

# ONE HOPE MALAWI

Annual reporting 2022



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## **Basic information about One Hope Malawi**

### **Regulations**

Stichting (Foundation) One Hope Malawi is a Foundation under Dutch Law. It has its seat in the municipality of Almere (The Netherlands). The main address is: Januaristraat 118, 1335 AJ Almere. One Hope Malawi is registered in the Chamber of Commerce (Kamer van Koophandel) under registration number: 77530233.

### **Board**

The board has 3 members. At the end of the year 2022 the board had the following members:

Chairman: Martin Rietveld

Treasurer: Auke Minnema

Secretary: Annemijn van den Boogaard-van Gent

### **Activities**

One Hope Malawi has a website [onhopemalawi.com](http://onhopemalawi.com) with more info about all activities. Furthermore, an annual report is available on the website as well.

# 2022 Financial statements

of  
Stichting ONE HOPE MALAWI



# Balance sheet as at 31 December 2022

after appropriation of result

## Assets

(in euros)

	<b>2022</b>	<b>2021</b>
<b>Non-current assets</b>		
Property, plant and equipment (1)	19.740	25.943
<b>Current assets</b>		
Receivables and prepayments (2)	3.688	-
Cash at bank and in hand (3)	<u>27.195</u>	<u>22.549</u>
Total of current assets	30.883	22.549
<b>Total assets</b>	<u><u>50.623</u></u>	<u><u>48.492</u></u>

## Equity and liabilities

(in euros)

	<b>2022</b>	<b>2021</b>
<b>Own equity</b>		
Continuity reserve (4)	24.407	48.376
Special-purpose reserve (4)	21.285	-
Special-purpose fund (4)	<u>2.000</u>	-
	47.692	48.376
<b>Current liabilities (5)</b>	2.931	116
<b>Total of equity and liabilities</b>	<u><u>50.623</u></u>	<u><u>48.492</u></u>

# Income statement for the year ended 31 December 2022

(in euros)

	<u>2022</u>	<u>Budget 2022</u>	<u>2021</u>
<b>Benefits (6)</b>	148.622	128.000	129.106
Direct costs (7)	127.420	117.550	84.788
Fundraising costs (8)	12.477	8.800	575
Management and administration (9)	<u>9.410</u>	<u>1.650</u>	<u>4.710</u>
<b>Total of sum of expenses</b>	149.307	128.000	90.073
	-684	-	39.033
financial income and expenses	<u>-</u>	<u>-</u>	<u>-</u>
<b>Result</b>	<u><u>-684</u></u>	<u><u>-</u></u>	<u><u>39.033</u></u>

## Appropriation of results

	<u>General reserve</u>
	€
General reserve at January 1, 2022	48.376
Result 2022	-684
Special-purpose reserve	-21.285
Special-purpose fund	-2.000
General reserve at December 31, 2022	<u><u>24.407</u></u>

## Statement of Cash Flows for the year ended 31 December 2022

EUR	Notes	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Operating income</b>		-684	39.033
Adjustments for:			
Depreciation and impairment of property, plant and equipment	1	6.203	2.870
<b>Net profit/(loss) before changes in working capital</b>		<b>5.519</b>	<b>41.903</b>
Changes in working capital:			
Decrease/(increase) in trade and other receivables	2	-3.688	0
Increase/(decrease) in trade and other payables	5	2.815	116
<b>Net cash flows from operating activities</b>		<b>4.646</b>	<b>42.019</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of property, plant and equipment	1	0	-20.000
<b>Net cash flows from investing activities</b>		<b>0</b>	<b>-20.000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Net cash flows from financing activities</b>		<b>0</b>	<b>0</b>
<b>Movement in cash and cash equivalents including bank overdrafts</b>	3	<b>4.646</b>	<b>22.019</b>
<b>Net increase in cash and cash equivalents</b>		<b>4.646</b>	<b>22.019</b>
Net foreign exchange difference			
<b>Cash and cash equivalents at 1 January</b>		<b>22.549</b>	<b>530</b>
<b>Cash and cash equivalents at 31 December</b>		<b>27.195</b>	<b>22.549</b>

# Accounting policies used in preparing the financial statements

## General

The registered office according to the Articles of Association of Stichting One Hope Malawi is in Almere. Stichting One Hope Malawi is registered in the Register of the Chamber of Commerce under the file number: 77530233.

The address of Stichting One Hope Malawi is: Januaristraat 144, 1335AJ Almere.

## Framework

One Hope Malawi uses the RJK C2 framework for this Annual Accounts. This framework was first adopted in 2022 and is presented by: The council of Annual reporting in the Netherlands (Raad voor de Jaarverslaggeving).

## Foreign currency

### Functional currency

The financial statements are prepared and presented in euros, which is also the functional currency of the company.

### Foreign currency translation

Transactions denominated in foreign currencies are initially recorded at the functional currency exchange rates on the date of transaction. Monetary balance sheet items denominated in foreign currencies are translated at the functional currency exchange rates on the balance sheet date. Non-monetary balance sheet items that are measured at historical cost in a foreign currency are translated at the functional exchange rates ruling on the date of transaction. Non-monetary balance sheet items that are measured at current value are translated at the functional exchange rates ruling on the date of valuation.

Foreign currency exchange rate results arising on the settlement or translation of monetary items denominated in foreign currencies are recognized in the income statement.

Exchange differences arising on the translation of non-monetary assets and liabilities denominated in foreign currencies that are carried at current value are recognized directly in the revaluation reserves in equity.



## Financial instruments

Financial instruments include both primary financial instruments, such as receivables, securities and payables, and derivative financial instruments.

For the accounting policies applicable to primary financial instruments, please refer to the treatment of individual balance sheet items.

Stichting One Hope Malawi does not have derivatives.

## Property, plant and equipment

### Property, plant and equipment for own use

Property, plant and equipment for own use are carried at the cost of acquisition or production (less any investment grants) net of accumulated depreciation and, if applicable, accumulated impairment losses. Property, plant and equipment carried at cost do not include capitalized interest charges.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful economic lives, taking into account the residual value.

The duration of amortization is as follows:

- Cars 5 years

If the expected depreciation method, useful economic life and/or residual value are subject to changes over time, they are treated as a change in accounting estimate.

The carrying amount includes capitalized major maintenance costs when incurred and if the recognition criteria are met. The carrying amount of the components to be replaced will be regarded as a disposal and recognized directly in the income statement. All other repair and maintenance costs are recognized directly in the income statement.

If a property, plant and equipment involves costs of obligations for restoring that are the consequence of having built the asset, the costs of restoring are recognized as part of the carrying amount of the asset, with a provision being recognized for an equal amount at the same time.

Property, plant and equipment is derecognized upon sale or when no further economic benefits are expected from its continued use or sale. The gain or loss arising on the disposal is recognized in the income statement.

## Cash at bank and in hand

Cash at bank and in hand includes cash in hand, bank balances, notes and cheques and carried at face value. It also includes deposits if these are effectively at Stichting One Hope Malawi's free disposal, even if interest income may be lost.

Cash at bank and in hand not expected to be at Stichting One Hope Malawi's free disposal for longer than twelve months is classified as financial assets under the non-current assets. Cash at bank and in hand are carried at face value.

## **Impairment of non-financial assets**

Stichting One Hope Malawi assesses, at each reporting date, whether a non-financial asset or group of non-financial assets is impaired. Stichting One Hope Malawi assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, Stichting One Hope Malawi estimates the asset's recoverable amount. If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

An impairment occurs when the carrying amount of an asset is higher than the recoverable amount; the recoverable amount is the higher of the net realizable value and the value in use. An impairment loss is directly recognized in the income statement while the carrying amount of the asset concerned is concurrently reduced.

The net realizable value is initially based on a binding sale agreement; if there is no such agreement, net realizable value is determined based on the active market, whereby usually the prevailing bid price is taken as market price. In cases where there is no active market, the net realizable value is derived from generally accepted valuation models. The costs deducted in determining the net realizable value are based on the estimated costs that are directly attributable to the sale and are necessary to realize the sale.

Stichting One Hope Malawi assesses, at each reporting date, whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, Stichting One Hope Malawi estimates the asset's or cash-generating unit recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

## **Classification of equity and liabilities**

A financial instrument or its separate components are classified in the financial statements as liability or as equity, in accordance with the substance of the contractual agreement underlying the financial instrument. In Stichting One Hope Malawi financial statements, a financial instrument is classified in accordance with the legal reality. Interest, dividends, gains and losses relating to a financial instrument, or part of a financial instrument, are included in the financial statements in accordance with the classification of the financial instrument as liability or equity.

## **Current liabilities**

On initial recognition, current liabilities are carried at fair value less directly attributable transaction costs. After initial recognition, current liabilities are carried at amortized cost. This is usually the face value for current liabilities.

## **Income**

### **General**

The income is mainly generated by donations from individuals, companies and non-profits.

### **Interest**

Interest income is recognized pro rata in the income statement, taking into account the effective interest rate for the asset concerned.

## **Expenses**

### **General**

Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate. Foreseeable and other obligations as well as potential losses arising before the financial year-end are recognized if they are known before the financial statements are prepared and provided all other conditions for forming provisions are met.

### **Personnel**

Wages, salaries and social security charges are recognized in the income statement according to the terms of employment, to the extent they are due to either employees or the tax authorities.

Stichting One Hope Malawi recognizes an obligation if it has demonstrably committed to paying a termination benefit or transition payment. If the termination is part of a reorganization, Stichting One Hope Malawi includes the costs of a termination benefit or transition payment in a provision for reorganization costs.

Jubilee benefits are recognized as an expense in the year in which they are paid.

Stichting One Hope Malawi has personnel that is living and working in Malawi. Therefore no taxes with regards to personnel are paid in the Netherland.

### **Interest**

Interest is allocated to successive financial reporting periods in proportion to the outstanding principal. Premiums and discounts are treated as annual interest charges so that the effective interest rate, together with the interest payable on the loan, is recognized in the income statement, with the amortized (net) cost of the liabilities being recognized in the balance sheet. Period interest expense and similar related expenses are recognized in the year in which they fall due.

# Notes to the balance sheet as at 31 December 2022

## Property, plant and equipment (1)

The movement of the property, plant and equipment can be calculated as follows

EUR	Car 1	Car 2	Total
<b>At 1 January 2021</b>			
Cost or valuation	11.016	0	11.016
Accumulated depreciation, impairments and other adjustments	-2203	0	-2.203
<b>Opening net book value at 1 January 2021</b>	<b>8.813</b>	<b>0</b>	<b>8.813</b>
<b>Period ended 31 December 2021</b>			
Additions	0	20.000	20.000
Disposals	0	0	0
<b>Closing Cost or Valuation at 31 December 2021</b>	<b>11.016</b>	<b>20.000</b>	<b>31.016</b>
Accumulated depreciation on disposals	0		0
Depreciation charge for the year	-2203	-667	-2.870
<b>Closing Accumulated depreciation, impairments and other adjustments at 31 December 2021</b>	<b>-4.406</b>	<b>-667</b>	<b>-5.073</b>
<b>Closing net book value at 31 December 2021</b>	<b>6.610</b>	<b>19.333</b>	<b>25.943</b>
<b>Period ended 31 December 2022</b>			
Additions	0	-	0
Disposals	-	-	0
<b>Closing Cost or Valuation at 31 December 2022</b>	<b>11.016</b>	<b>20.000</b>	<b>31.016</b>
Accumulated depreciation on disposals	0	0	0
Depreciation charge for the year	-2203	-4000	-6.203
<b>Closing Accumulated depreciation, impairments and other adjustments at 31 December 2022</b>	<b>-6.609</b>	<b>-4.667</b>	<b>-11.276</b>
<b>Closing net book value at 31 December 2022</b>	<b>4.407</b>	<b>15.333</b>	<b>19.740</b>
<b>Depreciation rate:</b>	<b>20%</b>	<b>20%</b>	

All Property, plant and equipment is owned by the Foundation and valued.

The used method of depreciation is: straight-line depreciation.

The item Property, plant and equipment is only for Stichting One Hope Malawi's own use. This was also the case in 2021.

## Prepayments (2)

EUR	31-dec-22	31-dec-21
Prepayments	3.688	-
Cash at Bank and in hand	3.688	-

## Cash at bank and in hand (3)

EUR		
Bank account	25.149	22.234
Mollie etc	2.046	315
Cash at Bank and in hand	27.195	22.549

## Own Equity (4)

### Continuity reserve

EUR	2022	2021
Opening amount January 1st	48.376	9.343
Result of the financial year	-23.969	39.033
<b>Closing amount at 31 December</b>	<b>24.407</b>	<b>48.376</b>

The Continuity reserve is formed from the positive and negative income of earlier years. The board had not set a minimum amount for the reserve.

### Special purpose reserve

EUR	2022	2021
Opening amount January 1st	-	-
Result of the financial year	21.285	-
<b>Closing amount at 31 December</b>	<b>21.285</b>	-

### Special purpose fund

EUR	2022	2021
Opening amount January 1st	-	-
Result of the financial year	2.000	-
<b>Closing amount at 31 December</b>	<b>2.000</b>	-

The Special purpose reserve is formed to cover costs of the Nursery school in 2023.

## Current liabilities (5)

EUR	31-dec-22	31-dec-21
Creditors	2.931	116
<b>Total current liabilities</b>	<b>2.931</b>	<b>116</b>

## Arrangements and commitments not shown in the balance sheet

To be determined

## Notes to the income statement for the year end 31 December 2022

### Benefits (6)

EUR	31-dec-22	Budget 2022	31-dec-21
Fees from Individuals	20.337	87.250	25.061
Fees from companies	107.700	30.750	79.100
Fees from non-profits	20.585	10.000	24.945
	<b>148.622</b>	<b>128.000</b>	<b>129.106</b>

### Direct costs (7)

EUR	31-dec-22	Budget 2022	31-dec-21
Education	20.008	21.150	20.297
Nursery school	24.198	11.500	-
Healthcare and sanitary	5.964	11.125	6.000
Agriculture	5.378	12.925	6.000
Evangelism	11.271	13.440	6.213
Climate change	19.202	17.925	20.220
Career counseling	6.163	8.125	6.000
Traveling	20.882	10.995	8.353
Office	10.007	6.365	11.705
Family	4.347	4.000	-
	<b>127.420</b>	<b>117.550</b>	<b>84.788</b>

## Fundraising costs (8)

EUR	31-dec-22	Budget 2022	31-dec-21
Traveling	7.003	4.500	-
Fundraising	5.474	4.300	575
	<b>12.477</b>	<b>8.800</b>	<b>575</b>

## Management and administration (9)

EUR			
IT-costs	1.768	1.650	1.237
Othermanagementandadminstration	1439	-	603
Depreciationoftangibleassets	6.203	-	2.870
	<b>9.410</b>	<b>1.650</b>	<b>4.710</b>