

St. The Global Alliance for Improved Nutrition
Arthur van Schendelstraat 550
3511 MH UTRECHT

Report on the annual accounts 2014/2015

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Reference
312070000

Handled by
dhr. J. Baarssen MSc RA

Date
8 July 2016

Subject
Report on the annual accounts 2014/2015

Dear Board,

Attached please find the report on the annual accounts 2014/2015 consisting of the company overview/Summary and the annual accounts.

The annual accounts added to this report comprises the report of the board, the financial statements and other information.

Company overview/Summary

Audit

In accordance with your instructions we have compiled the annual account 2014/2015 of your company, including the balance sheet with counts of € 23,517 and the profit and loss account with a negative result of € 265.

Accountant's compilation report

The financial statements of St. The Global Alliance for Improved Nutrition have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at June 30, 2015 and the profit and loss account for the year 2014/2015 with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Dutch law, including the Dutch Standard 4410, "Compilation engagements", which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding of St. The Global Alliance for Improved Nutrition. We have not performed any audit or review procedures which would enable us to express an opinion or a conclusion as to the fair presentation of the financial statements.

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

Organisation characterisation

The organization is a foundation which sets itself the goal to reduce malnutrition through sustainable strategies aimed at improving the health and nutrition of populations at risk.

The financial year of the foundation runs from 1 July to 30 June.

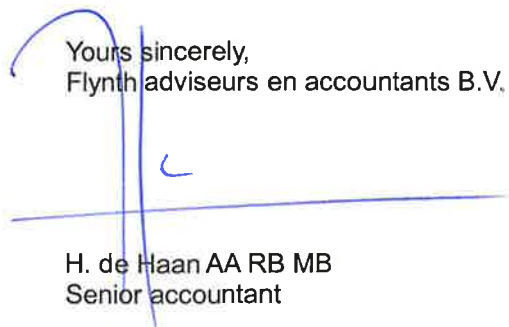
Presentation

All amounts in this report are presented in euro's, unless otherwise stated.

St. The Global Alliance for Improved Nutrition
Utrecht

We trust that we have been of service to you. We are available to provide further explanation should you have any questions or comments.

Yours sincerely,
Flynth adviseurs en accountants B.V.



H. de Haan AA RB MB
Senior accountant

St. The Global Alliance for Improved Nutrition
Utrecht

Board report

General

This report of the Board concerning:

Statutory name	St. The Global Alliance for Improved Nutrition
Statutory location	Amsterdam
Legal	Stichting

The foundation's objects are:

1. To reduce malnutrition through sustainable strategies aimed at improving the health and nutrition of populations at risk;
2. To raise funds from governmental and/or any other public or private entities to achieve the object of the Foundation referred to under letter a above; and
3. To undertake any other activities which may directly or indirectly relate or be conducive to the aforementioned, all of which in the broadest sense of terms

The composition of the Board is as follows:

The chairman	Mr. S.A. Godfrey
Secretary	Mr. A.A.M. Timmer
Treasurer	Mr. D.A. Freeman

Activities GAIN Netherlands 2014 - 2015

The Stichting GAIN Netherlands (GAIN Netherlands) is a daughter organization of The Global Alliance for Improved Nutrition (GAIN) and as such GAIN Netherlands performs activities and services that are strategically aligned with GAIN International.

GAIN Netherlands is leading the Amsterdam Initiative against Malnutrition (AIM). AIM's goal is to reduce malnutrition in Africa and Asia by nutrition-specific and nutrition-sensitive approaches. AIM focuses on market based approaches developed in partnerships between business, NGOs, knowledge institutes and governmental organisations. AIM consists of a portfolio of 7 work streams, which receives subsidy from the Dutch government via FDOV (referred to as "FDOV12KE02"). The design of these work streams was finalised and submitted to NE Agency, managing FDOV, in Nov 2014. Whilst some work streams got approved relatively quickly (Jan-Feb 2015), there were many revisions needed for others to comply with the modalities of the FDOV instrument. Despite this, good progress was made already with implementation of some work streams: the central lab was opened in Addis, core to the Quality Improvement Network project and the Access to Finance project established the Inclusive Business Fund and secured 10 mEuro in capital.

In 2014, with support of the Dutch government, GAIN implemented a pilot project to improve nutrition situation for small holder farmers (SHFs) in tea sector in Indonesia. Building on this experience, GAIN NL and Unilever started a project in Southern India to further develop this approach amongst SHF and workers in tea factories. In parallel, GAIN and IDH have started a nutrition program focusing at tea estates in Malawi. Whilst both pilot projects are still in its implementation phase, the experience so far is that existing delivery structures (e.g. agricultural extension workers, farmer field schools and management and peer-group structures within estates) can be used to increase awareness about nutrition and implement nutrition-specific and -sensitive interventions to improve nutrition for tea farming families. The experience from these pilot projects will be used as input to incubate new AIM projects.

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Utrecht

Due to the modalities of the FDOV call, no proposals were submitted and an analytical note shared with MFA on the rationale for this. The FDOV support has been instrumental and critical in elevating AIM into some highly innovative partnerships but is designed to support discrete projects, not a suite of activities.

The AIM model was featured by the Netherlands' Prime Minister at the WHA and ICN2, and in Japan where it has been used as a model for a new government led initiative -Japan Nutrition. Furthermore, GAIN NL facilitated the Netherlands Working Group on Nutrition with the launch of the Global Nutrition Report in the Netherlands to advocate to Dutch private and public stakeholders to get involved in Nutrition via AIM.

Lastly, GAIN NL provided recruitment services for GAIN from 1 January 2015 onwards.

Outlook 2015 - 2016

GAIN NL will focus on implementation of the FDOV12KE02 portfolio and the design and fund raising to establish 4-5 new AIM projects.

Utrecht, 8 July 2016



Financial statements



St. The Global Alliance for Improved Nutrition
Utrecht

Balance sheet

(after processing destination)

ASSETS

	June 30, 2015	June 30, 2014	
Current assets			
<i>Receivables</i> (1)			
Receivable from participants and subsidiaries	7,970	-	
Other receivables, prepayments and accrued income	1,936	-	
	<u>9,906</u>	<u>-</u>	
<i>Cash and banks</i> (2)			
Bank accounts	13,611	20,521	
Saving accounts	-	113,316	
	<u>13,611</u>	<u>133,837</u>	
	<u>23,517</u>	<u>133,837</u>	

As of June 30

		<u>June 30, 2015</u>	<u>June 30, 2014</u>
			LIABILITIES
Reserves and funds	(3)		
Other reserves		2,051	2,316
Current liabilities	(4)		
Trade payables		2,909	-
Amounts due to participants and subsidiaries		-	131,521
Taxes and social security charges		15,401	-
Other liabilities, accruals and deferred income		<u>3,156</u>	-
		21,466	131,521
		<u>23,517</u>	<u>133,837</u>

Statement of income and expenses

	<u>2014/2015 actual</u>	<u>2013/2014 actual</u>
Income with special destination	(5) 607,578	412,788
Expenses		
Spending of income with special destination	(6) 54,509	2,115
Wages and salaries	(7) 382,594	324,802
Social security charges and pension costs	(8) 83,109	8,717
Other charges	(9) 87,366	33,742
Total expenses	<u>607,578</u>	<u>369,376</u>
	-	43,412
Other interest income and similar income	(10) 538	2,316
Interest expenses and similar charges	(11) -803	-28
Financial income and expenses	<u>-265</u>	<u>2,288</u>
Difference between income and expenses	<u><u>-265</u></u>	<u><u>45,700</u></u>

Cash flow statement

	2014/2015		2013/2014
Operational cash flow			
Operating result	-		43,412
Adjustments for:			
Movement in working capital:			
Movement in receivables	-9,906		216
Movement in current liabilities (excl. debts from credit institutions)	-110,055		-167,039
Cash flow from business activities		-119,961	-123,411
Interest received	538		2,316
Interest and similar charges paid	-803		-28
		-265	2,288
Cash flow from operating activities		-120,226	-121,123
Movements in cash		-120,226	-121,123

Explanation of cash flow statement

The cash flow statement is prepared according to the indirect method. The item cash consists of the liquid assets and also any credit on the current account with the banks.

<i>Cash</i>	6/30/2015	6/30/2014
Current account bank	13,611	20,521
Saving accounts	-	113,316
Total cash	13,611	133,837

St. The Global Alliance for Improved Nutrition
Utrecht

Notes to the financial statements

Currency

Unless otherwise stated, amounts in this report are denominated in euro's.

	<u>2014/2015</u>	<u>2013/2014</u>
People employed		
- administrative personnel	5.5	5.0

Group structure

The foundation St. The Global Alliance for Improved Nutrition forms part of an international entity group. The headoffice is situated in Geneva.

General accounting principles for the preparation of the financial statements

The financial statements are prepared in accordance with the statutory provisions for financial statements stipulated in Part 9, Book 2 of the Dutch Civil Code. The financial statements are prepared in accordance with the statutory provisions for financial statements stipulated in Part 9, Book 2 of the Dutch Civil Code.

The financial statements regime for small entities as referred to in section 396, Book 2 of the Dutch Civil Code is applicable for the legal entity.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention.

Unless indicated otherwise for the specific balance sheet item, assets and liabilities are valued against face value.

Income and expenses are accounted for in the year they relate to. Revenues are recognized when they are realized per balance sheet date. Liabilities and expected losses arising before balance sheet date are accounted for if recognized before preparation of the financial statements.

Other adjustments

In this financial year other adjustments, not being fundamental adjustments, have been noted relating to payroll taxes and pension costs. These adjustments have resulted in an expense of € 45.438 recognized in the statement of income and expenses of current financial year.

Expenditure of EUR 45.438 relating to 2013/14 which was not accrued for in the prior year has been included as an expense in 2014/2015.

Principles of valuation of assets and liabilities

Receivables

Upon initial recognition the receivables are included at fair value and then valued at amortised cost. The fair value and amortised cost equal the face value.

*Provisions***Pension obligations**

The pension scheme concerning the staff is being financed by payments to the pension executor. The premium due will be accounted for as a costs in the statement of income and expenses.

If the already paid premium amounts exceed the premium due, the surplus will be taken as short term receivable as for it is a matter of repayment by the fund or of settlement with premium due in the future.

If there is next to the obligation for periodical pension premiums, an obligation for per balance date accrued pension (backservice commitments), the obligation is measured at present value.

The valuation of the obligation is the best estimate of the amounts required to settle the obligation as at balance sheet date. If the effect of the time value of money is material, the obligation is valued at the present value. Discounting is based on interest rates of high-quality corporate bonds.

Additions to and release of the obligations are recognized in the statement of income and expenses.

Principles for the determination of the result*Financial income and expenses*

Interest income and expenses related to loans receivable/payable and bankbalances/bankoverdrafts during the financial year are accounted for in the financial income and expenses.

Notes to the balance sheet**ASSETS*****Current assets******1. Receivables***

The receivables included under the current assets all have a remaining term of less than 1 year.

	<u>6/30/2015</u>	<u>6/30/2014</u>
Receivable from participants and subsidiaries		
Receivable due GAIN International	7,970	-
	<u>7,970</u>	<u>-</u>
Other receivables, prepayments and accrued income		
Other short term receivables	1,936	-
	<u>1,936</u>	<u>-</u>
<i>2. Cash and banks</i>		
Bank accounts		
Rabobank NL51RABO0323135625	13,611	20,521
Total current account at bank	<u>13,611</u>	<u>20,521</u>
Saving accounts		
Rabobank NL45RABO3314679947	-	113,316
	<u>-</u>	<u>113,316</u>

LIABILITIES**3. Reserves and funds**

	<u>6/30/2015</u>	<u>6/30/2014</u>
<i>Other reserves</i>		
Opening balance	2,316	-43,384
Proposed appropriation of result	-265	45,700
Closing balance	<u>2,051</u>	<u>2,316</u>

4. Current liabilities

<i>Trade payables</i>		
Creditors	<u>2,909</u>	<u>-</u>
<i>Amounts due to participants and subsidiaries</i>		
Receivable due GAIN International	<u>-</u>	<u>131,521</u>
<i>Taxes and social security charges</i>		
Wage tax and social security charges	13,235	-
Pension costs	2,166	-
	<u>15,401</u>	<u>-</u>
<i>Other liabilities, accruals and deferred income</i>		
Office and administration costs	3,025	-
Interest	131	-
	<u>3,156</u>	<u>-</u>

Notes to state of income and expenses**Income**

	2014/2015 actual	2013/2014 actual
5. Income with special destination		
Contribution GAIN International	607,578	412,788

Expenses**6. Spending of income with special destination**

Food samples	2,906	-
Conference and meetings	4,536	-
Producing videos	8,412	-
Travel expenses	34,971	2,115
Other direct project costs	3,684	-
	<u>54,509</u>	<u>2,115</u>

7. Wages and salaries

Gross wages and salaries	382,594	324,802
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8. Social security charges and pension costs

Social security contributions	22,330	-
Healthcare Insurance Act contribution	17,962	-
Pension costs	42,817	8,717
	<u>83,109</u>	<u>8,717</u>

9. Other charges

Other personnel expenses	70,226	25,000
Office and administration expenses	10,310	865
General expenses	6,830	7,877
	<u>87,366</u>	<u>33,742</u>

Other personnel expenses

Travel and lodging expenses	19,257	-
Training and education costs	4,550	-
Healthcare contribution	14,340	-
Recharged personnel costs	31,015	25,000
Other personnel expenses	1,064	-
	<u>70,226</u>	<u>25,000</u>

Office and administration expenses

Office supplies	713	-
Telephone expenses	3,979	-
Photocopying costs	529	-
Auditor's costs	1,815	505
Administration expenses	3,274	360
	<u>10,310</u>	<u>865</u>

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	2014/2015 actual	2013/2014 actual
<i>General expenses</i>		
Consultancy costs	2,684	4,017
Insurance	2,372	-
Other general expenses	1,774	3,860
	<u>6,830</u>	<u>7,877</u>
10. Other interest income and similar income		
Interest on savings accounts	538	2,316
11. Interest expenses and similar charges		
Banking costs and commission	803	28

Signing financial statements by Board

Utrecht, 8 July 2016

Mr. S.A. Godfrey

Mr. A.A.M. Timmer

Mr. D.A. Freeman

St. The Global Alliance for Improved Nutrition
Utrecht

Other information

Statutory exemption

As the organisation does not meet the criteria for a statutory audit as stated in article 396, paragraph 1, Book 2 of the Netherlands Civil Code, the organisation is exempted from an audit of the annual accounts. For this reason no auditor's report is included in these annual accounts.

Proposal for appropriation of the result

In accordance with article 6 of the articles of association the result is at the disposal of the Board.

Date: 8 July 2016