



Financial report 2014

Naga Foundation





Stichting Naga Foundation
Rokin 69
1012 KL Amsterdam

Volendam, April 18, 2016

Subject: Annual report 2014

Dear members of the Board,

We hereby offer you the report concerning the annual report 2014 of Stichting Naga Foundation in Amsterdam.

ACCOUNTANT'S COMPILATION REPORT

The financial statements of Stichting Naga Foundation have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at December 31, 2014 and the statement of income and expenses for the year then ended with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been

This compilation engagement has been performed by us in accordance with Dutch Law, including the Dutch Standard 4410, 'Compilation engagements', which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with generally accepted accounting standards in the Netherlands. To this end we have applied our professional expertise in accounting and reporting.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumptions that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding of Stichting Naga Foundation.

During this engagement we have complied with the relevant ethical requirements prescribed by the 'Verordening Gedrags- en Beroepsregels voor Accountants' (VGBA). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us confidential.

Yours sincerely,

NBC/Van Roenburg & Partners B.V.
Accountants en Belastingadviseurs


W.J.T. Jonk RA



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General

Establishment of foundation

By notarial deed dated December 8, 2010 Naga Foundation was established. The activities are performed from the abovementioned date at expense and risk of Naga Foundation.

Activities

The activities of the Naga Foundation mainly exist of turning around the effect of worldwide desertification and the development of a sustainable, livable, ecological and economical perspective for local and regional communities and the international community resulting from this.

Board of the foundation

At the start of the financial year the board of the foundation was formed by Ms. M.C.J. Allaer, Mr. D. Karpes and Mr. P. Westerveld. In July 2014 there was a change of composition of the Board. We parted ways with Ms. M.C.J. Allaer and Mr. P. Westerveld, their positions in the board were replaced by Mr. R.J. Goppel and Mr. O.J. Maes.

Supervisory Board

Naga Foundation has a Supervisory Board in place to have a clear division between the executive and its supervisory responsibilities. In 2014 the Supervisory Board consisted of three members.

ANBI status

As per December 8, 2010 the Naga Foundation has been identified by the Dutch Tax Authority as an ANBI (Algemeen Nut Beogende Instelling). As per January 1, 2008 all donations are deductible from the taxable income as long as the foundation is identified as an ANBI.

Balance sheet as at December 31, 2014

		<u>31-12-2014</u>	<u>31-12-2013</u>
ASSETS			
Current assets			
Receivables	1 €	77.418	€ 91.615
Cash at bank and in hand	2 €	<u>963.553</u>	<u>€ 232.612</u>
		€ 1.040.971	€ 324.227
		<u>€ 1.040.971</u>	<u>€ 324.227</u>
LIABILITIES			
Foundation capital			
Continuity reserves	3 €	160.000	€ -
Other reserves	4 €	9.243	€ 90.195
Appropriation funds	5 €	813.049	€ -
		€ 982.292	€ 90.195
Short-term liabilities	6	€ 58.679	€ 234.032
		<u>€ 1.040.971</u>	<u>€ 324.227</u>

Statement of income and expenses for the year 2014

		2014	Budget 2014	2013
Income				
Income from own fundraising	7	€ 63.829	€ 60.000	€ 66.406
Income from actions third parties	8	€ 1.284.994	€ 1.133.405	€ 58.897
Other income	9	€ 5.465	€ 1.400	€ 1.057
		€ 1.354.288	€ 1.194.805	€ 126.360
Expenses				
<i>Spent on objectives</i>				
	10			
Movements		€ 100.138	€ 102.246	€ 94.789
Projects		€ 235.890	€ 1.645.594	€ 119.390
		€ 336.028	€ 1.747.840	€ 214.179
<i>Fundraising</i>				
Costs of own fundraising	11	€ 48.261	€ 78.328	€ 91.419
		€ 48.261	€ 78.328	€ 91.419
<i>Management and administration</i>				
Costs of management and administration	12	€ 77.902	€ 149.537	€ 138.547
		€ 77.902	€ 149.537	€ 138.547
Total expenses		€ 462.191	€ 1.975.705	€ 444.145
Net result		€ 892.097	€ -780.900	€ -317.785
Appropriation of results				
<i>Additions to and withdrawals from the reserves</i>				
Continuity reserves		€ 160.000		
Appropriation reserves		€ -		
Other free reserves		€ -80.952		
Appropriation funds		€ 813.049		
		€ 892.097		



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Notes to the financial statements

General

The financial statements have been prepared in accordance with RJ 650 of the Dutch general accepted accounting principles. Valuation of assets and liabilities and determination of the result take place under the historical cost convention, unless presented otherwise.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Liabilities and any losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Comparative figures

The financial statements of the previous financial year have been prepared in accordance with generally accepted accounting standards in the Netherlands. The classification of comparative figures for the previous financial year has been adjusted where applicable, for the purpose of comparison to the current year.

Currency

The annual accounts are presented in Euro's, which is the functional currency of the organization.

Accounting principles in respect of the valuation of assets and liabilities

Accounts receivable

Upon initial recognition the receivables are valued at nominal value. Provisions deemed necessary for possible bad debt losses are deducted. These provisions are determined by individual assessment of the receivables.

Cash at bank

Cash and cash equivalents are valued at face value.

Continuity reserve

To guarantee the continuity of Naga Foundation for one year during unexpected circumstances, the Board of Naga Foundation believes it is necessary to put aside a part of the general reserve into the continuity reserve.

Appropriation Funds

In the appropriation funds all donations with a specific objective given by the donor, that have not been realized in the current year, are included. The balance of the appropriation funds will be spent on Naga projects in the future.



Accounting principles in respect of result determination

Income

Unconditional donations and gifts are included in the statement of income and expenditure in the year when they are received.

Contributions of third parties in specific projects, which have not yet been realized completely, are added to the appropriation fund.

Conditional donations are included in the current financial year of the statement of income and expenditure when the related project expenditures are realized.

Expenditure

Expenditures of conditional project agreements are included in the year they are realized.

Expenditures of unconditional project agreements are included in the year they are committed to.

The own fundraising, management and administration costs are included in the year they were spend.

Costs are allocated to the following activities:

- Project related expenses
- Movement costs, costs for awareness creation through Justdigg.it
- Fundraising costs
- Management and administration costs

Notes to the balance sheet

	<u>31-12-2014</u>	<u>31-12-2013</u>
CURRENT ASSETS		
1. Receivables		
Current account P. Westerveld	€ 45.600	€ 82.411
Prepayments	€ 16.346	€ -
Receivable from third parties	€ 10.000	€ 7.667
Other accounts receivable	€ 5.472	€ 1.537
	<u>€ 77.418</u>	<u>€ 91.615</u>

No interest is taken into account regarding the current account with P. Westerveld. The current-account was used for financing of projects in Kenia. Because it was not possible to open a business account at a bank in Kenya, Naga Foundation has chosen to use a private bankaccount of P. Westerveld. The private bankaccount will be closed in 2016, after which the remaining amount on the bankaccount will be transferred to Naga Foundation. No further costs regarding projects in Kenya will be paid from the private bankaccount.

2. Cash in hand and at bank		
Rabobank savingsaccount	€ 960.302	€ 223.765
Rabobank current account	€ 3.171	€ 8.767
Cash	€ 80	€ 80
	<u>€ 963.553</u>	<u>€ 232.612</u>

All cash at bank is at the free disposal of Naga Foundation.

FOUNDATION CAPITAL

3. Continuity reserve	2014	2013
Balance as at January 1	€ -	€ -
Addition	€ 160.000	€ -
Balance as at December 31	€ 160.000	€ -

The board of Naga Foundation estimates that a total € 550.000 is needed in order to guarantee the continuity of the foundation and to be able to perform projects in order to achieve the goals of the foundation. A large amount of the total regards personnel expenses. The personnel expenses can be allocated to the projects. These allocated personnel expenses are also covered by the numerous donations we have received from third parties, which are allocated to different projects of Naga Foundation. Therefore the total amount needed is estimated at € 160.000,-. This has been set as the continuity reserve of the foundation.

4. Other reserves	2014		2013	
<i>Balance as at January 1</i>	€	90.195	€	90.195
Reallocated to continuity reserve	€	-80.952	€	-
<i>Balance as at December 31</i>	€	9.243	€	90.195

5. Appropriation funds	2014		2013	
<i>Balance as at January 1</i>	€	-	€	-
Addition Nationale Postcode Loterij	€	863.352	€	-
Expenditure Nationale Postcode Loterij	€	-136.600	€	-
Addition Impulsis	€	60.000	€	-
Addition Stichting TUI Care	€	36.249	€	-
Expenditure Stichting TUI Care	€	-9.952	€	-
<i>Balance as at December 31</i>	€	813.049	€	-

In 2014 the Nationale Postcode Loterij donated € 1.000.000,-. The donation has been allocated to different projects of Naga Foundation. € 136.600,- has been allocated to the Rombo Project. This amount has been spend on the Rombo Project. € 321.977 has been allocated to the Amboseli Project, € 404.775 is allocated to the Kuku Project. Both projects will start in the year 2015. The remainder of the Nationale Postcode Loterij donation is spent on organization costs in 2014.

Impulsis donated € 20.000,- in 2013, € 30.000,- in 2014 and expectedly will donate another € 10.000,- in 2015. The donations have been allocated to the Amboseli and Kuku Projects, € 30.000,- each.

Stichting TUI Care donated in the years 2013 and 2014. Stichting TUI Care will also donate in 2015. The total donation will amount € 36.249,-. Of this donation € 9.952,- has been spend on the Olgululi Project. The remaining amount will be allocated to the Amboseli Project.



	<u>31-12-2014</u>	<u>31-12-2013</u>
6. Short-term liabilities		
Trade creditors	€ 37.956	€ 5.041
Personnel expenses	€ 8.097	€ 870
Other payables	€ 12.626	€ 9.788
Prepayments	€ -	€ 218.333
	<u>€ 58.679</u>	<u>€ 234.032</u>



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Off-balance-sheet rights, obligations and arrangements

Rental obligation

There is a rental obligation regarding Rokin 69 in Amsterdam to Kroonenberg Groep. The annual rent amounts € 24.660,-, minus a discount of 100% in 2014. The rental obligation expires on January 31, 2016.

Notes to the statement of income and expenses

	<u>2014</u>	<u>2013</u>
INCOME		
7. Income from own fundraising		
Justdiggitt	€ 45.496	€ 62.495
Donations	€ 18.333	€ 3.911
	<u>€ 63.829</u>	<u>€ 66.406</u>
8. Income from actions third parties		
Donations from companies and other foundations	€ 1.284.994	€ 58.897
	<u>€ 1.284.994</u>	<u>€ 58.897</u>
9. Other income		
Interest	€ 5.465	€ 1.057
	<u>€ 5.465</u>	<u>€ 1.057</u>
EXPENSES		
10. Objectives		
Movement	€ 100.138	€ 94.789
Projects	€ 235.890	€ 119.390
	<u>€ 336.028</u>	<u>€ 214.179</u>
Movement		
Direct project expenses	€ 6.613	€ 70.322
Personnel expenses	€ 72.211	€ 19.607
Travel expenses	€ 4.957	€ 1.045
Hired staff	€ 11.454	€ 3.630
Other personnel expenses	€ 4.903	€ 185
	<u>€ 100.138</u>	<u>€ 94.789</u>

	<u>2014</u>	<u>2013</u>
Projects		
Direct project expenses	€ 85.321	€ 71.819
Personnel expenses	€ 71.068	€ 11.866
Travel expenses	€ 2.950	€ 13.067
Hired staff	€ 69.097	€ 21.230
Other personnel expenses	€ 7.454	€ 1.408
	<u>€ 235.890</u>	<u>€ 119.390</u>

11. Costs of own fundraising

Personnel expenses	€ 35.694	€ 29.412
Travel expenses	€ 768	€ 17.252
Hired staff	€ 7.668	€ 40.789
Other personnel expenses	€ 4.131	€ 3.966
	<u>€ 48.261</u>	<u>€ 91.419</u>

12. Costs of management and administration

Personnel expenses	€ 33.748	€ 7.504
Travel expenses	€ 1.663	€ 3.159
Hired staff	€ 15.928	€ 39.279
Other personnel expenses	€ 1.708	€ 19.725
Housing expenses	€ 1.402	€ 30.889
Office expenses	€ 4.493	€ 13.502
Administrative costs	€ 1.418	€ -
Accountancy costs	€ 1.210	€ 8.151
Professional fees	€ 15.443	€ 16.338
Other expenses	€ 889	€ -
	<u>€ 77.902</u>	<u>€ 138.547</u>

Key figures

Expenses spent on objectives / total expenses	73%	48%
Expenses spent on objectives / total income	25%	169%
Cost of own fundraising / income from own fundraising	76%	138%
Cost of own fundraising / total income	4%	72%

The costs of own fundraising also enable 'income from actions third parties', for example sponsorships and the Nationale Postcode Loterij donation.

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Distribution of expenses

Allocation	Objectives		Fundraising	Management and administration	Total 2014	Budget 2014	Total 2013
	Projects	Movement					
Expenses			<i>Cost of own fundraising</i>				
Projects	€ 85.321	€ 6.613	€ -	€ -	€ 91.934	€ 1.479.291	€ 142.141
Personnel expenses	€ 150.569	€ 93.525	€ 48.261	€ 53.047	€ 345.402	€ 412.009	€ 207.840
Housing expenses	€ -	€ -	€ -	€ 1.402	€ 1.402	€ 10.500	€ 30.889
Office and other general expenses	€ -	€ -	€ -	€ 23.453	€ 23.453	€ 73.905	€ 63.275
Total	€ 235.890	€ 100.138	€ 48.261	€ 77.902	€ 462.191	€ 1.975.705	€ 444.145

Employment and remuneration of the Directors

<i>Name:</i>	D. Karpes	P. Westerveld	M.J. Allaer	R.J. Goppel
<i>Hours:</i>	40	40	40	36
<i>Fulltime/Parttime:</i>	100%	100%	100%	80%
<i>Employment period:</i>	1-1/31-12	1-1/19-6	1-1/18-5	10-8/31-12
<i>Gross salary:</i>	€ 46.744	€ 30.000	€ 21.700	€ 29.900
<i>Holiday allowance:</i>	€ 3.740	€ 2.400	€ 1.736	€ 2.392
<i>Social security costs:</i>	€ 8.931	€ 4.872	€ 4.059	€ 5.725
	€ 59.415	€ 37.272	€ 27.495	€ 38.017

From November 18, 2014 Mr. O.J. Maes joined the Board of Directors. He performed his work on an interim basis until the end of the financial year. The total of the charged fees during his time on the Board amounted approximately € 8.855,-.