executives' Pay Financed from Public Funds (Disclosure) Act

Oxfam Novib comes within the purview of the Executives' Pay Financed from Public Funds (Disclosure) Act, Wet normering bezoldiging topfunctionarissen publieke en semi publieke sector (WNT). Accordingly, the taxable annual salaries of its officers must be disclosed and are not allowed to exceed the amount of 230.474 euros for the calendar year 2014 and 163.000 euros for the calendar year 2015. None of the Directors or other officers of Oxfam Novib, nor those employed on consultancy basis, received a taxable annual salary in excess of both these amounts in 2014-15.

8.8 SEPARATE FINANCIAL STATEMENTS OXFAM NOVIB

8.8.1 Separate balance sheet Oxfam Novib at 31 March after appropriation of net income

Amounts in thousands of euros

	31 MARCH 2015	31 MARCH 2014	paragraph
ASSETS			
Tangible fixed assets	9.912	10.714	8.6.1
Financial fixed assets	42.808	40.085	8.6.2
Inventories	52	65	8.6.3
Receivables from governments			
Long-term	3.270	5.144	
Short-term	5.208	6.052	
	8.478	11.196	8.6.4
Receivables	18.191	16.046	8.6.4
Cash and cash equivalents	103.721	97.924	8.6.5
TOTAL	183.162	176.031	
LIABILITIES			
RESERVES AND FUNDS			
Reserves			
Contingency reserve	16.935	14.301	8.6.6.1
Earmarked reserves	59.106	41.302	8.6.6.1
	76.040	55.603	
Funds	32.956	38.891	8.6.6.2
	108.996	94.494	
Provisions	6.938	2.524	8.6.7
Debts:			
Long-term	3.026	217	
Short-term	10.589	11.467	
Prepayments from governments	5.798	17.127	
	19.413	28.811	8.6.8
Project liabilities			
Long-term	5.509	8.886	
Short-term	42.307	41.316	
	47.816	50.202	8.6.9
Total	183.162	176.031	

8.8.2 Separate statement of income and expenditure Oxfam Novib

Amounts in thousands of euros

	FIN STMT. 2014-15	BUDGET 2014-15	FIN STMT. 2013-14
INCOME			
Income from direct fundraising	29.747	32.970	35.660
Revenues from third-party campaigns	17.840	15.818	23.033
Government grants - co-financing	84.486	80.019	88.682
Government grants - other	52.644	74.825	53.094
Income from interest	3.011	3.022	4.164
Other income	5.378	2.701	2.222
TOTAL INCOME	193.106	209.355	206.855
EXPENDITURE			
Expenditure on goal of 'structural poverty alleviation'			
Projects and programs	126.841	155.663	142.769
Lobbying and advocacy by partner organizations	19.704	19.484	22.341
Lobbying and advocacy by Oxfam Novib	5.783	5.044	7.152
Support provided to partner organizations	4.888	3.513	4.991
Popular campaigning	5.472	4.757	5.969
Public information and marketing	5.287	4.529	5.769
	167.976	192.990	188.990
Costs of generating income			
Costs of direct fundraising	6.087	5.082	6.671
Expenditure on third-party campaigns	305	507	475
Costs of securing government grants	1.636	2.845	1.722
	8.027	8.435	8.868
Management and administration			
Management and administration costs	2.452	2.688	3.388
TOTAL EXPENDITURE	178.455	204.112	201.246
Net result from ordinary operations	14.651	5.243	5.609
Result of participations	-149		
Net result from ordinary operations	14.502	5.243	5.609
Expenditure on goals - not reflected in statement of income and expenditure			
Loans and guarantees disbursed	7.784	14.142	17.547
Loans and guarantees instalments	12.282	14.176	21.399
Oxfam Novib Impact Investment	0	6.950	0
Triple Jump Innovation Fund	2.816	4.005	1.322
Appropriation of net result			
Added / charged to: earmarked reserves	10.983	-8.773	8.161
Added / charged to: earmarked funds	-5.937	10.021	-4.034
Added / charged to: projects reserve	6.820	2.695	145
Added / charged to: contingency reserve	2.636	1.300	1.337
NET RESULT	14.502	5.243	5.609
Specification of appropriation of net result			
earmarked reserve admin fees	387	802	1.737
earmarked reserve Oxfam Novib projects	6.820	2.695	145
earmarked reserve senior staff policy	-226	-25	-3
earmarked reserve loans	9.174	-9.550	6.427
earmarked fund Loans	-5.453	9.571	-4.005
earmarked fund Personalised Funds	-1.246	450	709
earmarked fund NPL	1.155	0	-962
other earmarked funds (SHO / SAN! / SIDA)	-105	0	224
Exchange rate reserve	1.360	0	0
Contingency reserve incl result appropriation	2.636	1.300	1.337
NET RESULT	14.502	5.243	5.609

8.8.3 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 Institutions (RJ 650) published by the Dutch Accounting Standards Board. The accounting policies for the separate financial statements and the consolidated financial statements are the same.

For the accounting policies for the organisation's balance sheet and income statement, reference is made to the notes to the consolidated financial statements unless otherwise specified below.

8.8.3.1 Financial fixed assets

The asset items, additional to the consolidated asset items, are valued as follows:

- Participating interest in Oxfam Sweden: nil - Oxfam Novib has no equity interest in Oxfam Sweden. Oxfam Sweden is consolidated because Oxfam Novib has significant influence over Oxfam Sweden.
- Participating interest in Impact Investments B.V.: at net asset value - Oxfam Novib owns 100% of the shares of Impact Investments B.V.

8.9 NOTES TO THE SEPARATE FINANCIAL STATEMENTS

8.9.1 Financial fixed assets

Oxfam Sweden

Oxfam Sweden is a foundation and has the statutory name "Insamlingsstiftelsen Oxfam Sverige". Oxfam Sweden has its headquarters in Stockholm. The foundation dedicates itself to raise awareness about the people who are living 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 held by Oxfam.

The Board of Directors of Oxfam Sweden is the organisation's highest decision making body and consists of 6 members:

- | | |
|-----------------|------------------|
| - Chairman: | T. van der Lee |
| - Board member: | W. Blokhuis |
| - Board member: | P. Mensen |
| - Board member: | C. Daun Wennborg |
| - Board member: | A. Barton |
| - Board member: | B. Tallack |

Impact Investments B.V.

Impact Investments B.V. is a limited company that has as statutory name "Inclusive Impact Investments B.V." It has its headquarters in The Hague. The B.V. aims to fight

poverty and injustice by means of direct investment in developing countries such as Uganda, Nigeria and Vietnam with loans and equity.

Oxfam Novib is 100% shareholder of the B.V. The directors are:

- | | |
|---------------------|--------------|
| - General Director: | L. van Vliet |
| - Fund Director: | B. 't Hooft |

The financial fixed assets are 0.4 million euros higher than in the consolidated financial statements. This relates to the valuation of the net asset value of Impact Investments B.V. of 0.4 million euros as per 31 March 2015.

The value of Oxfam Sweden included in this item was set at nil as at 31 March 2015. Oxfam Sweden is consolidated.

8.9.2 Notes on financial statement items affected by the consolidation of Oxfam Sweden and Impact Investments B.V.

There is a difference between the consolidated result and equity and the result and equity presented in the separate financial statements. This is caused by the fact that Oxfam Novib has no equity interest in Oxfam Sweden. Oxfam Sweden is consolidated because Oxfam Novib has significant influence over Oxfam Sweden. For that reason the result and equity of Oxfam Sweden is included in the consolidated financial statements, but not in the separate financial statements of Oxfam Sweden. Oxfam Sweden shows a negative net result of 0.04 million euros and an equity balance of 0.04 million euros. This causes the following differences:

- Net result 14,502 million positive versus 14,466 million positive in the consolidated financial statements;
- Total reserves add up to 76,040 million euros versus 76,004 million euros in the consolidated financial statements.

The tangible fixed assets in the separate financial statements are 0.04 million euros less than in the consolidated financial statements. Financial fixed assets are 0.4 million euros higher than in the consolidated financial statements due to the participation in Impact Investments B.V. Receivables are 0.1 million euros more and cash and cash equivalents are 0.6 million euros less than in the consolidated financial accounts.

Reserves are 0.04 million euros higher than the consolidated financial statements. This relates to the negative net result of Oxfam Sweden that is allocated to Oxfam Novib's projects reserve. Debts are 0.2 million euros less than in the consolidated financial statements.

Amounts in thousands of euros

	OXFAM NOVIB PROJECTS	POLICY ON SENIOR STAFF	LOANS / GUARAN- TEES	MANAGE- MENT/ADM- INISTRA- TION COSTS	EXCHANGE RATE RESULTS	TOTAL EARMARKED RESERVES
BALANCE AT 31 MARCH 2014	17.086	764	18.950	4.504	-	41.302
Added	14.434	-	22.491	18.860	1.360	57.145
Withdrawn	7.616	226	13.028	18.473	-	39.343
Net movements	6.818	-226	9.463	387	1.360	17.802
BALANCE AT 31 MARCH 2015	23.904	538	28.413	4.891	1.360	59.106

The separate income statement shows the following developments against the consolidated income statement:

Income

Total income is 0.3 million euros less than in the consolidated income statement (0.3 million euros less income from direct fundraising in Sweden).

Expenditures

Total expenditure is 0.5 million euros less than in the consolidated income statement. Lower expenditures on projects and programmes of 0.1 million euros (Impact Investment B.V.) and 0.2 million euros less expenditures on public information and marketing and 0.2 million euros less costs of direct fundraising (Oxfam Sweden).

8.10 SHO

8.10.1 Philippines – Haiyan response

Amounts in thousands of euros

INCOME	FINANCIAL YEAR		UP TILL FINANCIAL YEAR (INCLUDING)	
		Total		Total
Public donations (SHO funds)		769		5.872
Interest		1		3
TOTAL INCOME		770		5.875
Cost for preparation and coordination (AKV)				
AKV ¹		27		206
Total available for aid activities		743		5.669

EXPENDITURES	Emergency		Reha- bilitation		
Commitments, contractual obligations (D)			666		5.666
o Expenditure through implementing organizations (field)					
o Expenditure through international umbrella organization					
o Aid provided directly by the organization			666		5.666
Total available for commitments			0		3
OVERVIEW OF CASH TRANSFERS OF THE ORGANIZATION					
Transfers					
o Expenditure through implementing organizations (field)					
o Expenditure through international umbrella organization					
o Aid provided directly by the organization			2.666		5.302
OVERVIEW OF EXPENDITURES IN THE FIELD OF THE ORGANIZATION					
o Expenditure through implementing organizations (field) ²					
o Expenditure through international umbrella organization					
o Aid provided directly by the organization	1.972		1.972	4.122	4.122

NOTE

¹ Total AKV is 7% of income of EUR 5.872.000, amounting to EUR 411.000. 3,5% is for Oxfam Novib and 3,5% is for implementing organization OGB (EUR 206.000). The AKV for the implementing organization is accounted for under expenditures through implementing organizations (field). The AKV for Oxfam Novib of EUR 206.000 reflects the reservation for AKV. Total AKV spend by Oxfam Novib in the financial year is EUR 78.000 and EUR 85.000 from the start of the project.

² Expenditure through implementing organizations are expenditures up to and including December 2014.

8.10.2 Ebola

Amounts in thousands of euros

	FINANCIAL YEAR		UP TILL FINANCIAL YEAR (INCLUDING)			
		Total		Total		
INCOME						
Public donations (SHO funds)		1.460		1.460		
Interest						
TOTAL INCOME		1.460		1.460		
Cost for preparation and coordination (AKV)						
AKV ³		51		51		
Total available for aid activities		1.409		1.409		
EXPENDITURES						
	Emergency	Reha- bilitation	Emergency	Reha- bilitation		
Commitments, contractual obligations (D)			1.409		1.409	
o Expenditure through implementing organizations (field)						
o Expenditure through international umbrella organization						
o Aid provided directly by the organization			1.409		1.409	
Total available for commitments			0		0	
OVERVIEW OF CASH TRANSFERS OF THE ORGANIZATION						
Transfers						
o Expenditure through implementing organizations (field)						
o Expenditure through international umbrella organization						
o Aid provided directly by the organization			1.000		1.000	
OVERVIEW OF EXPENDITURES IN THE FIELD OF THE ORGANIZATION						
o Expenditure through implementing organizations (field) ⁴						
o Expenditure through international umbrella organization						
o Aid provided directly by the organization	289	465	754	289	465	754

NOTE

³ Total AKV is 7% of income of EUR 1.460.000, amounting to EUR 102.000. 3,5% is for Oxfam Novib and 3,5% is for implementing organization OGB (EUR 51,000). The AKV for the implementing organization is accounted for under expenditures through implementing organizations (field). The akv for Oxfam Novib of EUR 51,000 reflects the reservation for AKV. Total AKV spent as per 31 March 2015 amounts to EUR 9,000.

⁴ Expenditure through implementing organizations are expenditures up to and including March 2015

The Hague, 6 July 2015

Board of Directors

Farah Karimi, Executive Director
Theo Bouma, Director International
Department (until 31/08/2014)
Aletta van der Woude, Director International
Department (from 01/09/2014)
Tom van der Lee, Director of Campaigns
Arnold Galavazi, Director Operations

The Hague, 6 July 2015

Supervisory Board

Hanzo van Beusekom, Chair and member Financial Committee
Petra Bijl
Joyeeta Gupta, member Remuneration Committee
Marianne van Leeuwen, chair Remuneration Committee
Kees Tukker, member Financial Committee
Peter Verbaas, chair Financial Committee



Photo: Eleanor Farmer

CHAPTER 9

OTHER INFORMATION

9.1 RESULT APPROPRIATION ACCORDING TO STATUTES

According to the statutes (article 23.3), the appropriation of the net result should to be done in line with the regulations in the VFI guideline "reserves goede doelen". According to article 10.2 the Board of Directors adopts the annual accounts and according to article 19.2, the Supervisory Board approves the annual accounts.

9.2 RESULT APPROPRIATION FOR THE YEAR

The operating result in 2013-14 was 14.5 million euros positive. That deviates with 11.2 million euros from the budgeted result and 8.9 million euros from the result of 2013-14 (which was 5.6 million euros positive during 15 months).

The result is earmarked for the following reserves and funds:

Adding to earmarked reserves	11.0 million euros
Mutations to earmarked funds	-5.9
Adding to projects reserve	6.8
Adding to contingency reserve	2.6
Net result	14.5 million euros

9.3 AFTER BALANCE SHEET DATE INFORMATION

MFSII funding from DGIS will end at 31 December 2015. The Netherlands Ministry of Foreign Affairs has announced another funding modality as of 2016 based on strategic partnerships. The income for Oxfam Novib from this new funding modality is expected to be significantly less than MFSII. Oxfam Novib has prepared financial scenario's to prepare itself for the period as of 2016.

Also, significant changes are anticipated within the Oxfam confederation. In 2013, the Oxfam confederation agreed to the strategy called "Oxfam 2020", which foresees to work together more closely as Oxfam affiliates and anchor the organization more firmly in the global South. Greater presence and power in the south will make Oxfam a more equitable, balanced and influential organization. Part of this plan is the establishment of 8 Southern Oxfam-affiliates as of 2020.

There have been no material post balance sheet events which would require adjustment to the financial statements of Oxfam Novib for the year 2014-15.

9.4 REPORT OF INDEPENDENT AUDITOR



TdR/DS7857A

INDEPENDENT AUDITOR'S REPORT

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

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements for the year ended 31 March 2015 of Stichting Oxfam Novib, The Hague, which comprise the consolidated and company balance sheet as at 31 March 2015, the consolidated and company statement of income and expenditures for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Guideline for annual reporting 650 "Fundraising Organizations" of the Dutch Accounting Standards Board and with the rules of and following the Dutch Standards for Remuneration of Senior officials in the Public and Semi-Public Sector Act (WNT).

Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and the audit protocol WNT. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion, the financial statements give a true and fair view of the financial position of Stichting Oxfam Novib as at 31 March 2015 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 and the rules of and following the WNT.

ANNOUNCEMENT ACCORDING TO THE DIRECTORS' REPORT

We have read the Directors' Report in order to identify material inconsistencies, if any, with the audited financial statements. Based on reading the Directors' Report we established that the Directors' Report is consistent with the information in the financial statements and that the Directors' Report contains all information required by Guideline for annual reporting 650 "Fundraising Organizations" of the Dutch Accounting Standards Board. We have not audited or reviewed the information in the Directors' Report.

Amsterdam, 6 July 2015

MAZARS PAARDEKOOPER HOFFMAN N.V.

Original signed by: P.J. Steman RA MBA

ACCOUNTANTS - TAX ADVISERS - MANAGEMENT CONSULTANTS
DELFLANDLAAN 1 - P.O. BOX 7366 - 1007 JG AMSTERDAM
TEL: +31 (0)88 27 72 302 - FAX: +31 (0)20 64 48 051 - paul.steman@mazars.nl
MAZARS PAARDEKOOPER HOFFMAN N.V.
WITH ITS REGISTERED OFFICE IN ROTTERDAM (TRADE REGISTER ROTTERDAM NR. 24389296).





Photo: Hoang Huy

CHAPTER 10

APPENDICES

10.1 BUDGET 2015-16 AND MULTI ANNUAL BUDGET 2016 - 2020

Amounts in thousands of euros

	2015-16	2016-17	2017-18	2018-19	2019-20
INCOME					
Income from direct fundraising	32,012	34,517	36,351	38,009	39,089
Revenues from third-party campaigns	15,882	16,149	16,522	16,992	17,201
Government grants - strategic partnership	3,892	15,568	15,568	15,568	15,568
Government grants - co-financing	41,762	0	0	0	0
Government grants - other	78,585	95,225	105,055	115,865	127,763
Income from interest	2,896	2,772	2,746	2,746	2,746
Other income	1,939	2,082	2,124	2,124	2,124
TOTAL INCOME	176,969	166,313	178,366	191,305	204,492
EXPENDITURE					
Expenditure on goal of 'structural poverty alleviation'					
Projects and programs	127,547	118,385	127,214	137,080	147,671
Lobbying and advocacy by partner organizations	20,177	19,106	20,536	22,137	23,857
Lobbying and advocacy by Oxfam Novib	6,549	6,036	6,075	6,114	6,154
Support provided to partner organizations	3,769	2,582	2,682	2,785	2,892
Popular campaigning	4,253	2,518	2,526	2,534	2,542
Public information and marketing	5,800	5,356	4,741	4,899	4,999
	168,095	153,983	163,774	175,548	188,115
Costs of generating income					
Costs of direct fundraising	7,918	7,363	6,040	6,332	6,503
Expenditure on third-party campaigns	477	459	440	449	455
Costs of securing government grants	1,309	1,034	1,064	1,095	1,128
	9,704	8,856	7,544	7,876	8,086
MANAGEMENT AND ADMINISTRATION					
Management and administration costs	2,161	1,983	1,993	2,014	2,033
TOTAL EXPENDITURE	179,960	164,823	173,311	185,438	198,235
NET RESULT	-2,991	1,490	5,055	5,866	6,257
Appropriation of net result					
Added / charged to: earmarked reserves	-2,478	2,868	6,371	7,133	7,473
Added / charged to: earmarked funds	-1,413	-1,378	-1,316	-1,266	-1,216
Added / charged to: contingency reserve	900	0	0	0	0
NET RESULT	-2,991	1,490	5,055	5,866	6,257

Notes on the budget 2015-16 and multi annual budget 2016-2020

The financial year 2015-16 will be a year during which many changes will take place that have an effect on the budget:

- The MFSII subsidy from DGIS will end on 31 December 2015. The end of this five-year block grant from the Netherlands Ministry of Foreign Affairs will mark an end to the Dutch co-financing system and will lead to a sharp (initial) decline in income as of 1 January 2016.
- As of 1 January 2016 the DGIS Strategic Partnership will commence. This funding modality will be more restricted in nature and income is significantly less than MFSII. In March 2015 the Ministry has announced that the maximum contribution to Oxfam Novib/SOMO will be 15.6 million euros annually.
- In total, income in 2015-16 is budgeted to be 33 million euros less than in 2014-15.
- The budget cuts that will be introduced as a result of the ending of the co-financing system will have consequences for staff. A social plan has been prepared which foresees in search periods and a (legally obliged) financial compensation for staff that will be made redundant.
- A restructuring of the organization will take place: the organization will be working in a project-based manner to be able to deal with fluctuations in income, and will be implementing projects and programmes that are able to generate income with different donors. To finance the costs of this reorganisation, a transition budget has been prepared.
- A provision for the costs of the social plan and the transition is included in the annual accounts 2014-15. The total budget of this provision has been submitted to DGIS and will be partly financed from MFSII funds.
- Changes are taking place as part of Oxfam2020. This may have consequences for the Oxfam International levy which Oxfam Novib will have to contribute (for details of OI contribution, see text 'expenditures' below).

Income

The Board of Directors decided to keep the target in 2015-16 on institutional fundraising equal to the target in 2014-15. This has financial consequences in terms of a lower coverage of organizational costs through administration fees (minus 0.3 million euros). The consequences for personnel will be limited as Oxfam Novib only enters into contracts with staff once contracts with backdonors have been signed. Secondly, the income from publishing house show a declining trend. The Board of Directors decided to adjust the income target for the year 2015-16 downwards by 0.1 million euros. Both decisions have multi-annual effects.

In addition to these adjustment of targets, the declining trend on community fundraising continues. The Board of Directors decided not to adjust the target at this point in time: A new manager will start in March 2015 who will be requested to set up the new unit public engagement and to reflect on the targets for community fundraising. This may lead to an adjustment of the target in September 2015.

Expenditure

Several deviations from the originally approved multi-annual budget for 2015-16 have been decided upon by the Board of Directors. The main ones are: In the first place, the Board of Directors decided to make an amount of 2 million euros available for matching funds to institutional funding for the year 2015-16. In the past, matching funds used to be financed from MFS funding. As MFS funding need to be spent by 31 December 2015, it will no longer be possible to finance these from MFS funding. It was agreed that the amount of 2 million euros in 2015-16 will be financed from the Oxfam Novib project reserve (as of 2016 the financing of matching funds has been foreseen as part of the financial perspectives).

Secondly, the OI contribution increased from 1.3% (1% core contribution plus 0.3% contribution to Membership Growth Grant Fund) to 2.3% (1% core contribution; 0.3% contribution to Membership Growth Grant Fund; 0.2% contribution to Income Growth Fund; 0.3% campaigns levy; 0.5% additional contribution to Oxfam2020). This led to a deficit of 0.9 million euros in the budget of 2015-16 (where the 0.3% campaigns levy will be financed from a reduction of the budget for OI postings).

Thirdly, the Board of Directors approved the prolongation of the pilot of Impact Investment by 6 months until 31.12.2015.

Fourthly, the Board of Directors decided to bring forward some of the planned investments in Oxfam Sweden. The net effect on the Oxfam Novib project reserve in 2015-16 will be minus 0.3 million euros. As a consequence, the break-even point of Oxfam Sweden will be brought forward and is now expected to take place in the financial year 2016-17. The net effect of Oxfam Sweden on the project reserve in 2016-17 is foreseen to be plus 0.7 million euros.



COLOPHON

Oxfam Novib
PO Box 30919
2500 GX The Hague

T +31 (0)70 342 16 21
info@oxfamnovib.nl
www.oxfamnovib.nl

Lay-out
Marl Point

Cover Photo
Khaula Jamil