



Stichting WASTE  
Binckhorstlaan 36 Unit C174  
2516 BE 'S-GRAVENHAGE

ANNUAL ACCOUNTS 2017

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## **ANNUAL ACCOUNTS 2017**

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1. BOARD REPORT 2017

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## **BOARD REPORT 2017**

### **1.1 Introducing WASTE**

WASTE Foundation is a Dutch non-governmental research and programme management organization founded in 1983 and located in The Hague, the Netherlands.

Our vision and mission have been evolving, along with the landscape of development co-operation in Europe and elsewhere. This certainly applies to our own growing involvement in the business and financing sides of urban environmental management.

WASTE Foundation, advisers on urban environment and development, is pleased to present its 2017 Annual Report. 2017 has been the final year of Transition.

#### **1.1.1 Vision of WASTE**

The vision of WASTE: *"WASTE and its partners are united by a vision of disenfranchised people in urban areas taking the lead to sustainably improve their own environment and, by doing so, contribute to the improvement of their livelihoods and welfare."*

To manifest our vision and fulfill our mission, WASTE experts designs and implements programmes, projects, consultancies and trainings which focus on urban environmental management, including our main substantive topics, environmental services and value chains, and a range of supporting topics, both at the level of institutions and policies, and in terms of business development and entrepreneurship.

The WASTE Foundation implements multi-year, multi-country programmes. Half of these programmes have been directly, indirectly or partially financed by the Dutch ministry of Foreign Affairs, Division for International Cooperation (DGIS), roughly 23% by other government agencies (SIDA, EU, Unicef) and 25% by other funding organisations (mainly the Bill and Melinda Gates Foundation)<sup>1</sup>.

WASTE programmes operate in East, West, and Southern Africa, Central and South America, East and South Asia, Small Island Developing States and the Balkans.

WASTE has developed several tools that support its programmes. These are: The Integrated Sustainable Waste Management (ISWM), the "Diamond Model", FIETS (Finance, Institutions, Environment, Technology, and Society), the FINISH approach and innovative financing.

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<sup>1</sup> In addition to the WASTE Foundation portfolio of long-term programmes, the WASTE Cooperative has a small portfolio of consulting work and short-term projects in solid waste management, sanitation, planning, sustainable financing, training and project evaluation, financed in part by UN agencies, national ministries and private foundations.



### **1.1.2 The transition**

Times are changing and so is WASTE. We are achieving results in building local sanitation and waste service systems that are sustainable and scalable: many of our partners in developing countries are moving away from subsidies and now include (local) entrepreneurship and (local) financing in their strategy to provide safe sanitation and a clean-living environment to vulnerable and poor people (SDGs: 'leave no one behind'). The donor landscape is changing: it is becoming increasingly difficult to obtain necessary funding. Also, increasingly, our partners are becoming independent and self-sustaining.

The WASTE philosophy and approach is captured in several frameworks such as the Integrated Sustainable Waste Management Framework, the FINISH drive for acceleration and financial inclusion, and more recently the 'diamond approach'. This 'diamond approach' has proven to be a simple and well-accepted framework with great potential for further acceleration. The success of the 'diamond approach' and the 'financial inclusion approach' has consequences for WASTE. The relationship with our partners is changing: from financier and 'manager', WASTE is more and more inspiratory, facilitator to develop the diamond system and globally aligned network and knowledge partner.

Summarising, some of the main changes in the development aid sector are:

- Decline of public funds, increased tendering for funds;
- Increase in private funds for development aid (though very focused on specific themes);
- Increasing appreciation of 'blending' public and private funds; and
- Increasing complexity and increasing costs of compliance with administrative requirements.

These changes offer both opportunities (private funding) and challenges (costs of compliance). To accommodate these changes WASTE staff and directors decided in 2015/2016 that it was time for a different organisation model. WASTE transformed and developed a structure that balances our organisational needs (room to innovate, flexibility, staying relatively small in the Netherlands, while building/strengthening South-South network, decreasing subsidy dependence) and needs of our funders (transparent and accountable organisation, full compliance with administrative requirements). To this end two new organizational structures (WASTE Cooperative and WASTE BV) were established in 2016, and the WASTE Foundation was re-organised. The transition process was completed in 2017. Please refer the paragraph below for an explanation on the three structures and the relationship between them.

### **1.1.3 The structure of WASTE**

The components of the new WASTE structure that was established in 2016 are:

- The WASTE Foundation, with continued focus on large complex subsidy programmes allowing us to showcase the WASTE approach. The foundation has been re-organised to keep fixed costs at a minimum, by outsourcing Human Resources and financial administration to Nedworf Foundation.



- The WASTE Cooperative (COOP), a social enterprise to implement smaller projects and consultancy assignments with lower overhead and in the light of diminishing donor funds. The WASTE experts are the members of the WASTE Cooperative and also form the Advisory Board of the WASTE Foundation.
- The WASTE BV, to make the transition from project approaches towards a value-creating approach. The WASTE BV will invest in social enterprises to pilot new business approaches in waste management.

In Chapter 1.2 below the structure of the WASTE foundation is further explained<sup>2</sup>.

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<sup>2</sup> The WASTE Cooperative and the WASTE BV have a separate annual report.



## 1.2 Organizational structure Stichting WASTE/ WASTE Foundation

The purpose and means of the Foundation have not altered and are as below:

### Purpose

The Foundation aims to enable people in mostly poor urban areas – in low and middle-income countries, to achieve a sustainable and healthy living environment. To that purpose, the Foundation promotes participatory interaction between local stakeholders, including the public sector, the private sector and governments. The Foundation strives for a balance between financial, institutional, ecological, technological, and social aspects of sustainability.

### Means

To achieve this objective, networks, knowledge, and funds, are created. The foundation seeks to achieve this objective on a non-profit basis by:

1. Developing and leading projects and programs;
2. Performing studies and research;
3. Acquisition, adoption and execution on advisory and study assignments;
4. Evaluating projects and programs;
5. Developing innovative concepts in urban waste management and sanitation;
6. Providing transfer of knowledge and knowledge management;
7. Providing publications and providing information in relation to objects;
8. Representation of interests for the target group and promoting the objectives in the broadest sense;
9. Undertaking activities that can contribute to achieve the objective, in the broadest sense.

The raison d'être of the Foundation or Stichting in the new structure is outlined below.

- Rationale: The Foundation will continue to manage medium to large complex subsidy programmes with an accordingly appropriate management and administrative structure.
- Assets: of the Stichting include: a 30-year track record, knowledge base, a framework / (ISWM, financial innovations and diamond) approach, ANBI status, a good reputation.
- Activities and income
  - the Foundation will conduct ongoing programs and new large subsidy programs.
  - Knowledge development and knowledge management (income from license fees)
- Staff: the Stichting contracts the core group of WASTE experts (the members of the WASTE Cooperative) through a payrolling construction. This allows for flexibility, while greatly simplifying social security and employers' obligations for the WASTE Foundation. When expertise is not available among the WASTE Cooperative members, associates or others are hired.
- Outsourced Administration: for maximum flexibility, Stichting WASTE has a partnership agreement with Stichting Nedworc, in which Nedworc provides both HR (payrolling) services for WASTE experts, as well as the financial administration for Stichting WASTE.



- Governance: the Stichting has an executive board (management/board) and a Supervisory Board.
- Relationship Stichting – Cooperative: The members of the WASTE Cooperative form the Advisory Board of the WASTE Foundation.



### 1.3 Financial results

The project portfolio stabilized in 2017: the income from subsidies was € 2,951,176 in 2017, as compared to € 3,080,836 in 2016. The Foundation is doing well, it has attracted three new projects and indeed has gained traction on its track record. Many of the initiatives it has undertaken in the past or is still undertaking (financial inclusion, fecal sludge reuse, solid waste management, plastic recycling) are getting mainstreamed and thus the Foundation is well positioned to take advantage hereof.

The gross income in 2017 was € 2,951,176 with direct project cost of € 2,847,287 resulting in a net income of € 103,889. Our total operating expenses were higher at € 182,053. Thus, the result from normal operations was - € 78,164 (net operating loss). To this is added the result from the financial income and expenses of € 31,991 and - € 1,023 and the result on the guarantee funds of - € 89,571, bringing the net result to - € 136,767. Of this loss; - € 47,196 is appropriated by the continuity reserve, still leaving Foundation WASTE with a healthy reserve of € 271,704 on 31 December 2017.

The report has been prepared in line with the Annual Reporting Guideline C1.

As compared to 2016 three items in the 2017 Annual Report stand out.

1. The decrease in net operational income from € 451,370 to € 103,889
2. The decrease in operational expenses from € 445,644 to € 182,053
3. The reduction in personnel cost. Personnel cost including social security etc. decreased from € 1,324,462 in 2015 to € 191,962 in 2016 to € 17,306 in 2017<sup>3</sup>.

From the above it is clear that whilst reducing expenses further continues, the decrease in net income is the area of focus. There are two factors contributing to the reduction in net income:

- i) Setting the right income model for the Foundation. The tariffs set by WASTE Foundation did not cover the costs incurred in 2017. During the year the tariffs were revised to be sustainable, acceptable and affordable to clients. This new tariff structure will be applied to new programmes and includes the introduction of differentiated tariffs for junior, medior and senior experts.
- ii) All the changes in 2016 and 2017, including the outsourcing to Nedworc, the change of archiving system to SharePoint and preparing the move of the office early 2018 required a lot of preparation. The inherent opportunity cost resulted in less time available for project work, hence a reduced income.

In 2018 WASTE will reduce costs further by moving to a new office with lower rent.

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<sup>3</sup> Many of the former staff continued to work for WASTE, but instead of being employees of WASTE, they are contracted through our partner Nedworc, please refer page 7 above for further explanation



### **1.3.1 Projects completed**

In 2017 several projects were successfully completed, e.g. Sanitation in peri-urban areas in Africa (SPA), school sanitation, speed kits, FUSP, Malawi EU project, Safi Sana Ghana, USAID Ethiopia and ILO green jobs.

### **1.3.2 Ongoing projects**

In 2017 the following programmes continued: (i) The WASH Alliance, which has been renamed the SDG WASH Alliance continues. (ii) The FINISH programme in India, this got extended till December 2019. (iii) Also, the FINISH programme in Kenya (FINISH INK) continues till June 2019. (iv) The Mobile Desludging Unit project (VIA Water) in Ethiopia continued. (v) The BMGF / DFID project on service level agreement in Malawi continued. (vi) Mar Colombia, Unicef Mozambique (diamond model) and Unicef / YEP (Mozambique) continued as well.

SIDA approved and started supporting establishment of the Take-a-Stake Fund (fund for small and growing businesses in the WASH sector till end October 2018). Also, the 4-year EJOM Mali project (creating employment in several sectors in Mali, whereby WASTE focus is on the solid waste sector) was approved in 2017 by the EU. The 'Securing Water for Food' for recycling black and grey water, a three-year programme in South India has been approved by USAID. This project needs to get approval on a year to year basis based on results achieved.

### **1.3.3 Guarantee Funds**

WASTE Foundation continues to manage guarantee funds under its ongoing programmes with DGIS and Aqua for All. These guarantee funds are cash collaterals deposited at local micro-finance institutions or banks used to provide a guarantee to Micro-Finance Institutions (MFIs) or banks that are willing to enter the market of providing sanitation loans. Common practice is that MFIs or banks disburse sanitation loans from their own funds and the deposit minus the administrative expenses and defaults, plus the interest gained on the deposit is returned to WASTE after the contract ends. The guarantee serves to decrease the risk of entering this new market. The guarantees have been and are successful in enabling local financing for WASH, resulting in scalability of sanitation programmes and providing leverage to donor funding.

In 2017 two funds were closed and the funds returned to WASTE and to Aqua for All respectively. An amount of € 4.209,- was written off for expenses and defaults. The value of the fund further decreased with € 100,645,- due to exchange rate differences, bringing the value of outstanding guarantee funds to € 414,748.



The funds returned to WASTE are held under the 'designated funds'. The 'designated funds' are therefore higher than the outstanding guarantee funds, as this includes all funds available at WASTE for the specific purpose of financing WASH activities (both outstanding guarantees as well as returned funds). The balance of the designated funds is € 533,714.

The discussion with DGIS on the transfer of ownership of the guarantee funds has been completed and ownership of the funds will be formally transferred to the WASTE foundation.

### 1.3.4 Funding Sources

Source of Funding	Amount Spent <sup>4</sup>	As percentage of total funding
1. Dutch Government Funding (DGIS, RVO),	€ 60,417	2%
2. Government Funding (SIDA, EU, USAID)	€ 673,359	23%
3. Other Funding Organisations (BMGF, Unicef, Dioraphte, A4A)	€ 1.483.305	25%
4. PPP's	€ 1,483,305	50%
<b>Total Funding</b>	<b>€ 2,951,176</b>	<b>100%</b>

### 1.3.5 Acquisition & Forecast 2018

The forecast for 2018 looks good with an expected growth in portfolio and resulting growth in income. Several Foundation proposals got approved in the early part of 2018. A two-year Gate Funding from Aqua for All for FINISH Mondial has been approved early 2017. Towards the end of 2017, Aqua for All increased the stakes and in 2018, it is expected that the start-up phase of Finish Mondial (covering Bangladesh, Ethiopia, India, Kenya, Tanzania and Uganda) will get funded.

The India FINISH programme identified several innovations that could be possible game changers. Its extension and topping up request was approved early 2018. The Sanitation in Peri-Urban Areas in Zambia got approved in 2018. The BMGF approved the CLUES project that investigates possible learnings from solid waste sector and sanitation sectors in 10 African and Asian cities. The second year of the 'Securing Water for Food' got approved and the implementation phase of the WASH SDG Alliance got approved.

Several Foundation projects are at an advanced stage of acquisition, most promising in terms of size and scope is the implementation of Finish Mondial. Setting the diamond in the plastic sector (FINILOOP) is also gaining traction.

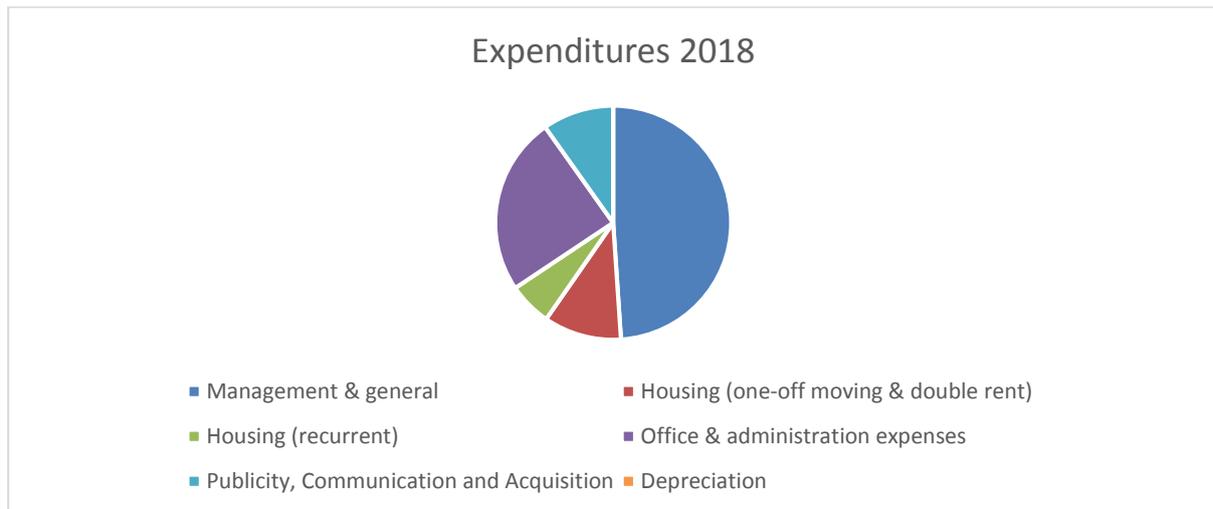
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<sup>4</sup> Amounts as spent by WASTE Foundation on projects in 2017



The 2018 budget that has been added to the Annual Report clearly outlines that the Foundation is expected to maintain its position with expected turnover of € 3,266,151. The margin of WASTE from project and fees is budgeted at € 229,876.

Against this, expenditures under different headings are depicted below.



The total operating expenditures is budgeted at € 239,941. The 2018 budget has an expected negative result of € 11,603.

If the Foundation acquires new projects and programmes whereby it can obtain a margin on projects and fees, this expected negative result will become positive. At the same time, the cost of the moving has been estimated at € 25,609. The cost may be higher in reality and / or the time spent by staff members (on which WASTE can charge no margin) may be higher than anticipated, thus affecting the result negatively.



## 1.4 Achievements WASTE

### 1.4.1 FINISH

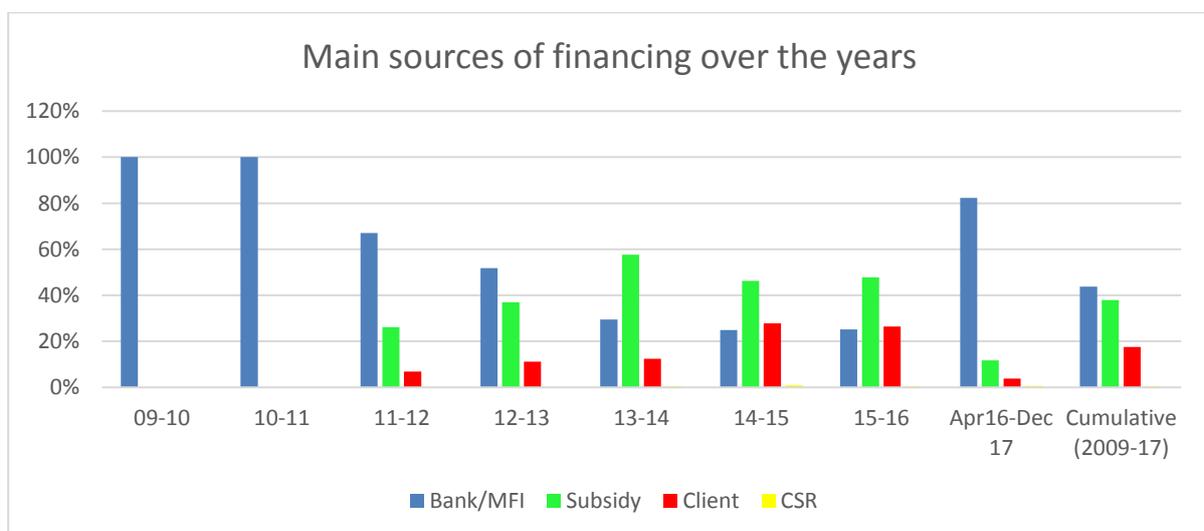
#### FINISH India

Financial Inclusion Improves Sanitation and Health (**FINISH India**) addresses sanitation for all through an integrated model that combines the demand and supply side of sanitation in India. The programme has received a grant of € 4.5 Million from DGIS in 2009.

It builds value chains in waste and sanitation that scale without future external funding. The program works with a multi-stakeholder approach. It raises awareness on and creates a demand for sanitation services amongst end-users. By integrating (local) financial resources, it establishes effective demand for sanitation, that is met by sanitation (micro)entrepreneurs. It has built capacities of masons and others in the supply chain to improving quality and safety of sanitation services, reducing the price of these services and ensuring proper disposal and / or safe reuse of the waste produced. The program has delivered improved sanitation systems for close to 700,000 households (roughly 3.5 mln people) in various Indian states and it has leveraged resources from the Dutch Government (DGIS) more than 20 times locally to about € 100 Million.

As the programme was originally scheduled to end in the year 2016 (though it got a budget neutral extension till December 2017), a project completion report has been prepared and shared with major stakeholders, amongst others DGIS, KPMG and ACTIAM. The period from April 2016-December 2017 was the sustainability phase, leading to decrease in number of partners, finance, and sanitation systems.

The cumulative funding mobilised under Finish exceeded € 100 Million end 2017 using multiple sources (see Figure below).





In the period April 2016 to December 2017, € 16.86 Million was mobilised for funding about 80,000 sanitation systems in India using multiple sources of finance. While Banks/MFIs/SHG linkages contributed € 14 Million, government subsidy contributed € 2 Million. Client's contributed to € 0.65 Million, a positive feature of the programme, with the balance € 0.11 Million coming from CSR contributions. It deserves a mention here that the interest of more corporate entities in entering this field is growing and FINISH Society is in touch with such interested corporates. It is hoped that in the coming years this contribution will see a spurt.

The Finish Society became financially self-sustainable in March 2018. Also, some of its microfinance partners continued sanitation loans without external support from the Finish Society. In the second half of 2017 a request for further extension to December 2017 and budget topping up was submitted to DGIS.

### **FINISH INK**

Financial Inclusion Improves Sanitation and Health in Kenya (**FINISH INK**) is a public private partnership (PPP) project funded by the Dutch Government with € 4.5 Million since 2013. It is extended till June 2019. Its goal is to increase access to sustainable sanitation in the rural financially excluded communities through micro-credit initiatives. The partnership is composed of nine organizations both local and international. The reporting period is from 1 May to 30 April, hence the data below are partially from 2018. The national election severely reduced achievement of results, yet the results till April 2018 were still good:

- Busia County (target county) was declared the first ever ODF county in Kenya.
- 20,710 basic latrines (benefitting 100,000 people) and 7,073 improved systems have been constructed (benefitting 35,000 people).
- € 5.0 M sanitation loans by banks and SACCOS to clients with good repayment, meeting the target set by RVO in counterpart financing.
- Another 83 entrepreneurs have been trained.
- 75 schools (over 37,500 students) and 539 entrepreneurs used sanitation loan services.
- Reached 1 Million people with improved sanitation messages.
- Leveraged estimated € 1.5M in sanitation own investments.
- FINISH INK supported engineering of Coca Cola and Samsung funded projects (both Amref).

### **FINISH Mondial**

**Aqua for All** has upped its 2 Year **Gate Funding** (€ 300,000) to € 1,600,000 to develop FINISH Mondial. FINISH is extended to Bangladesh, Ethiopia, Tanzania and Uganda. It links existing programmes; it is to scale, and it leverages finances.



### **1.4.2 WASH SDG**

The Netherlands Water, Sanitation and Hygiene (WASH) sustainable development goal (SDG) consortium is formed by the partners WASH Alliance International (WAI), Netherlands Development Organisation (SNV), and Plan Netherlands (Plan). In alliance with the Ministry of Foreign Affairs Directorate General International Cooperation (DGIS)/Inclusive Green Growth (IGG) department, the programme responds to the Dutch commitment to contribute to the SDGs, particularly SDG 6, with the aim to reach an improved WASH situation for all.

It was approved in July 2017. The inception phase runs from July 2017 to June 2018. Based on the approved programme proposal, the inception report and baseline data, programme implementation will run from July 2018 to September 2022.

The programme will be implemented in Bangladesh, Ethiopia, Indonesia, Nepal, Tanzania, Uganda and Zambia, with two or three sub-national level programmes (sub-programmes) developed per country. WASTE will participate in the Bangladesh, Ethiopia, Nepal and Tanzania programmes.

### **1.4.3 MDU**

The Mobile Desludging Unit (MDU) is making it possible that pit emptying services provided by small entrepreneurs are done effectively, efficiently and affordable. Most of small (often manual) desludging devices that are available cannot empty 'difficult' (thick, semi-solid, rubbish-loaded) sludge and are unhygienic. Some variations have been developed in Europe, but investment costs are high and spare parts are not easily available. WASTE has developed the MDU, locally Ethiopian made and which fits requirements of small entrepreneurs and their clients.

The MDU is capable of emptying 'difficult' sludge, spare parts are easily locally available, and the investment cost is affordable for small entrepreneurs. Because of the lower investment costs, the cost price for pit- and septic tank-emptying can be much lower. By regular pit-emptying, toilets are more hygienic, less smelly thereby, more used. Furthermore, pits and tanks will not be washed out during the rainy season and groundwater (less) polluted.

This innovation works by combining local affordable technology and a smart desludging process: fluidizing (making the heavy sludge fluid again), fishing (taking out rubbish) and desludging with a powerful vacuum pump. The services that can be provided by the entrepreneurs who buy this innovation (machine and emptying concept) will be affordable and dignified for operator and client.

#### **Goals:**

1. Support the development of a small desludging device made locally, and with locally available materials, local technicians and local partners, including Yassin Industries.



2. Develop of a small desludging device business: with our support, Yassin Industries promotes the technology; creates business opportunities; and develops business and marketing strategies. This, in order to produce and sell the equipment to small local businesses that are working in the sanitation sector, and to NGOs and municipalities.

### **Activities**

2017 was an active year for the MDU project, including:

- Completing the research and concept design;
- Assessing the project concept and carrying out a pre-feasibility of the local market;
- Early stage technology development, including: building, testing and demonstrating the actual prototypes on difficult sludge (household pit latrines and public toilets); and
- Beginning the product development, including: further analyzing the market and producing the desludging device itself, in close collaboration with Yassin Industries.

### **Partners in the programme:**

3. Yassin Industries (local manufacturer and well-equipped metal processing workshop)
4. Bole Bible Baptist Church Child Care and Development (local NGO)
5. Aqua for All (business development support).

#### **1.4.4 Securing Water for Food (SWFF)**

SWFF is a programme supported by USAID, Sweden through the Swedish International Development Cooperation Agency (SIDA), the Government of South Africa, and the Ministry of Foreign Affairs of the Kingdom of the Netherlands to promote science and technology solutions that enable the production of more food with less water and/or make more water available for food production, processing, and distribution.

Under SWFF, WASTE implements the innovation of 'Circular economy with blackwater recycling for co-compost production and greywater recycling for irrigation for cultivation of exotic vegetables by women farmers in the Nilgiris District, India' since 2017. WASTE partners up with RDO Trust, LEAF, Borda and Canara Bank. Under SWFF, women farmers are registered under Producer Companies in which they are connected with banks and marketing partners (such as LEAF) for procurement of their crops.

By the end of Year 1, a number of targets has been achieved: 398 farmers to adopt the innovation; 1990 end-users to be benefitted from the innovation where 842 of them are female users; 8,352 m<sup>3</sup>/year of greywater recycled for irrigation; 42 tonnes of co-compost being produced and sold to farmers, 160 ha of land have been impacted by the innovation; \$117,404 of matching funds leveraged. USAID has just approved the second year of the programme (year-on-year approval based on results achieved).



#### **1.4.5 EJOM Mali**

EJOM (Emploi des Jeunes crée, des Opportunités ici au Mali) was approved by EuropeAid in September 2017 for the period 2017 to 2021. A consortium of ICCO, WASTE, APEJ, led by SNV, will implement this 'Value Chain Development and Youth Employment in Mali' project. The project aims to train more than 8500 young persons in various disciplines (agriculture, agribusiness, solid waste management and selected handicrafts). 2017 was the start-up phase in which WASTE has worked on the solid waste management assessments in the 4 project cities (Bamako, Koulikoro, Gao and Kayes) with a special emphasis on the existing SMEs working in waste management and possible opportunities to improve themselves. Additionally, the existing training material on **starting your solid waste business** has been adapted and improved and is now available in English and in French.

#### **1.4.6 CLUES**

CLUES stands for Complementary Local Urban Environmental Services (2017 – 2018) and is funded by the Bill and Melinda Gates Foundation (BMGF). Under this project, WASTE together with RWA (Resources and Waste Advisory Group) is researching 10 cities (6 in Asia, 4 in Africa) to assess the conceptual framework for CLUES on its applicability. The experience of WASTE and RWA has shown that combining certain system elements in sanitation and waste management can improve the service and/or production chain. The research aims to find in which way this can be done in the various cities. In 2017, RWA and WASTE came together to set up the tool for assessing the waste management and sanitation situation in the cities. In 2018 the results will be analysed and reported back to the BMGF, with a new and improved tool for future city assessments.

#### **1.4.7 Implementation of UNICEF – funded programme for the republic of Mozambique**

On the 1<sup>st</sup> of June 2015, UNICEF and WASTE signed a Partnership Cooperation Agreement for Sustainable sanitation through the diamond model approach with emphasis on private sector development and financial inclusion in the small towns / District capitals of Morrumbene, Homoine and Jangamo in the Province of Inhambane.

In Inhambane the diamond was taking shape. It was encouraging to see that the stakeholders had taken up their roles, taken responsibilities, initiated actions and activities and – very important- dared to discuss each other's responsibility within the diamond. With flexibility, patience and perseverance of stakeholders and supporting organizations it had come quite far. Yet we realized that building a diamond is a journey, not simply an 'implementation process'. Projects built on these principles are replicable.

Was signed, The Hague, 23 September 2019.

Hanny Maas  
(Director)

Valentin Post  
(Financial Director)



## **1.5 Supervisory Board**

According to the Articles of Association, the Supervisory Board supervises the WASTE management and operations and acts as a sounding board and source of inspiration for the management and staff. The Board members receive a compensation for their costs but do not receive a remuneration for their efforts.

In 2017 the board met 3 times. The second meeting was a joint meeting with the Advisory Board of WASTE. Below a short overview of the main issues addressed by the Supervisory Board in 2017.

The Supervisory Board closely supervised the consolidation of the re-organisation from the Stichting WASTE with special emphasis on 1) the continuity of the Stichting WASTE and 2) the development of the cooperative.

According to plan, large projects were successfully completed and not replaced by other large programmes. The income from projects stabilized in 2017. However, contrary to expectations, more acquisition has been started for new large projects opening new opportunities for the future of the WASTE Foundation.

The cooperative has been structured with 2017 being its first full year of operation. Most of the former WASTE staff members opted to continue working for WASTE and became members of the Cooperative.

The supervisory board further monitored the financial performance of the WASTE Foundation. The Supervisory Board took notice of the intention of the Ministry of Foreign Affairs to formally transfer the ownership of the Guarantee funds to the WASTE Foundation.

The board members felt that with the transition being complete, it was time for them to step down and let a new board take over in 2018. For continuity the Chair, Adriaan Ferf, will remain in function, until the new board has settled in.

One of the last major assignments of the board was to assist the Stichting WASTE in finding a new director for the Stichting as Jacqueline Barendse had indicated that she wished to step down as Director end 2017 /early 2018. Stan Maessen also stepped down as Director. Together with the cooperative members, Supervisory Board members interviewed and screened candidates. The new director, Hanny Maas, was identified and recruited and will start in 2018. For continuity Valentin Post agreed to remain financial director until the new director was recruited and became fully functional.



## Composition

Name	Position	Other Positions
Mr. A.J.W. van de Klundert	Member	Founder WASTE
Mr. A.J.E. Ferf	Chairman	Board member Spaar het Gein Independent consultant humanitarian and development cooperation Onderzoeker afdeling Rampen Studies, Universiteit Wageningen Adviesgroep 'Humanitair Genome project' (Rijksuniversiteit Groningen) Gastdocent Rijksuniversiteit Groningen & Stenden College, Leeuwarden Voorzitter Groningse Cricket Club
Ms. V.Th. Tjon-A-Ten	Secretary	President Foundation for Aid & Relief to Prostitutes & Trafficking Victims (The Hague) Lid Raad van Toezicht ROC ID College (Gouda) Mentor Studenten Stg. Sint Maarten Student Support Services (S4) Freelance docent/begeleider Stg. Vorming Multicultureel Kader (SVMK) Freelance scriptiebegeleider Hogeschool Ambassadeur Bookids (The Hague)
Mr. T.Y.M. de Groot	Treasurer	Treasurer Childcare Foundation Bibebebonz
Mr. P.C. van Koppen	Member	Independent consultant & manager in the international water and sanitation sector Voorzitter bestuur RAIN Foundation (Amsterdam) Lid bestuur Water for Life (Utrecht) Lid 'College des Experts' van Foundation Ensemble (Paris)
Ms. L.J. Reijkerkerk	Member	Board President Mediation European Network Initiative voorzitter Stg. Mediators in Milieu & Ruimtelijke Ordening Secretaris Aviation Mediation



Was signed, The Hague, 23 September 2019.

Adriaan Ferf  
(Chair of the Supervisory Board)

Adriaan Mels  
(Member of the Supervisory Board)

Klaas Molenaar  
(Member of the Supervisory Board)

Rolien Sasse  
(Member of the Supervisory Board)



## 2. FINANCIAL STATEMENTS 2017

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**2.1 Balance per 31 December** (after appropriation of result)

<b>ASSETS</b>		31-12-2017	31-12-2016
		€	€
<b>Fixed assets</b>			
Tangible fixed assets	2.5.1	3,100	9,101
Financial fixed assets	2.5.2	439,748	738,115
		442,848	747,216
		442,848	747,216
<b>Current assets</b>			
Debtors	2.5.3	12,000	100,000
Receivables on projects	2.5.8	1,652,660	480,912
Other receivables		62,048	37,280
		1,726,708	618,192
		1,726,708	618,192
<b>Cash</b>	2.5.4	1,580,892	1,464,817
		1,580,892	1,464,817
		1,580,892	1,464,817
<b>Total assets</b>		3,750,448	2,830,225



<b>EQUITY AND LIABILITIES</b>		31-12-2017	31-12-2016
		€	€
<b>Reserves and funds</b>			
Continuity reserve	2.5.5	271,704	318,900
Designated funds	2.5.6	533,714	623,285
		<u>805,418</u>	<u>942,185</u>
		-----	-----
<b>Long-term liabilities</b>			
Other payables	2.5.7	-	110,401
		-----	-----
<b>Current liabilities</b>			
Creditors		261,438	328,916
Taxes and social charges		5,701	60
Advances on projects	2.5.8	1,418,912	827,774
Project liabilities	2.5.9	1,192,683	545,685
Other short-term liabilities		66,296	75,204
		<u>2,945,030</u>	<u>1,777,639</u>
		-----	-----
<b>Total equity and liabilities</b>		<u><u>3,750,448</u></u>	<u><u>2,830,225</u></u>



## **2.2 Statement of income and expenditure**

	Result 2017	<i>Budget</i> 2017	Result 2016
	€	€	€
<b><u>INCOME</u></b>			
Income from government subsidies:		1,350,000	
- The Netherlands	60,417	N/a	1,196,324
- Other	673,359	N/a	349,255
Income from public-private partnerships (PPPs):			
- The Netherlands	1,483,305	N/a	1,032,960
Income from funding organizations	734,095	850,000	502,297
<b>Total income</b>	<b>2,951,176</b>	<b>2,200,000</b>	<b>3,080,836</b>
<b><u>EXPENDITURE</u></b>			
Direct programme/project expenses	2,847,287	2,111,014	2,629,466
Personnel expenses 2.6.1	17,306	18,000	191,962
Management expenses	51,154	57,200	48,894
Housing expenses	46,741	43,000	48,393
Publicity, communication and acquisition	6,705	5,000	4,483
Office and general expenses	54,046	34,000	137,521
Depreciation	6,001	7,000	14,391
<b>Total expenditure</b>	<b>3,029,340</b>	<b>2,275,214</b>	<b>3,075,110</b>
Result before financial income and expenses	-78,164	-75,214	5,726
<b><u>BALANCE FOR FINANCIAL INCOME AND EXPENSES</u></b>			
Financial income	32,759	-	-
Financial expenses	-1,791	-2,000	-51,618
Result guarantee funds	-89,571	-	-18,958
<b>Financial result</b>	<b>-58,603</b>	<b>-2,000</b>	<b>-70,576</b>
<b>Result income and expenditure</b>	<b>-136,767</b>	<b>-77,214</b>	<b>-64.850</b>



	Result 2017	Budget 2017	Result 2016
	€	€	€
Continuity reserve	-47,196	-77,214	-45,892
Designated funds	-89,571	-	-18,958
	<u>-136,767</u>	<u>-77,214</u>	<u>-64,850</u>
	=====	=====	=====

**Appropriation of the result:**

Continuity reserve  
Designated funds



### **2.3 Cash flow statement**

The cash flow statement analyses the changes in cash and cash equivalents between 1 January 2017 and 31 December 2017 and is prepared to the indirect method.

	2017
	€
<b>Cash flow from operational activities</b>	
Result income and expenditure	-136,767
Result guarantee funds	104,888
Differences	-33
Depreciation	6,001
	<hr/>
<b>Cash-flow</b>	-25,911
	-----
<b><i>Changes in working capital:</i></b>	
Receivables	-1,108,516
Long term liabilities	-110,401
Short term liabilities	1,167,391
	<hr/>
Total changes in working capital	-51,526
	-----
Total cash flow from operational activities	-77,437
	<hr/> <hr/>
<b>Cash flow from investments</b>	
Investments in guarantee funds	-
Reimbursements of closed contracts guarantee funds	193,512
	<hr/>
Total cash flow from investment activities	193,512
	<hr/> <hr/>
<b>Total cash flow</b>	116,075
	<hr/> <hr/>
Cash and cash equivalents 1 January	1,464,817
Cash and cash equivalents 31 December	1,580,892
	<hr/>
<b>Changes in cash</b>	116,075
	<hr/> <hr/>



## **2.4 Accounting principles**

### **2.4.1 General information**

The financial statements are drawn up in accordance with the Guideline C1 of the Dutch Accounting Standards Board, the guideline for "Small-not-for-profit-organizations". The financial statements are prepared in €.

### **2.4.2 Translation of foreign currency**

Transactions in foreign currency are converted into euros at the exchange rate on the transaction date. At the end of the financial year all assets and liabilities in foreign currencies are converted into euros at the final exchange rate at the balance sheet date. The ensuing exchange results are processed in the statement of income and expenditure.

## **Accounting policies in respect of the valuation of assets and liabilities**

### **2.4.3 General**

Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value.

### **2.4.4 Tangible fixed assets**

Tangible fixed assets are valued against purchase price less accumulated depreciation and, if applicable, impairments. Investments less than € 500 are not capitalized. Depreciation is based on the useful life and calculated as a fixed percentage of the acquisition price, taking into account any residual value. Depreciation starts at the moment of commissioning.

### **2.4.5 Financial fixed assets**

The guarantee funds are presented as financial fixed assets and stated at amortized cost price at year end taking into account losses on loans (defaults), exchange rate differences and received interest. Cost of fund management is already included in the projects.

The guarantee funds were originally financed by project donors. The ownership of the funds has been formally transferred to WASTE. WASTE pledged to keep using the funds for the original objective: mobilizing (local) financing for water and sanitation. Therefore, the funds are also presented as designated funds under Reserves and Funds. Future withdrawals will be deducted from the guarantee funds through the statement of income and expenditure.



#### **2.4.6 Receivables**

Receivables are recognized at fair value. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of discounted value of the expected revenues. Interest gains are recognized using the effective interest method. When a receivable is uncollectible, it is written off against the provision for bad debts.

Cash is stated at face value.

#### **2.4.7 Reserves and funds**

The promised subsidy income and efforts for additional benefits do not prevent a certain degree of uncertainty about the continuity of the organization. The subsidy commitments assume a continuation of the Foundation and in these annual accounts the principles of valuation and determination of the result are based on the assumption of continuity of the Foundation.

The continuity reserve is created to ensure that the foundation can meet its legal and moral obligations in case of a significant fall in income in the future. The Board has the authority to allocate special purpose reserves for specific projects.

The designated funds allocates the pledged funds available for guarantee funds.

### **Accounting policies in respect of result determination**

#### **2.4.8 Income and expenditure**

Income and expenditure are recognized as they are earned or incurred and are accounted for in the financial statements in the year to which they relate. Losses are taken into account if they originate in the financial year and as soon as these are anticipated. Profit or loss is determined as the difference between the realistic value of the services delivered and the costs and other charges for the year. WASTE defines the net income as a result of realized productive hours against the tariff agreed with the funders. Direct project costs are directly made for projects such as costs of partners and travel costs.

The general and administrative expenses comprise partly costs chargeable to the year that are not directly attributable to the cost of the services rendered.

Salaries, pension and social security contributions are taken to the income statement based on the terms of employment, where they are due to employees.

Interest paid and received is recognized on a time-weighted basis, taken account of the effective interest rate concerned.



## **2.5 Notes to the balance sheet**

### **ASSETS**

#### **FIXED ASSETS**

##### **2.5.1 Tangible fixed assets**

	Computer	Inventory/ equipment	Total
	€	€	€
Balance as at 1 January 2017			
Purchase value	115,908	16,998	132,906
Accumulated depreciation	-107,140	-16,665	-123,805
	<hr/>	<hr/>	<hr/>
Book values as at 1 January 2017	8,768	333	9,101
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Movements during the financial year			
Depreciation	-5,830	-171	-6,001
	<hr/>	<hr/>	<hr/>
	-5,830	-171	-6,001
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Balance as at 31 December 2017			
Purchase value	115,908	16,998	132,906
Accumulated depreciation	-112,970	-16,836	-129,806
	<hr/>	<hr/>	<hr/>
Book values as at 31 December 2017	2,938	162	3,100
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Depreciation percentage	20%	20%	



	2017	2016
	€	€
<b><u>2.5.2 Financial fixed assets</u></b>		
Guarantee funds	414,748	713,115
Investment in companies	25,000	25,000
	<hr/>	<hr/>
Balance as per 31 December	439,748	738,115
	<hr/> <hr/>	<hr/> <hr/>
<b><i>Guarantee funds (outstanding guarantees)</i></b>		
Balance as at 1 January	713,115	794,757
Adjustments former years	-1	-40,724
New issued guarantee funds	-	-
Written-off	-4,209	-49,408
Reimbursements of closed contracts	-193,512	-20,571
Interest, provisions and exchange rate differences	-100,645	29,061
	<hr/>	<hr/>
Balance as per 31 December	414,748	713,115
	<hr/> <hr/>	<hr/> <hr/>

WASTE is party in contracts with local partners to manage loan guarantee funds facilitating access to finance loans for sanitation purposes. The guarantee funds are cash collaterals deposited at local micro-finance institutions or banks for a fixed period. Common practice in these facilities is that micro-finance institutions or banks disburse and manage loans from their own funds and the deposit minus administrative expenses and amounts written-off (due to defaults and expenses), plus interest gained on the deposit is returned to WASTE after a certain period. The funds returned to WASTE are held under the 'designated funds'. The 'designated funds' are therefore higher than the outstanding guarantee funds, as this includes all funds available at WASTE for the purpose of financing WASH activities (both outstanding guarantees as well as returned funds). At the end of 2017 the designated fund is € 533,714, which is € 118,966 higher as the outstanding guarantees.

### ***Investment in companies***

WASTE International B.V. started on 6 August 2013. Stichting WASTE as a sole shareholder has fully taken the loss in WASTE International B.V. The participation is valued at € 0.

WASTE invested € 25,000 in Finish Service Management Company Ltd. in India. WASTE owns 6,118 normal shares constituting 38% of the expanded ordinary capital and 158,768 shares (100%) in the form of redeemable preference capital (6%).



	2017	2016
	€	€

## **CURRENT ASSETS**

### **2.5.3 Debtors**

Balance as per 31 December	12,000	100,000
----------------------------	--------	---------

There is no need for a provision for doubtful debtors.

### **2.5.4 Cash**

Current bank accounts	1,011,903	483,223
Savings accounts	568,938	981,543
Petty cash	51	51
Balance as per 31 December	1,580,892	1,464,817

All cash can be withdrawn upon demand. The assets from savings relate to activities to be contracted in the BMGF project and the FINISH INK project, and partly to outstanding obligations to partners in the FINISH project and the FINISH INK project.

## **EQUITY AND LIABILITIES**

	2017	2016
	€	€

### **2.5.5 Continuity reserve**

Balance as at 1 January	318,900	364,780
Reconciliation adjustments	-	12
Appropriation of result	-47,196	-45,892
Balance as at 31 December	271,704	318,900

The Supervisory Board decided to build up a continuity reserve to cover the annual costs. In 2019 the Supervisory Board will adapt the required continuity reserve based on an estimation of average annual costs and financial risks.



### **2.5.6 Designated funds**

	2017	2016
	€	€
Balance as at 1 January	623,285	682,967
Adjustment former years	-	-40,724
Appropriation of result	-89,571	-18,958
Balance as at 31 December	533,714	623,285

The amount held in the designated funds is the total remaining amount available for financing WASH activities (including guarantee funds) which are presented under the financial fixed assets. The designated funds are higher than the guarantee funds deposited. The difference at 31 December 2017 was € 118,966.

### **2.5.7 Long-term liabilities**

Balance as at 1 January	110,401	111,790
Exchange differences	-15,283	-1,389
Repaid guarantee funds	-95,118	-
Balance as at 31 December	-	110,401



## **2.5.8 Receivables and advances on projects**

Project	balance	received	spent	balance
	01-01-2017	on projects	on projects	31-12-2017
	€	€	€	€
Finish	-233,472	-	-159,824	-393,296
Schoolsanitation	3,870	-	-3,870	-
Speedkits	3,025	-	-3,025	-
Finish Ink	-188,672	500,000	-1,323,481	-1,012,153
MarColombia	-31,477	-	-	-31,477
Malawi EU	23,172	-	-23,114	58
Malawi BMGF	776,097	794,221	-539,561	1,030,757
NWP detachering	-1,500	1,500	-	-
Wash Bridgefunding	-25,791	14,425	-58,167	-69,533
MDU	21,610	45,000	-118,580	-51,970
YEP/Unicef	-	78,346	-71,526	6,820
SIDA/Sef	-	516,526	-305,144	211,382
ICI Mali	-	217,062	-163,753	53,309
A4A Finish Mondial	-	-	-34,488	-34,488
USAID	-	-	-59,743	-59,743
SDG Wash	-	35,215	-2,250	32,965
Clues	-	168,271	-84,650	83,621
	<u>346,862</u>	<u>2,370,566</u>	<u>-2,951,176</u>	<u>-233,748</u>
Receivables on projects	-480,912			-1,652,660
Advances on projects	827,774			1,418,912
	<u>346,862</u>			<u>-233,748</u>



**2.5.9 Project liabilities**

	2017	2016
	€	€
Finish	62,460	179,994
Finish ink	877,993	290,928
Wash Bridge funding	-	61,650
MDU	12,196	13,113
SIDA/SEF	53,851	-
ICI Mali	94,000	-
USAID	22,018	-
SDG Wash	39,699	-
CLUES	30,466	-
	<hr/>	<hr/>
Balance as at 31 December	1,192,683	545,685
	<hr/> <hr/>	<hr/> <hr/>



### **2.5.10 Assets and liabilities not recognized in balance sheet**

WASTE received multiyear grants for projects to be executed in the coming years. The grants are subject to restrictions, so these may be withdrawn. As far as these grants are not yet unconditionally committed, they have not been included in the balance sheet and are considered as not recognized in the balance sheet.

The table below provide an overview of these grants:

Project	total grant amount	total received 31-12-2017	receivable amounts	total spent on projects	balance 31-12-2017
	€	€	€	€	€
Finish	4,578,651	4,211,607	367,044	4,604,903	-393,296
Schoolsanitation	289,094	289,094	-	289,094	-
Speedkits	172,469	172,469	-	172,469	-
Finish Ink	4,499,533	2,621,604	1,877,929	3,633,757	-1,012,153
MarColombia	449,790	404,811	44,979	436,288	-31,477
Malawi EU	635,029	635,029	-	634,971	58
Malawi BMGF	2,349,361	2,349,361	-	1,318,604	1,030,757
NWP detachering	28,500	28,500	-	28,500	-
Wash Bridgefunding	1,096,808	1,027,275	69,533	1,096,808	-69,533
MDU	206,198	87,500	118,698	139,470	-51,970
YEP/Unicef	100,861	103,861	-3,000	97,041	6,820
SIDA/Sef	516,526	516,526	-	305,144	211,382
ICI Mali	998,585	217,062	781,523	163,753	53,309
A4A Finish Mondial	1,435,000	-	1,435,000	34,488	-34,488
USAID	431,500	-	431,500	59,743	-59,743
SDG Wash	115,634	35,215	80,419	2,250	32,965
Clues	315,159	168,271	146,888	84,650	83,621
	<u>18,218,698</u>	<u>12,868,185</u>	<u>5,350,513</u>	<u>13,101,933</u>	<u>-233,748</u>

The yearly gross rent of the office in The Hague is € 40,990. The net rent is € 31,587 due to a rent-free period ad agreed in the rental contract. The contract has entered into force on 1 April 2015 for the period of 3 years.



## **2.6 Notes to the statement of income and expenditure**

	Result 2017	Budget 2017	Result 2016
	€	€	€
<b>EXPENSES</b>			
<b><u>2.6.1 Personnel expenses</u></b>			
Salaries	23,602	N/a	142,022
Received sickness allowance	-13,567	N/a	-15,021
Social charges	3,709	N/a	5,735
Pension charges	-4,097	N/a	28,602
Transition expenses	-	N/a	-14,909
Hired personnel	2,663	N/a	28,488
Other personnel expenses	4,996	N/a	17,045
	<u>17,306</u>	<u>18,000</u>	<u>191,962</u>

## **2.7 Post balance sheet events**

There have been no significant events post balance date which would materially effect the annual accounts.



## 2.8 Legislation on standards for top salaries (Wet Normering Topinkomenst WNT) 2017

2017

### Details of function

Name	J.H.M. Barendse	V.C.K.A.M. Post	S.M. Maessen
Function	Director	Director	Director
Start and end of function in 2017	1/1 - 31/12	1/1 - 31/12	1/1 - 31/12
Extend of employment in fte	1,0	1,0	0,75
Former director	no	no	no
Fictional engagement	yes	yes	yes

### Remuneration

	€	€	€
Remuneration including taxable compensations	95,974	103,430	51,358
Provisions remuneration due	-	-	-
Subtotal	95,974	103,430	51,358
Individual applicable remuneration maximum	168,000	168,000	126,000
Subtotal	95,974	103,430	51,358
-/- amount paid not due	-	-	-
Total remuneration	95,974	103,430	51,358
Reason amount paid not due is allowed	N/a	N/a	N/a

According to the law on top salaries **all payments** to persons registered as directors in the Chamber of Commerce have to be provided here. It is important to note that only Jacqueline Barendse is a fulltime director of WASTE. Valentin Post and Stan Maessen are remunerated mainly for their work as project managers and only for a very small part as directors.



## 2016

### Details of function

Name	J.H.M. Barendse	V.C.K.A.M. Post	S.M. Maessen
Function	Director	Director	Director
Start and end of function in 2016	1/1 – 31/12	1/1 – 31/12	1/1 - 31/12
Extend of employment in fte	1,0	1,0	0,75

### Remuneration

	€	€	€
Remuneration including taxable compensations	113,741	104,155	65,066
Provisions remuneration due	-	-	-
<b>Total remuneration</b>	<b>113,741</b>	<b>104,155</b>	<b>65,066</b>

In 2016 the directors were paid partly by way of engagement (payrolling) and partly per hour. The hourly rate excluding VAT was € 56,82 (WNT maximum € 175). Included in the above mentioned amounts is a transition compensation. The total remuneration kept within the WNT maximums.



## **2.9 Approval and adoption of the annual accounts 2017**

The Board shall approve the annual report and financial statement 2017 of the Stichting in the next meeting, including the allocation of the result of income and expenditure as presented on page 24.

Was signed, The Hague, 23 September 2019.

Hanny Maas  
(Director)

Valentin Post  
(Financial Director)



### 3. OTHER INFORMATION

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Stichting WASTE  
Binckhorstlaan 36, Unit C1 74  
2516 BE DEN HAAG

## INDEPENDENT AUDITOR'S REPORT

To: management and the supervisory board of Stichting WASTE

### Report on the audit of the financial statements 2017 included in the annual accounts 2017

#### *Our opinion*

We have audited the financial statements 2017 (page 21-39) of Stichting WASTE, based in Den Haag.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting WASTE as at 31 December 2017 and of its result for 2017 in accordance with the RJK-Richtlijn C1 'Kleine organisaties-zonder-winststreven' (guideline for annual reporting for small not-for-profit organisations) of the Dutch Accounting Standards Board and the 'Wet normering topinkomens' (WNT, Standards for Remuneration Act).

The financial statements comprise:

1. the balance sheet as at 31 December 2017 (with a balance sheet total of € 3,750,448);
2. the statement of income and expenditure for the year 2017 (with a total negative result of € 136,767); and
3. the notes comprising a summary of the accounting policies and other explanatory information.

#### *Basis for our opinion*

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the accompanying financial statements' section of our report.

We are independent of Stichting WASTE in accordance with the 'Verordening inzake de Onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening Gedrags- en Beroepsregels Accountants (VGBA, Dutch Code of Ethics).

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

#### *Unaudited corresponding figures*

We have not audited the financial statements 2016. Consequently, we have not audited the corresponding figures included in the statement of income and expenditure, in the statements of changes and in the related notes.

### Report on the other information included in the annual accounts 2017

In addition to the financial statements and our auditor's report thereon, the annual accounts 2017 contains other information that consists of:

- the board report.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements, does not contain material misstatements and that all information is included which is requested by the RJK-Richtlijn C1 'Kleine organisaties-zonder-winststreven' (guideline for annual reporting for small not-for-profit organisations) of the Dutch Accounting Standards Board and the 'Wet normering topinkomens' (WNT, Standards for Remuneration Act).

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the director's report and other information in accordance with the RJK-Richtlijn C1 'Kleine organisaties-zonder-winststreven' (guideline for annual reporting for small not-for-profit organisations) of the Dutch Accounting Standards Board and the 'Wet normering topinkomens' (WNT, Standards for Remuneration Act).

#### **Description of responsibilities regarding the financial statements**

##### ***Responsibilities of management and the supervisory board for the financial statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the RJK-Richtlijn C1 'Kleine organisaties-zonder-winststreven' (guideline for annual reporting for small not-for-profit organisations) of the Dutch Accounting Standards Board and the 'Wet normering topinkomens' (WNT, Standards for Remuneration Act). Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the company financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

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

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

For a more detailed description of our responsibilities, we refer to the appendix of this auditor's report.

Was signed to Sliedrecht, 23 September 2019.

WITh accountants B.V.  
P. Alblas RA

Enclosure.

**Enclosure to our auditor's report by the accompanying financial statements 2017 of Stichting WASTE, based in Den Haag**

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, 'Controleprotocol WNT 2017' (audit protocol 2017 concerning the Standards for Remuneration Act) ethical requirements and independence requirements. Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the company financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the company financial statements, including the disclosures; and
- evaluating whether the company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management and the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.