



Stichting Aflatoun International,  
Amsterdam

## Annual Report 2023

Registered seat: Amsterdam

Address:  
IJsbaanpad 9-11  
1076 CV Amsterdam

# Contents

<b>Board report</b>	<b>3</b>
<b>Financial statements</b>	
Balance sheet per December 31, 2023	12
Statement of income and expenses for the year 2023	13
Other information	14
Subsequent events	14
Commentary on actual results versus budget 2023	15
Cash flow statement for the year 2023	16
Notes to financial statements	17
Notes to the balance sheet for the period ended December 31, 2023	20
Notes to the statement of income and expenditure for the year 2023	24
<b>Allocation of expenses to objectives</b>	<b>29</b>
<b>Independent auditor's report</b>	<b>30</b>
<b>Budget 2024</b>	<b>33</b>

Total number of pages in this report: 33

## Board report

### Progress in Practice: Aflatoun's 2023 Report

In a world where financial literacy and social empowerment are crucial for the development of future generations, Aflatoun stands at the forefront of nurturing these essential skills in children and youth worldwide. Our mission is to inspire and empower young minds, fostering a generation that is both socially responsible and financially capable. By providing inclusive, engaging, and responsive educational resources, we aim to create a ripple effect of positive change that transcends borders and cultures.

2023 was a year of significant milestones and strategic advancements for Aflatoun. We steadfastly pursued our vision of social and economic empowerment for all children and youth, and this commitment was exemplified through the numerous initiatives and achievements that marked the year. Our journey has been one of relentless innovation, collaboration, and dedication to ensuring that every child and young person has the tools they need to build a brighter future.

Our commitment to continuously improve inclusive and responsive education resources was operationalized by embarking on a revision of all Aflatoun's core curricula and capacity building tools. A newly revised Aflateen curriculum was released during 2023, marking a significant milestone in our mission. In tandem with curriculum enhancements, we strengthened our capacity-building endeavours by launching two pivotal certification programs: the Social & Financial Education Certification (SFEC) and the AflaMaster Trainer Certification Program (AMTC). The SFEC is an online course for teachers and other educators to learn how to teach Social & Financial Education using child-centred active learning methodologies. AMTC ensures the standardization of quality among global and regional master trainers, with an inaugural cohort successfully certified. Mindful of the need to continuously innovate we developed a Cryptocurrency and Block Chain Technology Curriculum which was tested in three regions. Our commitment to meaningful youth participation crystalized into a Youth Participation Framework including implementation manual and training tools for the partner network. During the year these tools were used for regional youth fora and youth exchange programmes.

In 2023, advocacy and thought leadership took precedence in our strategic agenda. The pinnacle of our efforts was the Global Social & Financial Skills Conference held in November in Utrecht, attracting over 350 participants from 85 countries. The outcome was 'The Utrecht Declaration and Commitment to Action for Transforming Social and Financial Education' signed by over 150 organisations from 80 countries. This declaration underscores the collective commitment to ensure access to financial education for all children and youth worldwide.

The work of Aflatoun was recognized in 2023 by the prestigious Money Awareness and Inclusion Awards. Aflatoun received the MAIA Award for Best School Age Financial Education Project, recognizing the impactful contributions of our Aflateen program. Aflatoun was selected as one of 10 organizations from over 240 applications to become official 2023 LEAP 'Project Host', an initiative of the Jacobs Foundation and Solve - MIT. The collaboration with LEAP should further enhance our Aflatot program: Early Childhood Education for Sustainable Development. To further enhance our knowledge leadership we launched two Randomized-Control Trials (RCTs) in India and the Gambia.

In order to further intensify advocacy efforts a number of new strategic partnerships were established including with Koenig & Bauer Banknote Solutions to develop innovative solutions for financial literacy and advocate with Central Banks for financial education. With Visa we initiated a three-year programme of support for our new teacher's certification programme (SFEC). We expanded the collaboration with the

Human Safety Net (Generali) on the Financial Education for Parents Initiative. Noteworthy was our complete organizational rebranding, signalling a renewed commitment to our mission.

The upgraded Partner Exchange Platform was used by a growing number of partners in the network. It allowed for many different partner exchanges (South-South Collaboration) activities with the aim to share best practices and lessons learned from innovations at local and regional level. The year found also an increase in activities for vulnerable groups in high-income countries, including the introduction of a new On-line Financial Literacy Course for Entrepreneurs in the EU, the introduction of financial education in positive parenting programmes across Europe and an expansion of the 'Geld Maakt Gelukkig' programme in the Netherlands.

The network of partners grew during the year from 295 to 350. And as a result of all the activities in over 111 countries, 3.3 million children were reached by partners of the Aflatoun Global Network. Furthermore, 32.8 million students were reached through integrating Social and Financial Education content into national curricula in different countries. To amplify our systemic impact, we initiated collaborations with 9 additional governments to integrate social and financial education into their national curricula the coming years.

Looking ahead, we aim to reinforce regional networks through several regional meetings that will be planned online and in-person in 2024, facilitating dialogue among partners to delineate regional priorities for the ensuing years. As we reflect on our achievements, we remain steadfast in our commitment to advancing social and economic empowerment for all. We invite you to take a look at our innovations and outstanding examples from our global network partners from 2023.

## Organizational Capacity

In 2023, Aflatoun maintained its hybrid office setup, allowing our dedicated team to work both remotely and within the office premises. This flexible approach facilitated the recruitment of new team members at our Amsterdam office, enhancing our adaptability in response. Our team demonstrated unwavering dedication and commitment, overcoming obstacles to drive our mission forward.

With the launch of the new strategy in 2022 and to ensure the organization's ability to deliver, Aflatoun expanded its current remote team by including additional 11 remote working members spread across 11 countries. Their presence bolstered our capacity-building efforts, as they engaged with local communities and fostered robust relationships with national governments, ensuring that our partners received the necessary support and guidance to effectively implement social and financial education programs tailored to their specific contexts.

We started engaging long-term consultants from different backgrounds and specialties to expand the capacity of the existing staff in Amsterdam, reaching a total of 18. This growth reflects our commitment to strengthening our organizational capacity, allowing us to extend our reach and impact more children and young people worldwide. Aflatoun's staff has grown to include 52 individuals (34 employees based in Amsterdam and 18 consultants across the world). The diverse expertise and dedication of our staff, along with the contributions of our consultants, form the bedrock of our success. Together, they enable us to navigate complex challenges and deliver on our mission to contribute to the achievement of the Sustainable Development Goals (SDGs).

## Resources and Funding

Aflatoun's work in 2023 would not have been possible without the generosity of our donors. Aflatoun received valuable support from a range of institutional, corporate, and philanthropic organizations, allowing it to continue its mission to empower children and young people across the world. We highly appreciate the support from Credit Suisse/Credit Suisse APAC, Echidna Giving, Embassy of Netherlands in Burkina Faso/PROMESSE-FP Consortium (Solidar), Erasmus+ Programme, Hershey Foundation, The Human Safety Net, Botnar Foundation, Early Childhood Authority- Abu-Dhabi, Dubai Cares, Aga Khan, Visa inc, Jacobs Foundation, National Postcode Lottery of the Netherlands, ORCA Foundation, PMI Educational Foundation, Reach Out To Asia, Sint Antonius Foundation, Skoll Foundation, Think Human Foundation, Vitol Foundation and Waterloo Foundation.

Aflatoun also welcomes the collaboration with the Amsterdam City Council, The Central Bank of West African States (BCEAO), European Innovation Council and SMEs Executive Agency, Observatoire de la Qualité des Services Financiers of Côte d'Ivoire, UNCDF and UNICEF who engaged Aflatoun as technical partner to assist in their programmes to reach children with social & financial skills.

In 2023, Aflatoun started working on establishing the "Aflatoun Ventures International" that will allow the organization to build more partnerships with the private sector and secure an additional source of funding for the foundation.

## 2023 Financial results

2023 was a year of growth. The income increased to 6,260,981 from 5,199,005 in 2022 (20.4% increase). Expenses increased to 6,427,318 which is a 23.6% increase from 2022 (5,198,850). The balance of Income and Expenses after adding the financial results (Interests & exchanges differences) was negative -183,574.

In 2023, 79.0% of expenses was directed to the three priority areas. This represents a slight increase compared to 2022 (77.8%). Aflatoun continued its investments towards the attainment of the strategic plan. The progressive roll out of the tools and training modules were successfully carried out. In support of this investment in the three priority areas, Aflatoun simultaneously aimed to be effective in support functions. In 2023, 18.0% of expenses were reported under administration and operations, a slight decrease compared to 19.5% in 2022.

In 2023, 3.0% of expenditures were related to fundraising, this is slightly higher compared with the 2.7% of expenses in 2022. The strategy implemented in 2023 to broaden the fundraising responsibilities amongst the directors is reflected in the successful performance.

For further financial information we refer to our financial statements.

## Aflatoun as a going concern

Aflatoun was in a stable financial position at the end of 2023, in terms of solvency, liquidity and secured funding for the year ahead. Unrestricted reserves are at EUR 1,603,894, while cash at bank and on hand decreased to EUR 2,734,179 from the previous year of EUR 3,827,767. The decrease in our bank balances is because our main multiyear projects were approaching the closure phase. To ensure these projects wrap up smoothly, we've used funds to cover their costs and ensure completing projects successfully. The 2024 budget, totalling EUR 8.143 million in income, has been approved with EUR 4.391 million already secured, EUR 2.732 million anticipated from weighted pipeline sources, and EUR 1.020 million yet to be identified. This represents an increase from the actual income of EUR 6.2 million in 2023. We intend to reach more children and provide increased social and financial education in a sustainable manner.

Management has committed to intensifying fundraising efforts and closely monitoring expenditures. However and despite our efforts, we may face a shortfall due to an unexpected project cancellation and to delayed confirmations by other donors.

In April 2024, a forecast was conducted, leading to measures by management to reduce costs, including postponing certain planned activities or altering their delivery methods.

In Q1 and Q2 2024, Aflatoun conducted an organizational review to stay responsive to current and emerging needs, particularly at the local level, and to meet the 2022–2026 strategic objectives. Aflatoun aims to reassess and develop a perspective on its future organizational model and structure.

## **2024 plan and budget**

Aflatoun has re-positioned its priority areas to emphasize 3 major Strategic objectives for the years 2022 to 2026. Over the next three years, Aflatoun aims to strengthen the quality and relevance of its programme content and delivery. These three key strategic objectives of Aflatoun International are represented in the budget for 2024, which can be found on the final page of this annual report.

### ***Objective 1 – Continuously improve inclusive and responsive education resources through different delivery models (e.g. in-person, digital)***

Aflatoun will be emphasising and continuously improving inclusive and responsive educational resources through in-person and digital modules. We will be upgrading our educational resources, incorporating key 21<sup>st</sup> century themes and transform towards inclusive blended delivery, including for parents. Aflatoun will be investing EUR 1.6 million during the course of 2024 to achieve this Objective.

### ***Objective 2 – Ignite and Grow the Global Aflatoun Network***

Aflatoun intends to significantly grow and strengthen its global network. Aflatoun will transform its network participation, exchange and co-creation of children, youth, partners and external stakeholders. Strategic objectives include the doubling of the number of partners (compared to 2021), training 250,000 teachers and having partnerships to national integration in 60 countries. Aflatoun will be investing EUR 4.3 million in 2024 to initiate this objective.

### ***Objective 3 – Drive outstanding Thought leadership in a turbulent (post-Covid-19) world***

Aflatoun will be investing EUR 1 million during the course of 2024 on its research and learning agenda in partnership with Leading Academic Institutions. Aflatoun will be focusing its advocacy efforts around key international & national events reinforcing Aflatoun’s agenda with its key stakeholders and where necessary challenging the establishment and be an advocate for systems change.

### ***Resource mobilization***

The budget for Resource Mobilization has been increased by 25.8% from 2023 budget, to EUR 224,254. Fundraising will remain a priority in 2024 to continue building long term donor relations for future growth and expand Aflatoun’s opportunities along with partner organisations worldwide.

### ***Operations department***

The operations department expense budget has been slightly increased by 12.5% from a 2023 budget of EUR 0.8 million to a 2024 budget EUR 0.9 million. The goal is to spend efficiently while obtaining maximum value. The key priorities in operations department remain to be organizational processes, risk management, and technology improvements and further strengthening of the HR function.

## Forecast financial position

Subject to the abovementioned factors, income in 2024 is projected to increase over 2023 to EUR 8.1 million. With Aflatoun actively implementing its new fundraising strategy, we expect to secure new opportunities with new donors for multi-year grants.

## Procedures for evaluation of financial position

In 2023 we have continued to mature our Financial Reporting Dashboard and introduced improved financial controls over planning for and reporting on our Projects and Consulting activities including our Forecast capabilities. We report on a monthly basis and compare Actual with our Budget and when available our Latest Estimate for the year. On a quarterly basis we discuss our administrative processes, outcomes and actions with the Finance Committee to prepare for the Finance part of the agenda of the quarterly Supervisory Board meeting and of the half yearly Global Board meeting.

During these board meetings, the financial performance is a key agenda item, where variances in actuals versus budget are discussed. Additionally, future plans for the remainder of the year (and further years) are reviewed and deliberated. The financial position of the organization is evaluated, ensuring thorough oversight and strategic planning.

## Risk management

Overall, 2023 has marked a year of notable improvements and changes for Aflatoun, both financially and programmatically. Significant progress has been made within the network as we continue to collaborate towards providing high-quality, inclusive social and financial education for all children and young people, particularly the most vulnerable among them.

Aflatoun's management and the Supervisory Board persist in actively identifying, assessing, and managing key risks and issues in our risk register file. These risks are categorized as Financial risks, Operational risks, IT Risks, Regulatory risks, and Reputational risks. The register undergoes annual review and includes clearly defined roles and responsibilities.

Externally, a key risk is the heightened complexity in managing the network as our portfolio expands. With Aflatoun operations spanning over 100 countries and amidst escalating conflicts and sanctions, our managers diligently monitor these risks. Another external risk is the fluctuation of exchange rates, which we mitigate by maintaining foreign currency reserves no greater than what is required for our projects.

## General information

Address:	IJsbaanpad 9-11, 1076 CV Amsterdam, The Netherlands
Website:	<a href="http://www.aflatoun.org">www.aflatoun.org</a>
Email:	<a href="mailto:info@aflatoun.org">info@aflatoun.org</a>
Telephone:	+31 20 626 2025
Link to the Articles of Association:	<a href="http://tinyurl.com/aflatoun">http://tinyurl.com/aflatoun</a>
Chamber of Commerce of the Netherlands:	Commercial Register No. 34229026
Incorporation:	29 June 2005.

## Charity or non-profit organisation

Not-for-profit (tax free) as defined in Section 5b of the Dutch General State Taxes Act (Algemene Wet Inzake Rijksbelastingen, "WAR": With the status of a Public Benefit Organisation (The ANBI's RSIN/Tax number 814607196, since 1 January 2008.) [ANBI-status controloren \(belastingdienst.nl\)](http://anbi-status.controloren.belastingdienst.nl)

## **Policies on reserves**

Aflatoun wants to ensure sustainability of the organization so that its international network is ensured. Therefore, Aflatoun has created a Continuity Reserve which seeks to cover necessary operating costs and movements in the Continuity Reserve will be through the annual profit/deficit appropriation. The board and management will decide on additions to or deductions from the Continuity Reserve, set to a range from 6 to 12 months of coverage for all necessary operating costs.

Based on budget 2024 the necessary operating costs are set at EUR 2,941,009 for 12 months, so the balance of the Continuity Reserve after appropriation of the 2023 negative balance, covers approximately 6.5 months of budgeted necessary operating costs.

## **Communication with key stakeholders**

Aflatoun's key stakeholders are the local partner organizations that implement its programmes around the world, the growing number of national governments that are interested to integrate Aflatoun content into education curricula and the donors that support Aflatoun's work. Communication with partners is coordinated by the relevant Regional Programme Manager and Regional Coordinator, drawing on the support of the Regional Board Representative as needed.

Communications with new donors is coordinated by the resource mobilization team and communications with existing donors is coordinated with the relevant Project Managers and budget holders.

## **Remuneration of the Supervisory Board**

The members of the Supervisory Board did not receive any remuneration for the year ended December 31, 2023.

## **Environment**

Caring for the environment and fostering sustainable development is a core part of Aflatoun's ethos and programmatic work, including a commitment to minimizing waste and recycling.

## **Personnel policies**

Aflatoun employee policies are in line with legal requirements and good practices in the Netherlands, and are outlined in the Employee Manual, including the employee code of conduct, whistle blower and child protection policy. During the year Aflatoun embarked on revising all of its policies and developing additional ones as per the needs identified.

## **Volunteers and Interns**

Aflatoun relies on the assistance of a number of volunteers and interns to support the team with major events. Aflatoun provides volunteers and interns with a small stipend to assist with the cost of travel associated with their assignments.

## **Corruption and Fraud**

Aflatoun has a strong set of internal controls designed to mitigate the risk of fraud and corruption. These include a Finance Manual outlining policies and procedures related to approval and documentation of expenditure and payments, an anti-money laundering, terrorism financing and sanctions policy, an employee code of conduct, and a whistle-blower policy including a duty to report, and protections for whistle-blowers.

## Management team

Our CEO is **Roeland Monasch** (roeland@afatoun.org); he is listed as company director for Aflatoun International at the Trade Registry of the Chamber of Commerce.

### *Directors of Aflatoun*

All directors are responsible for their own functional domain. Together with the CEO, **Roeland Monasch**, who is the sole statutory director, they form the management team for 2023:

**Lama Yazbeck**, Deputy CEO ([lama@afatoun.org](mailto:lama@afatoun.org))

**Abdullah Alam**, Director of Education ([abdullah@afatoun.org](mailto:abdullah@afatoun.org))

During 2023, three new Director were recruited:

**Sarkis Warzabedian**, Director of Finance and Operations (sarkis.warzabedian@afatoun.org) – started January 2023

**Kirsten Theuns**, Director of Programmes (Kirsten.theuns@afatoun.org) started March 2023

**Hillary Musarurwa**, Director of Monitoring Evaluation Research and Learning (MERL) (Hillary.musarurwa@afatoun.org) – started July 2023

The governance of Aflatoun International is laid down in the Articles of Association, providing for a two-tier board structure. The day-to-day management is in the hands of the CEO and the supervision in the hands of the Supervisory Board. The supervisory duties of the Supervisory Board are clearly separated from the operational responsibilities of the CEO, the leadership team and the staff. The Supervisory Board meets at least 4 times a year and sets the overall guidelines for strategy and policies. The CEO attends all Supervisory Board meetings, unless the Supervisory Board decides otherwise. The CEO and the Directors of the different departments form the management team, which meets weekly to discuss executive matters.

### *Supervisory Board*

At the beginning of the year the Supervisory Board consisted of Mrs. J. Kellermann, Mr. O. van Riet Paap, Mr. S. Volten, and Mr. H. Hulst.

In February 2023 Mrs. P. Zijp and Mrs. A. Koivuniemi joined the Supervisory Board as new members.

The Supervisory Board is organized into three subcommittees: the Business Development Committee, the HR, Legal, and Compliance Committee, and the Finance Committee. The members assigned to these subcommittees are as follows:

Business Development Committee:

- Mrs. A. Koivuniemi
- Mr. S. Volten

HR, Legal, and Compliance Committee:

- Mrs. J. Kellermann
- Mrs. P. Zijp

Finance Committee:

- Mr. H. Hulst
- Mr. O. van Riet Paap

<i>Supervisory Board Members</i>	<i>Other positions</i>
Joanne Kellermann, Chair	<ul style="list-style-type: none"> <li>- Chair – Pensioenfonds Zorg &amp; Welzijn</li> <li>- Chair of the Supervisory Board – NWB Bank NV</li> <li>- External advisor independent budget oversight committee at the Council of State</li> <li>- Member of the Board of Advisors Panta Holdings B.V.</li> <li>- Member of the Advisory Board – Transparency International</li> <li>- Member of the Board of Willem F. Duisenberg Fellowship Foundation</li> </ul>
Olivier van Riet Paap, Member	<ul style="list-style-type: none"> <li>- Partner, Head of Benelux – Bridgepoint</li> </ul>
Sander Volten, Member	<ul style="list-style-type: none"> <li>- Global CEO – 180 Amsterdam</li> <li>- Boardmember Stichting Bevrijdingsfestival Het Vrije Westen</li> </ul>
Herman Hulst, Member	<ul style="list-style-type: none"> <li>- Member of Supervisory Board – ING</li> </ul>
Petra Zijp, Member - since Feb. 2023	<ul style="list-style-type: none"> <li>- Partner – NautaDutilh</li> <li>- Member of the Board of Stichting Concerten bij Kaarslicht Jisp</li> <li>- Member of Nomination Committee and Law Firm Management Committee International Bar Association</li> </ul>
Anna Koivuniemi, Member - since Feb. 2023	<ul style="list-style-type: none"> <li>- Head of Google DeepMind Institute – Google DeepMind</li> <li>- Governance board member – Stichting TBVI</li> </ul>

### ***Global Network Board***

Our Global Network Board is the advisory board that advises on all major strategic decisions with an impact on the Aflatoun network. It is comprised of one representative from each of our regions, 6 in total, 1 representative from Meljol, the organization that initially conceptualized the Aflatoun approach in India and 1 special representative from China. The Global Network Board members are elected by partners from their respective regions. Each member serves a 2-year term.

During **2023**, the elected Global Board members were:

**Ana Yris Guzman**, Americas Regional Representative

**Rishad Byramjee**, Special Representative for Meljol-India

**Assane Sankara**, Francophone Africa Regional Representative

**Hamida Jamah**, Middle East & North Africa Regional Representative

**Luan Imeri**, Europe & Central Asia Regional Representative

**Mercy Luhango Mchechu**, Anglophone Africa Regional Representative

**Sylvia Paraguya**, Asia Regional Representative

**Aaron Wang**, Special Representative for China

**Founder: Jeroo Billimoria**

## Employees

### Employee Headcount

In 2023, Aflatoun employed on an average 34 employees. This is divided across three categories:

- › Strategic objectives: 24 (FTE: 22.6)
- › Fundraising: 2 (FTE: 1.5)
- › Operations: 8 (FTE: 6.3)

Aflatoun is proud to have a diverse staff, with 34 employees (30.4 FTE) in 2023 (incl. MT) (2022: 32 employees/29.6 FTE) and 18 long-term consultants from 33 countries. With the team representing all regions in which Aflatoun programmes are implemented, we can ensure that our programmes and partner support are contextualized to each socio-cultural context.

### Diversity bias

Our staff is from the following 33 countries: Argentina, , Chile, Colombia, Czech Republic, Ghana, India, Indonesia, Ireland, Italy, Japan, Jordan, Kenya, Lebanon, Lithuania, Luxembourg, Mexico, The Netherlands, Nigeria, Pakistan, Palestine, Philippines, Poland, Russia, Spain, Senegal, Syria, Taiwan, Tajikistan, United Kingdom, Austria, Pakistan, Zambia, and Zimbabwe, .

Gender balance: All staff: 70% female / 30% male – Management Team: 40% female / 60% male

Amsterdam, June 26, 2024



Roeland Monasch  
Chief Executive Officer

## Balance sheet per December 31, 2023

(after proposed appropriation of the balance of income and expenses)

	2023	2022
	EUR	EUR
<b>A s s e t s</b>		
<b>Fixed assets</b>		
Tangible fixed assets (1)	17,544	12,631
<b>Current assets</b>		
Work in progress (2)	—	6,753
Receivables and prepayments (3)	1,525,913	1,471,051
Cash at banks and in hand (4)	2,734,179	3,827,767
<b>Total current assets</b>	<u>4,260,092</u>	<u>5,305,571</u>
<b>Total assets</b>	<u><u>4,277,636</u></u>	<u><u>5,318,202</u></u>
 <b>R e s e r v e s   a n d   l i a b i l i t i e s</b>		
<b>Reserves (5)</b>		
Continuity Reserve	1,603,894	1,787,468
<b>Total Reserves</b>	<u>1,603,894</u>	<u>1,787,468</u>
<b>Current liabilities (6)</b>	2,673,742	3,530,734
<b>Total reserves and liabilities</b>	<u><u>4,277,636</u></u>	<u><u>5,318,202</u></u>

## Statement of income and expenses for the year 2023

	<b>Actual 2023</b>	Budget 2023 (unaudited)	Actual 2022
	EUR	EUR	EUR
<b>Income</b>			
<b>Source of income</b>			
Income from connected non-commercial organizations (7)	4,801,737	5,282,069	4,138,973
Income from lottery organizations (8)	1,332,006	1,458,022	1,022,090
Income from individuals	70,122	—	2,944
Income from commercial organizations (9)	57,116	50,000	15,077
Income from government	—	—	—
Other income (NOW-subsidy) (10)	—	—	19,921
Income from other non-commercial organizations	—	—	—
<b>Total income</b>	<b>6,260,981</b>	<b>6,790,091</b>	<b>5,199,005</b>
<b>Expenses</b>			
<b>Expenses for Strategic Objectives</b>			
Strategic Objective 1 (2022-2026): Content			
Continuously improve inclusive and responsive education resources through different delivery models (e.g. in-person, digital)			
	1,177,203	1,512,472	1,018,483
Strategic Objective 2 (2022-2026): Programmes/training			
Ignite and grow the global Aflatoun Network			
	3,165,452	3,661,270	2,547,305
Strategic Objective 3 (2022-2026): Research & Communication			
Drive bold thought leadership in a turbulent (post-Covid-19) world			
	732,087	1,061,499	477,391
<b>Total expenses made for Strategic Objectives</b>	<b>5,074,742</b>	<b>6,235,241</b>	<b>4,043,179</b>
<b>Expenses for fundraising</b>	<b>192,411</b>	<b>178,262</b>	<b>141,610</b>
<b>Operational and administrative expenses</b>	<b>1,160,165</b>	<b>818,368</b>	<b>1,014,061</b>
<b>Total expenses</b>	<b>6,427,318</b>	<b>7,231,871</b>	<b>5,198,850</b>
<b>Balance of Income and Expenses before financial results</b>	<b>(166,337)</b>	<b>(441,780)</b>	<b>155</b>
Financial income/(expense) (11)	(17,237)	—	138,451
<b>Balance of Income and Expenses after financial results</b>	<b>(183,574)</b>	<b>(441,780)</b>	<b>138,606</b>
<b>Proposal of appropriation of the balance:</b>			
Addition to / (deduction from) Continuity Reserve	(183,574)	(441,780)	138,606
Addition to / (deduction from) General Reserve	—	—	—
<b>Total appropriation of the balance</b>	<b>(183,574)</b>	<b>(441,780)</b>	<b>138,606</b>

The balance of income and expenses 2023 is appropriated as follows:

The negative balance for 2023 of EUR 183,574 is proposed to be deducted from the Continuity Reserve.

The difference between actual and budget is explained in the paragraph “Commentary on actual results versus budget 2023” on page the next page.

Index numbers	2023	2022
-Expenses made for strategic objectives in % of Total expenses	79.0%	77.8%
-Expenses for fundraising in % of Total expenses	3.0%	2.7%
-Operational and administrative expenses in % of Total expenses	18.0%	19.5%
-Expenses made for strategic objectives in % of Total income	81.2%	77.8%

The operational and administrative cost above include pro-bono contributions to operational and administrative activities. Excluding those pro-bono contributions, the administrative and operational expenses represent 17.9% (2022: 19.5%) of total expenses less pro-bono contributions.

## Other information

### Proposed balance of income and expenses appropriation

The management of Aflatoun proposes the appropriation of the balance of income and expenses for the year. In accordance with the provisions of Article 7.11 sub. p of the articles of association, the Supervisory Board has to confirm the adoption of the financial statements including the proposed appropriation of the balance of income and expenses. In accordance with the articles of association, gains whatsoever named and received in any year, can be used only for the realisation of the objectives of Aflatoun.

The Management proposes to appropriate the negative balance of income and expenses as follows:

The negative balance of income and expense amounting to EUR 183,574 to be deducted from the Continuity Reserve.

Awaiting the final decision, the balance sheet is prepared after appropriation of balance of income and expenses.

## Subsequent events

On March 12, 2024 Stichting Aflatoun International incorporated as sole shareholder Aflatoun Ventures International B.V., a limited liability company, based in Amsterdam. The objects of the B.V. will be amongst others to raise funds, through, inter alia, the conclusion of commercial contracts and content creation and publishing through any media available, with a view to the social and financial empowerment of children and young people. The BV has a nominal share capital of EUR 1.

## Commentary on actual results versus budget 2023

The actual income in 2023 (EUR 6,260,981) is approximately 7.8% less than the budget (EUR 6,790,091). Actual expenditure on strategic objectives in 2023 was EUR 5,074,742. This is 18.6% lower than the budget of EUR 6,235,241.

The slowdown in executing specific grants activities, alongside the protracted approval process for deliverables under service agreements, significantly impeded our revenue recognition efforts throughout 2023, thereby leading to lower-than-anticipated volumes. Additionally, we anticipate underspending in certain grants due to non-approval of a no-cost extensions (NCE). As a result, insufficient time was allocated to execute all scheduled field activities.

Actual spend on fundraising in 2023 was EUR 192,411, this is a 7.9% higher than the budget of EUR 178,262. The increase in costs can be attributed to the additional fees charged by the external consultant for additional services, as well as the difference in total employment costs for the Resource mobilization team during the year.

Actual spend on operational and administrative expenses was EUR 1,160,165. This is 41.8% more than the budget of EUR 818,368. This was mainly caused by unexpected unrestricted operational costs like IT-software, maintenance costs, subscriptions, office rent increase, cleaning fees and storage rental, emerged, contributing to the overspending on the operational and administrative budget.

## Cash flow statement for the year 2023

	2023		2022	
	EUR	EUR	EUR	EUR
<b>Cash flow from operating activities</b>				
Balance of income and expenses	(183,574)		138,606	
Adjustments for depreciation	7,046		3,026	
		(176,528)		141,632
<i>Adjustments for changes in working capital</i>				
Work in progress	6,753		157,760	
Receivables and prepayments	(54,862)		(550,000)	
Current liabilities	(856,992)		696,225	
		(905,101)		303,985
Cash flow from operating activities		(1,081,629)		445,617
<b>Cash flow from investing activities</b>				
Additions tangible fixed assets	(11,959)		(11,030)	
Cash flow from investing activities		(11,959)		(11,030)
Net cash flow		(1,093,588)		434,587
(Decrease)/increase cash and cash equivalents		(1,093,588)		434,587
<b>Movements in cash and cash equivalents</b>				
Opening balance cash and cash equivalents		3,827,767		3,393,180
(Decrease)/increase cash and cash equivalents		(1,093,588)		434,587
<b>Closing balance cash and cash equivalents</b>		2,734,179		3,827,767

## Notes to financial statements

### General

#### **Activities**

Throughout the world, many children daily face hardships that are often connected to poverty. Stichting Aflatoun International provides children with social and financial skills and insights that not only will support them to deal with these adversities but also prepare them for better planning the life ahead of them.

Stichting Aflatoun International is a Dutch foundation located in Amsterdam and founded under Dutch law.

Stichting Aflatoun International was founded in 2005, its mission is *“Ensuring access to high quality, inclusive, child-centered social and financial education for all children and young people, especially the most vulnerable.”*

To achieve our mission, since 2022 the organization’s budget is structured along the three pillars of the organisation:

- 1 Strategic Objective 1 - Continuously improve inclusive and responsive education resources through different delivery models (e.g. in-person, digital).
- 2 Strategic Objective 2 - Ignite and Grow the Global Aflatoun Network.
- 3 Strategic Objective 3 - Drive outstanding Thought leadership in a turbulent (post-Covid-19) world.

Any further supporting strategies to perform these activities are described within the operational narrative included in the Management Report for the year.

#### **Governance**

Aflatoun’s Code of Conduct, the Whistle Blower, Anti-Retaliation Policy and the Prevention Of Sexual Exploitation & Abuse Policy form a key safeguard to our operations. These code and policies are available for our stakeholders via our website: <https://aflatoun.org/about-us/governance/>.

No complaints were received based on these policies during 2023.

#### **Accounting principles**

Aflatoun applies the Dutch Accounting Standard RJ 650 (Fund Raising Organizations). Accounting policies per item of the financial statements are set out in the summary of significant accounting policies.

#### **Going concern assumption**

The financial statements have been prepared based on the going concern assumption.

#### **Investment policy**

It is Aflatoun’s policy to not invest excess funds in stocks, securities or other type of investments. Excess funds are put in savings accounts.

#### **Allocation of expenses**

The expenses recognized in the reporting year are allocated to the strategic objectives, to our fundraising activities or to operational and administrative costs. The allocation has been detailed in the schedule Allocation of expenses to objectives on page 28.

***Index numbers***

The index number “Expenses made for strategic objectives” provides the percentage from total expenses used for expenses made for strategic objectives.

The index number “Expenses for fundraising” provides the percentage from total expenses used for expenses made for fundraising.

The index number “Operational and administrative expenses” provides the percentage from total expenses used for operational and administrative tasks.

The index number “Expenses made for strategic objectives” provides the percentage from total income used for expenses made for strategic objectives.

**Summary of significant accounting policies*****Foreign currencies***

Assets and liabilities denominated in foreign currencies are translated into EUR at year-end exchange rates; exchange gains and losses are charged to the Statement of income and expenses. Transactions in foreign currencies during the financial year are translated into euros at the rate of exchange ruling on transaction date.

***Tangible fixed assets***

Tangible fixed assets are valued at historical purchase price less depreciation, determined on a straight-line basis over the estimated useful economic lives (of 3 years) of the assets concerned, taking into account any residual values.

***Work in progress***

Unbilled consultancy projects revenue is recognized only to the extent of contract costs incurred that are probably recoverable. The contract costs are recognized as an expense in the statement of income and expenses in the period in which they are incurred.

If it is probable that total contract costs will exceed total project income, the expected loss is recognized as an expense immediately.

Consultancy project income realized in the financial year is recognized under the corresponding source of income in the statement of income and expenses. Contract costs are included under expenses made for Strategic Objectives.

***Receivables***

The receivables are initially recognized at fair value including the transaction costs. After the initial recognition, the receivables are valued at amortized cost, which is due to the short term of the receivables in most cases equal to the nominal value, less a provision for possible uncollectible accounts.

***Cash at banks and in hand***

Cash at banks and in hand includes bank balances and petty cash balances and are carried at nominal value. It also includes deposits if these are effectively at Aflatoun’s free disposal, even if interest income may be lost.

Cash at bank and in hand not expected to be at the Aflatoun’s free disposal for longer than twelve months is classified as financial assets under the fixed assets.

## ***Liabilities***

The liabilities are initially recognized at fair value including the transaction costs. After the initial recognition, the liabilities are valued at amortized cost, which is due to the short term of the liabilities in most cases equal to the nominal value.

## ***Principles of determination of result***

### **Income**

#### *Project income*

Aflatoun International uses an electronic timekeeping to enable accurate allocation of salary-related expenses to donor programmes. At the same time, income on these restricted donor-funded grants and projects is recognized on the basis of actual time staff spent on projects and actual direct and indirect costs charged to projects. If there are remaining un-used project balances, without any repayment obligation, this additional income (if applicable) is only recognized after the related project is formally closed.

#### *Un-restricted grants*

Income on un-restricted donor-funded grants is recognized upon receipt and accounted on a straight-line basis, based on contract start and end dates.

#### *Income from lottery organizations*

Income from lottery organizations is recognized in the year it relates to.

#### *Partnership fees*

Annual partnership fees, are recognized in the year they relate to.

#### *Meeting fees*

Contributions for meetings organised by Aflatoun are recognised in the period that the respective meeting occurs.

#### *Donations*

Un-restricted donations and others are recognized upon receipt.

#### *Pro bono income*

Income relating to services in kind and expenses of pro bono services received are valued at their respective fair value amounts.

### **Expenses**

Expenses are recognised at the historical cost convention and are allocated to the reporting period in which they occur.

### **Depreciation**

Depreciation is calculated based on the straight-line method over the estimated useful economic life.

## ***Cash flow statement***

The cash flow statement has been prepared applying the indirect method.

## Notes to the balance sheet per December 31, 2023

### Fixed assets (1)

#### *Tangible fixed assets*

Tangible fixed assets comprise Office equipment. Movements were as follows:

	<b>2023</b>	2022
	EUR	EUR
Net book value at January 1	12,631	4,627
Additions	11,959	11,030
Deductions (cost price)	—	(4,865)
Deductions (cumulative depreciation)	—	4,865
Depreciation charge for the year	(7,046)	(3,026)
Net book value at December 31	<u>17,544</u>	<u>12,631</u>
Cost	66,834	54,875
Accumulated depreciation	(49,290)	(42,244)
Net book value at December 31	<u>17,544</u>	<u>12,631</u>

Office equipment is depreciated over a life term of 3 years.

### Work in progress (2)

	<b>2023</b>	2022
	EUR	EUR
Consultancy work in progress	<u>—</u>	<u>6,753</u>

The consultancy work in progress comprises the part of the consultancy revenue that relates to performed work from staff and/or third parties, that has not yet been invoiced to the donors.

### Receivables and prepayments (3)

	<b>2023</b>	2022
	EUR	EUR
Donor income receivable	1,038,476	846,594
Debtors	387,724	528,042
Deposit paid for bank guarantee	16,903	16,903
Other receivables and prepayments	78,321	73,504
Pension related receivables	4,489	6,008
Total	<u>1,525,913</u>	<u>1,471,051</u>

**Donor income receivables**

The donor income receivable comprises of the balance of receivables of several donors regarding the contractual agreed part of income that belongs to the current and previous year which was not invoiced and/or received yet.

**Deposit paid for bank guarantee**

Aflatoun paid a deposit of EUR 16,903 to ABN-AMRO Bank for a bank guarantee of similar amount to the landlord.

**Pension related receivables**

Pension related receivables comprise the current-account balance with the pension provider.

**Debtors**

The debtor balance includes gross receivables of EUR 439,680 (2022: 560,141) less a provision for doubtful debts of EUR 51,956 (2022: 32,099). Provisions are formed on an individual basis. Movements in the provision for doubtful debts were as follows:

	<u>2023</u>	<u>2022</u>
	EUR	EUR
Carrying amount at January 1	32,099	24,188
Additions	46,105	42,036
Releases (debtor paid)	(2,015)	(10,875)
Use of provision (debtor did not pay, invoices written-off)	(24,233)	(23,250)
Carrying amount at December 31	<u>51,956</u>	<u>32,099</u>

**Cash at banks and in hand (4)**

	<u>2023</u>	<u>2022</u>
	EUR	EUR
Current account ING Bank – held in EUR	189,173	203,936
Current account ING Bank – held in USD	97,763	2,750,931
Current accounts ABN-AMRO Bank – held in EUR	325,716	340,205
Current accounts ABN-AMRO Bank – held in USD	278,096	142,147
Savings accounts ABN-AMRO Bank – held in EUR	1,831,226	384,162
Paypal account – held in EUR	7,696	6,386
Cash in hand – held in EUR	4,238	—
Cash in hand – held in USD	271	—
Total	<u>2,734,179</u>	<u>3,827,767</u>

Cash in hand at bank balances are freely available on demand.

## Reserves (5)

The movements in Continuity Reserve are as follows:

	<u>2023</u>	<u>2022</u>
	EUR	EUR
Balance at January 1	1,787,468	1,648,862
Appropriation of balance for the year	<u>(183,574)</u>	<u>138,606</u>
Balance at December 31	<u><u>1,603,894</u></u>	<u><u>1,787,468</u></u>

In case enough Reserves are available, the Reserves are divided into two categories: Continuity and General Reserves.

### ***Continuity Reserve***

The Continuity Reserve is designated to cover *necessary operating costs*. and should be reviewed and adjusted in response to internal and external changes. The board and management will decide on additions or deductions from the Continuity Reserve, set to range from 6 to 12 months of coverage for *all necessary operating costs*.

Based on budget 2024 the necessary operating costs are set at EUR 2,941,009 for 12 months. Therefore the balance of the Continuity Reserve after appropriation of the 2023 negative balance, covers approximately 6.5 months of budgeted necessary operating costs.

### ***General Reserve***

The General Reserve represents any additional excess to the continuity reserve and is used to cover expenses for the next year's budget. Per December 31, 2023 the total amount of Reserves of Aflatoun is EUR 1,603,894 (including the negative balance for the year 2023). The aimed Continuity Reserve is higher than the available Reserves, therefor no General Reserve is available per December 31, 2023.

### ***Appropriation of balance for the year***

Management proposes to deduct the negative balance for the year of EUR 183,574 from the Continuity Reserve. In accordance with the provisions of Article 7.11 sub. p of the articles of association, the Supervisory Board has to confirm the adoption of the financial statements including the proposed appropriation of the balance of income and expenses. Waiting for the final decision, the balance sheet is prepared after the appropriation the balance of income and expenses.

## Current liabilities (6)

	<u>2023</u>	<u>2022</u>
	EUR	EUR
Donor income received in advance	2,322,014	3,117,633
Accounts payables	91,495	193,982
Accrued holidays	136,586	90,846
Wage tax	62,168	46,056
Other liabilities	61,479	82,217
	<u>2,673,742</u>	<u>3,530,734</u>

The donor income received in advance comprises of the balance of receipts of several donors regarding part of the contractual agreed income that belongs to future periods.

## Contingencies and commitments

Aflatoun had a rental agreement with Stichting Burgerweeshuis – Roomsche Catholiek Jongens Weeshuis for the period of March 1, 2020 until December 31, 2023. After the end of the contract the agreement is extended for an undefined term. It is for both, the lessee and the lessor, possible to terminate the agreement on a monthly basis with a three months notice period. The maximum commitment per December 31, 2023 is therefore, the rent for three months.

Due within one year	19,035
Due between one year and five years	—
Longer than five years	—
Total	<u>19,035</u>

## Notes to the statement of income and expenses for the year 2023

### Income from non-commercial organizations (7)

	2023	2022
	EUR	EUR
PMI	443,426	237,814
Orca	413,360	139,554
Unicef	402,074	867,566
ROTA	382,398	511,401
Visa	377,718	—
Echidna Giving	375,505	60,723
Credit Suisse	356,370	357,744
Sint Antonius Stichting	329,953	406,038
BCEAO	303,457	164,569
Solidar Lutter Pour Un Monde Equitable	291,834	245,939
European Innovation Council and SMEs Executive Agency	219,654	36,562
Hershey Foundation	161,800	302,430
Generali	139,083	—
Vitol Foundation	94,162	68,547
Gemeente Amsterdam	77,011	94,493
Botnar Foundation	59,358	—
Think Human Foundation	49,394	16,350
Gulf	42,627	—
Erasmus	31,416	19,758
Skoll Foundation	23,210	66,004
Dubai Cares	20,083	97,894
Aga Khan	16,416	—
Waterloo Foundation	11,307	22,708
OQSF	7,051	104,983
UNCDF	—	90,282
Rockefeller Philanthropy	—	72,864
Dioraphte Foundation	—	(561)
Partnership fees	75,875	76,399
Contributions for meetings/trainings	94,774	76,362
Others	2,421	2,550
Total	<u>4,801,737</u>	<u>4,138,973</u>

The income received from the respective donors is used for spending as agreed in the contracts.

## Income from lottery organizations (8)

	<u>2023</u>	<u>2022</u>
	EUR	EUR
Nationale Postcode Loterij	<u>1,332,006</u>	<u>1,022,090</u>

For the years 2020-2024 the Nationale Postcode Loterij offered a contribution. The exact amount is yearly based on the income of the lottery. For 2023 the contribution has been confirmed in March 2024 to be EUR 500,000 and has been received in March 2024 by Aflatoun.

Besides this contribution Aflatoun received also an extra grant of EUR 1,950,000 for the years 2021-2023. Of this amount EUR 1,443,000 is to spend on projects and EUR 507,000 is to cover salaries, operational and administrative expenses. During 2023 in total EUR 832,006 (2021: 522,090) has been used of the extra grant.

## Income from commercial organizations (9)

	<u>2023</u>	<u>2022</u>
	EUR	EUR
Income from commercial organizations	<u>57,116</u>	<u>15,077</u>

During 2023 Stichting Aflatoun International received for EUR 10,000 (2022: nil) pro-bono services from commercial organizations. The amount for pro-bono services has been valued at estimated realistic expenses in the Netherlands and are provided by the service providers. The pro-bono income is included in the above balances.

## Other income (NOW-subsidy) (10)

	<u>2023</u>	<u>2022</u>
	EUR	EUR
NOW-subsidy	<u>—</u>	<u>19,921</u>

During the COVID-19 outbreak early 2020 Aflatoun applied for the NOW1- and NOW2-subsidy from the Dutch government. This is the economic relief offered to companies that experience a substantial decrease in revenue during the subsidy period (March-September 2020), to offset salary cost and avoid terminations. With this support Aflatoun avoided to have to scale down significantly across the organization with serious risk of having to halt essential operations and lay-off staff.

During 2022 final calculation for NOW2-subsidy was made. It turned out that Aflatoun did not receive full remuneration. This resulted in an additional subsidy income of EUR 19,921, as presented in 2022.

## Employee information

In 2023, Aflatoun employed on average 34 employees (30.4 FTE's) (2022: 32 (29.6 FTE's)), divided as follows:

	Employees 2023	FTE's 2023	Employees 2022	FTE's 2022
Strategic objectives	24	22.6	23	21.7
Fundraising	2	1.5	2	1.7
Operations	8	6.3	7	6.2
	<u>34</u>	<u>30.4</u>	<u>32</u>	<u>29.6</u>

	2023	2022
	EUR	EUR
Gross salary	1,620,466	1,437,295
Social contributions	309,904	269,495
Pensions	61,083	51,947
Other personnel costs	37,292	29,999
Sub-total	2,028,745	1,788,736
Reimbursement for sick and parental leave	(37,247)	(5,742)
Total	<u>1,991,498</u>	<u>1,782,994</u>

During the year there were on average 6 volunteers/interns active (2022: 5).

### Director

Per the 1<sup>st</sup> of August 2015 the CEO started with an indefinite contract for 40 hours per week. The following costs are derived from the salary administration and comprise the cost of the executive director for the year:

	2023	2022
	EUR	EUR
Gross salary (CEO)	95,928	89,652
Social contributions	12,045	10,789
Pension	11,145	10,479
Other	952	915
	<u>120,070</u>	<u>111,835</u>

The gross salary in 2023 per month was EUR 7.994 (including 8% holiday allowance). This is in line on the so called "Wijffels code" for remunerations for directors working in the non-profit sector which takes into consideration the size, budget and complexity of the organisation.

This is also within the range of the maximum yearly salary of EUR 221.400 (1 FTE/12 months) according to the "Regeling beloning directeuren van goededoelenorganisaties". According to this regulation the salary cost of EUR 120,070 falls within category H with 411-450 points (maximum is category J with >491 points). Aflatoun's BSD-score is determined at 425 points.

## ***Supervisory Board***

No members of the Supervisory Board received any remuneration for the year ended December 31, 2023 (2022: nil). Aflatoun did reimburse EUR 6,486 of travel expenses of regional board members made in order to participate in board meetings during 2023 (2022: EUR 466).

At the beginning of the year the Supervisory Board consisted of Mrs. J. Kellermann, Mr. O. van Riet Paap, Mr. S. Volten, and Mr. H. Hulst.

In February 2023 Mrs. P. Zijp and Mrs. A. Koivuniemi joined the Supervisory Board as new members.

The Supervisory Board is organized into three subcommittees: the Business Development Committee, the HR, Legal, and Compliance Committee, and the Finance Committee. The members assigned to these subcommittees are as follows:

Business Development Committee:

- Mrs. A. Koivuniemi
- Mr. S. Volten

HR, Legal, and Compliance Committee:

- Mrs. J. Kellermann
- Mrs. P. Zijp

Finance Committee:

- Mr. H. Hulst
- Mr. O. van Riet Paap

<b><i>Supervisory Board Members</i></b>	<b>Other positions</b>
<b>Joanne Kellermann</b> , Chair	<ul style="list-style-type: none"> <li>- Chair – Pensioenfonds Zorg &amp; Welzijn</li> <li>- Chair of the Supervisory Board – NWB Bank NV</li> <li>- External advisor independent budget oversight committee at the Council of State</li> <li>- Member of the Board of Advisors Panta Holdings B.V.</li> <li>- Member of the Advisory Board – Transparency International</li> <li>- Member of the Board of Willem F. Duisenberg Fellowship Foundation</li> </ul>
<b>Olivier van Riet Paap</b> , Member	<ul style="list-style-type: none"> <li>- Partner, Head of Benelux – Bridgepoint</li> </ul>
<b>Sander Volten</b> , Member	<ul style="list-style-type: none"> <li>- Global CEO – 180 Amsterdam</li> <li>- Boardmember Stichting Bevrijdingsfestival Het Vrije Westen</li> </ul>
<b>Herman Hulst</b> , Member	<ul style="list-style-type: none"> <li>- Member of Supervisory Board – ING</li> </ul>
<b>Petra Zijp</b> , Member - since Feb. 2023	<ul style="list-style-type: none"> <li>- Partner – NautaDutilh</li> <li>- Member of the Board of Stichting Concerten bij Kaarslicht Jisp</li> <li>- Member of Nomination Committee and Law Firm Management Committee International Bar Association</li> </ul>
<b>Anna Koivuniemi</b> , Member - since Feb. 2023	<ul style="list-style-type: none"> <li>- Head of Google DeepMind Institute – Google DeepMind</li> <li>- Governance board member – Stichting TBVI</li> </ul>

## Financial income/(expense) (11)

	<u>2023</u>	<u>2022</u>
	EUR	EUR
Interest expenses	—	(6,250)
Foreign currency exchange gain/(loss)	(44,987)	143,244
Interest income	<u>27,750</u>	<u>1,457</u>
Total	<u>(17,237)</u>	<u>138,451</u>

Interest rates were negative in the first part of 2022, therefore during 2022 Aflatoun had interest expenses in relation to its positive bank balances. During last quarter of 2022 the interest rates became slightly positive rates again, resulting in also an interest gain in relation to Aflatoun's positive bank balances. The increase in interest rates continued rapidly during 2023, therefore during 2023 only interest income related to the Aflatoun's positive bank balances.

Balances denominated in foreign currencies are translated into EUR at year-end exchange rates; exchange gains and losses are charged to the Statement of income and expenses. Aflatoun only has USD and EUR balances.

## Allocation of expenses to objectives

	Strategic objectives					Total 2023	Budget 2023	Total 2022	Budget 2024
	Strategic Objective 1	Strategic Objective 2	Strategic Objective 3	Expenses for Fundraising	Operational and administrative				
	EUR	EUR	EUR	EUR	EUR				
<b>Strategic Objective 1 (2022-2026): Content:</b> Continuously improve inclusive and responsive education resources through different delivery models (e.g. in-person, digital)	645,974	—	—	—	—	645,974	1,055,605	562,133	1,274,077
<b>Strategic Objective 2 (2022-2026) Programmes/training:</b> Ignite and grow the global Aflatoun Network	—	2,422,865	—	—	—	2,422,865	2,719,199	1,818,660	3,266,191
<b>Strategic Objective 3 (2022-2026): Research &amp; Communication:</b> Drive bold thought leadership in a turbulent (post-Covid-19) world	—	—	626,902	—	—	626,902	827,486	426,584	659,985
Wages	429,390	587,381	82,634	84,429	436,632	1,620,466	1,679,806	1,437,295	1,905,257
Social securities and taxes	82,695	120,116	17,808	16,761	71,773	309,153	314,967	269,495	363,486
Pensions	11,690	17,489	1,218	3,887	26,868	61,152	60,711	51,947	71,899
Other personnel costs	7,454	17,601	3,525	2,913	6,481	37,974	35,060	29,999	44,648
Reimbursement for sick leave and parental leave	—	—	—	—	(37,247)	(37,247)	—	(5,742)	—
Rent and accommodation	—	—	—	—	69,722	69,722	69,480	69,017	76,140
Other costs	—	—	—	84,421	568,890	653,311	464,557	536,436	471,377
Depreciation	—	—	—	—	7,046	7,046	5,000	3,026	8,200
<b>Subtotal</b>	<b>1,177,203</b>	<b>3,165,452</b>	<b>732,087</b>	<b>192,411</b>	<b>1,150,165</b>	<b>6,417,318</b>	<b>7,231,871</b>	<b>5,198,850</b>	<b>8,141,260</b>
Pro-bono services	—	—	—	—	10,000	10,000	—	—	—
<b>Total expenses</b>	<b>1,177,203</b>	<b>3,165,452</b>	<b>732,087</b>	<b>192,411</b>	<b>1,160,165</b>	<b>6,427,318</b>	<b>7,231,871</b>	<b>5,198,850</b>	<b>8,141,260</b>

Allocation of costs to objectives have been made based on actual costs and personnel time spent. The other costs in the category operational and administrative include as well minor actual project expenses, that did not fall under one of the three priority areas.

During 2023 Aflatoun did receive for EUR 10,000 pro-bono services.

The operational and administrative cost above include pro-bono contributions to operational and administrative activities. Excluding those pro bono contributions, the administrative and operational expenses represent 17.9% (2022: 19.5%) of total expenses less pro-bono contributions.

## Independent auditor's report

## INDEPENDENT AUDITOR'S REPORT

To: The Management and the Supervisory Board of Stichting Aflatoun International

### **Report on the audit of the financial statements 2023 included in the annual report**

#### **Our opinion**

We have audited the financial statements 2023 of Stichting Aflatoun International based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting Aflatoun International as at 31 December 2023 and of its result for 2023 in accordance with the 'RJ-Richtlijn 650 Fondsenwervende Organisaties ' (Guideline for annual reporting 650 'fundraising organisations' of the Dutch Accounting Standards Board).

The financial statements comprise:

1. the balance sheet as at 31 December 2023
2. the profit and loss account for 2023; and
3. the notes comprising of 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 financial statements' section of our report.

We are independent of Stichting Aflatoun International 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.

#### **Report on the other information included in the annual report**

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

The other information consists of:

- the management board report
- the other information

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

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 other information, in accordance with 'RJ-Richtlijn 650 Fondsenwervende Organisaties ' (Guideline for annual reporting 650 'fundraising organisations' of the Dutch Accounting Standards Board).

#### **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 'RJ-Richtlijn 650 Fondsenwervende Organisaties ' (Guideline for annual reporting 650 'fundraising organisations' of the Dutch Accounting Standards Board). 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 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 engagement 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.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the 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 entity'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 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 financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

Rotterdam, June 29 2024

Coney Assurance B.V.

was signed

N.C. Kaspers-Broekhuizen MSc RA

## Budget 2024

	Budget 2024	Actual 2023	Budget 2023
	EUR	EUR	EUR
<b><u>Income</u></b>			
<b>Source of income</b>			
Income from connected non-commercial organizations	6,599,300	4,801,737	5,282,069
Income from lottery organizations	1,032,779	1,332,006	1,458,022
Income from individuals	1,000	70,122	—
Income from commercial organizations	10,000	57,116	50,000
Income from government	—	—	—
Other income	500,000	—	—
Income from other non-commercial organizations	—	—	—
<b>Total income</b>	<b>8,143,079</b>	<b>6,260,981</b>	<b>6,790,091</b>
<b><u>Expenses</u></b>			
<b>Expenses for Strategic Objectives</b>			
Strategic Objective 1: Content			
Continuously improve inclusive and responsive education resources through different delivery models (e.g. in-person, digital)	1,628,140	1,177,203	1,512,472
Strategic Objective 2: Programmes/training			
Ignite and grow the global Aflatoun Network	4,334,209	3,165,452	3,661,270
Strategic Objective 3: Research & Communication			
Drive bold thought leadership in a turbulent (post-Coid-19) world	999,686	732,087	1,061,499
<b>Total expenses made for Strategic Objectives</b>	<b>6,962,035</b>	<b>5,074,742</b>	<b>6,235,241</b>
<b>Expenses for fundraising</b>			
Expenses from own organizational fundraising	224,254	192,411	178,262
<b>Operational and administrative expenses</b>			
	954,971	1,160,165	818,368
Sub-total expenses	8,141,260	6,427,318	7,231,871
Financial expenses/(income)	—	17,237	—
<b>Total expenses, including finance expense/(income)</b>	<b>8,141,260</b>	<b>6,444,555</b>	<b>7,231,871</b>