



Stichting Niños de Guatemala Nederland
Annual accounts 2016

Amsterdam, June 30th, 2017



Dear Stakeholders,

We present the annual accounts 2016 of Stichting Niños de Guatemala Nederland. Stichting Niños de Guatemala Nederland was founded in 2006 in order to build a better future for Guatemala and its children through education. Stichting Niños de Guatemala Nederland is a growing and effective organization which starts and runs educational projects in Guatemala of which a substantial part of income is generated in Guatemala. For this purpose, Stichting Niños de Guatemala continuously invests in local management and leadership.

For the information of our Stakeholders and to provide information on our accountability, we enclosed the annual accounts of Niños de Guatemala in Guatemala, a related organization, and also enclosed a consolidation. For the consolidated annual accounts and the non-consolidated annual accounts of Niños de Guatemala in Guatemala we refer to annexes 1 and 2.

Consolidation:

The consolidated financial statements include the accounts, assets and operations of the following entities:

- Stichting Niños de Guatemala Nederland, registered at the Chamber of Commerce of Amsterdam, the Netherlands, number 34256705.
- NGO Niños de Guatemala, registered at the Chamber of Commerce of Antigua, Guatemala.

Compilation report:

The annual accounts of Stichting Niños de Guatemala Nederland will be voluntarily compiled, in accordance with the regulations in the Netherlands (RJK, C1), by BDO Accountants and tax advisors. The compilation is in process and will be published shortly.

Notes to the financial statements:

General:

- The financial statements have been prepared in accordance with the regulations in the Netherlands (RJK, C1).
- Foreign currencies:
 - o Guatemalan Quetzal are converted as follows:
 - Balance sheet: rate at balance date (2016: € 1 = Q 7,74, 2015: € 1 = Q 8,14, 2014: € 1 = Q 9,06)
 - Statement of income and expenses: average rate for the financial year (2016: € 1 = Q 8,22, 2015: € 1 = Q 8,31, 2014: € 1 = Q 10,10)

Accounting policies in respect of valuation of assets and liabilities:

The financial statements are prepared on historical cost basis, unless otherwise stated.

Tangible fixed assets

Fixed assets are initially recognized at their acquisition price or production cost and are subsequently reduced by related accumulated depreciation and impairment losses. If any, they will be valued by using the so-called "impairment test" which assesses the existence of impairment that reduces the recoverable value of the assets at below their book value.

Upkeep and maintenance of various components of fixed assets are recorded in the profit and loss statement in the year they are incurred. By contrast, the amounts invested in improvements contributing to increased capacity, efficiency or extending the useful life of these assets, are recorded at a greater cost.

Depreciation is computed by the straight-line method, according with the estimated useful life of the assets, taking as a basis the percentages established as per Article 28 Decree 10-2012 of the Tax Updating Law are used for the estimation of accrued depreciations.

Receivables

Receivables are recorded at fair value and then valued at amortized cost, net of allowances for doubtful accounts, determined individually. On initial recognition, the fair value and the amortized cost equal the fair value.

Cash and equivalents

Cash and equivalents are available for disposal by the foundation.

Short-term liabilities

Short-term liabilities are recorded at fair value.

Accounting principles for the determination of result:

General

The result for the year is the difference between net income and all related costs. The costs are determined according to the stated accounting policies.

Income and expenses are recognized as cash flows occur, except for the income from sponsor programs, which are recognized in the period the program is due.

Balancesheet NDG the Netherlands

All amounts in Euro's

<u>Assets:</u>	<u>31-12-2016</u>	<u>31-12-2015</u>
Investments in affiliated companies	<u>1</u>	<u>1</u>
<i>Total financial fixed assets:</i>	1	1
Quarterly application paid in advance	-	17.181
Income Charity Event receivable	-	-
Other receivables and prepayments	<u>1.608</u>	<u>3.004</u>
<i>Total current receivables:</i>	1.608	20.185
Bank	<u>48.550</u>	<u>77.062</u>
<i>Total cash:</i>	48.550	77.062
<u>Total assets:</u>	<u><u>50.159</u></u>	<u><u>97.248</u></u>
 <u>Liabilities and Equity:</u>		
Program income received in advance	31.994	25.970
Accounts payable Cambio Spanish school	16.028	5.302
Other payables	<u>15.676</u>	<u>5.110</u>
<i>Total short-term liabilities:</i>	63.698	36.382
Equity	60.866	115.844
Result for the year	<u>-74.405</u>	<u>-54.978</u>
<i>Total Equity:</i>	-13.539	60.866
<u>Total Liabilities and Equity:</u>	<u><u>50.159</u></u>	<u><u>97.248</u></u>

Statement of income and expenses NDG the Netherlands

All amounts in
Euro's

	<u>2016 actual</u>	<u>2015 actual</u>
<u>Income</u>		
Donations monetary	207.712	235.830
Friend program	11.479	11.722
Events	47.871	23.390
Interest received	<u>506</u>	<u>30</u>
<u>Total income:</u>	267.568	270.972
<u>Expenses</u>		
Overhead	<u>51.897</u>	<u>5.676</u>
<u>Total expenses:</u>	<u>51.897</u>	<u>5.676</u>
<u>Available for goal:</u>	215.671	265.296
<u>Contribution to NDG Guatemala</u>		
Structural support	128.310	113.028
Overhead (directly transferred to management advisors)	52.491	62.308
Additional support	<u>109.275</u>	<u>144.938</u>
<u>Total Contribution to NDG Guatemala:</u>	290.076	320.273
<u>Movement of reserves:</u>	<u><u>74.405</u></u>	<u><u>-54.977</u></u>



Notes to the non-consolidated balance sheet of NDG the Netherlands

Other Financial Investments:

During 2014 Stichting Ninos De Guatemala Nederland acquired a 16,67% interest in Good Property Guatemala C.V. The acquisition price was € 250.000, which was donated for this purpose only by Stichting Liberty to Stichting Ninos de Guatemala Nederland. The donation was deducted from the acquisition price. Good Property Guatemala C.V. is a financing company for property in Guatemala, in which, social businesses will be developed. The income from these social businesses will be for the benefit of NGO Niños de Guatemala.

Quarterly Application paid in advance:

This amount consisted of a prepayment to Guatemala for Quarter 1, 2016, and included regular and program support. This amount was a short-term liability for NDG Guatemala.

Program income received in advance:

The program income received in advance mainly includes the Padrino program. The received amounts in the Netherlands are periodically transferred to Guatemala, where they are accounted for as income for that period.

Accounts payable Cambio Spanish School:

This amount consists of amounts received by NDG the Netherlands for the Cambio Spanish School in Guatemala.

Notes to the non-consolidated statement of income and expenses of NDG the Netherlands

Income:

Donations monetary:

During the year 2016 the majority of our received donations were from: Stichting Onderwijs Steunfonds, Stichting Tilly en Albert Waaijer Fonds, Stichting Campo Verde, Stichting Devon, Companies affiliated to A. Pols and NDG France.

Friends program:

The friends program is an important source of structural income. These amounts are received on a monthly basis.

Events:

The income on events is the net income realized as specified below:

Events

All amounts in Euro's

2016	<i>Dam-tot-Damloop</i>	<i>Charity Events</i>	<i>Total:</i>
Income	40.180	33.919	74.099
Expenses	11.271	14.957	26.228
Net income:	28.909	18.962	47.871

2015	<i>Dam-tot-Damloop</i>	<i>Charity Events</i>	<i>Total:</i>
Income	32.403	3.202	35.606
Expenses	11.346	870	12.216
Net income:	21.058	2.332	23.390

Dam-tot-Damloop:

The income of the Dam-tot-Damloop includes fees from participants to buy a starting permit and raised sponsoring by the runners. The expenses include cost to acquire the starting permits, T-shirts and the use of the online system for sponsoring.

Charity Event:

The income of the Charity Event includes donations to participate at the event and if applicable donations from auctions. The expenses include rent of the location, cost of food, cost of art objects and project management.

Expenses:

Overhead:

The increase of overhead expenses is mainly due to the hiring of a freelance Global Director for Niños de Guatemala Nederland. In order for the organization to become more sustainable, a certain professionalism is required that cannot be reached with volunteers alone. The Global Director works together with a team of dedicated volunteers to bring the organization to the next level, so as to ensure a sustainable future for the organization. Other overhead expenses for NDG NL mainly consist of office costs, travel costs, promotion costs and banking costs.

Contribution to NDG Guatemala:

Support according to budget:

These amounts have been transferred to Guatemala on a quarterly basis and are used to cover operational expenses in Guatemala (local salaries, educational materials, office costs, etc.). An elaboration on money received and spent in Guatemala can be found in the non-consolidated statements of NDG Guatemala.

Overhead (directly transferred to management advisors):

The overhead support that NDG NL contributes to NDG Guatemala is meant to cover the salaries of Western Operations Managers. These amounts are paid directly to the Operations Managers and do not flow through the accounts of NDG Guatemala (in the consolidated statement of income and expenses this amount is presented under “Salaries and benefits”).

Additional support:

The additional support was transferred to Guatemala for the construction costs of the “Basico School”.

Amsterdam, June 30th, 2017

The General Board,

M.C.A. Goos
President

I.G. Knoet
Vice President

A. Dresen
Secretary

R. Schipper
Finance & Control

D. Tomassen
International

The Supervisory Board,

T. Crijns

S.J. Wirken

M. Dresen

Annex 1: Consolidated annual accounts 2016 Niños de Guatemala



Consolidated balance sheet

All amounts in Euro's

<u>Assets:</u>	<u>31-12-2016</u>	<u>31-12-2015</u>
Land & Buildings	224.132	212.887
Furniture & Equipment	<u>30.978</u>	<u>27.943</u>
<i>Total fixed assets:</i>	255.110	240.830
Investments in affiliated companies	<u>1</u>	<u>1</u>
<i>Total Financial Fixed Assets:</i>	1	1
Other receivables & prepayments	<u>3.299</u>	<u>4.705</u>
<i>Total receivables:</i>	3.299	4.705
Bank	50.424	195.593
Cash	<u>28.615</u>	<u>1.780</u>
<i>Total Cash:</i>	79.039	197.373
<u>Total assets:</u>	<u>337.449</u>	<u>442.909</u>
 <u>Liabilities and Equity:</u>		
Income received in advance	58.869	54.518
Accounts payable Cambio Spanish School	16.028	5.302
Other Payables	<u>28.885</u>	<u>18.273</u>
<i>Total short-term liabilities:</i>	103.782	78.093
Equity	127.320	140.715
Reserve for capitalization of fixed assets	255.110	230.488
Exchangerate reserve	-4.372	2.508
Result for the year	<u>-144.391</u>	<u>8.895</u>
<i>Total Equity:</i>	233.667	364.816
<u>Total Liabilities and Equity:</u>	<u>337.449</u>	<u>442.909</u>

Consolidated statement of income and expenses

All amounts in Euro's

	<i>2016 actual</i>	<i>2015 actual</i>
<u>Income</u>		
Sales	-	-
Direct income schools	10.889	11.452
Donations Monetary	358.150	465.381
Sponsor programs	162.651	129.117
Events	69.733	26.256
Other revenues	749	4.109
<u>Total income:</u>	602.172	636.315
<u>Expenses</u>		
Cost of sales	-	-
Promotion expenses	7.790	4.011
Salaries and benefits	379.554	319.091
Office expenses	113.618	49.065
Infrastructure expenses	6.824	6.421
Construction expenses	-	27
Transportation expenses	1.831	1.051
Training and development expenses	2.427	1.812
Food and health expenses	66.800	54.376
Educative material expenses	43.988	38.169
Depreciation Expense	-	9.705
Impairment losses	123.664	158.939
Financial expenses	67	2.543
<u>Total expenses:</u>	746.563	645.210
<u>Movement of reserves:</u>	-144.391	-8.895

Annex 2: Annual accounts Niños de Guatemala 2016, Guatemala



Non Consolidated balancesheet NDG Guatemala

All amounts in Euro's

<u>Assets:</u>	<u>31-12-2016</u>	<u>31-12-2015</u>
Land & Buildings	224.132	212.887
Furniture & Equipment	<u>30.978</u>	<u>27.943</u>
<i>Total fixed assets:</i>	255.110	240.830
Loans to employees	923	123
Other Receivables	<u>768</u>	<u>1.57</u>
<i>Total receivables:</i>	1.691	1.701
Bank	1.874	118.531
Cash	<u>28.615</u>	<u>1.780</u>
<i>Total cash:</i>	30.489	120.311
<u>Total assets:</u>	<u>287.290</u>	<u>362.842</u>
 <u>Liabilities and Equity:</u>		
Taxes payable	991	1.030
Income received in advance	26.875	45.729
Other payables	<u>12.218</u>	<u>12.133</u>
<i>Total short-term liabilities:</i>	40.084	58.892
Equity	66.454	24.871
Reserve for capitalization of fixed assets	255.110	230.488
Excangerate reserve	-4.372	2.508
Result for the year	<u>-69.986</u>	<u>46.083</u>
<i>Total Equity:</i>	247.206	303.950
<u>Total Liabilities and Equity:</u>	<u>287.290</u>	<u>362.842</u>

Non-consolidated statement of income and expenses NDG Guatemala, Guatemala

All amounts in Euro's

	<i>2016 actual</i>	<i>2015 actual</i>
<u>Income</u>		
Sales	-	-
Direct income schools	10.889	11.452
Donations Monetary	347.991	487.517
Sponsor programs	151.172	117.395
Events	21.862	2.866
Other revenues	243	4.079
<u>Total income:</u>	532.157	623.309
<u>Expenses</u>		
Cost of sales	-	-
Promotion expenses	7.790	4.011
Salaries and benefits	287.031	256.783
Office expenses	61.721	43.389
Infrastructure expenses	6.824	6.421
Construction expenses	-	27
Transportation expenses	1.831	1.051
Training and development expenses	2.427	1.812
Food and health expenses	66.800	54.376
Educative material expenses	43.988	38.169
Depreciation expense	-	9.705
Impairment losses	123.664	158.939
Financial expenses	67	2.543
<u>Total expenses:</u>	602.143	577.226
<u>Movement of reserves:</u>	<u>-69.986</u>	<u>46.083</u>