

Stichting PSI-Europe

Report on the Financial Statements for 2021



TABLE OF CONTENTS

MANAGEMENT REPORT.....	4
BACKGROUND.....	4
GOVERNANCE	6
HIGHLIGHTS ON ACTIVITIES AND ACHIEVEMENTS	6
FORECAST FOR 2022 AND BEYOND	13
FINANCIAL RESULTS FOR 2021	16
BALANCE SHEET	16
STATEMENT OF INCOME AND EXPENDITURE	17
STATEMENT OF CASH FLOW	18
NOTES TO FINANCIAL STATEMENTS	19
INDEPENDENT AUDITOR’S REPORT	29

Amsterdam, 15 June 2022

Signed on original by

Ms. Odette Anne Jean Christine Hekster
Managing Director

Signed on original by

Ms. Mirella Carola Bettina Visser
Chair of the Board

Signed on original by

Dr. Joerg Franz Maas
Member of the Board

Signed on original by

Mr. Michael Allen Holscher
Member of the Board

Signed on original by

Ms. Ekua Yankah
Member of the Board

Signed on original by

Ms. Christine Fenenga
Member of the Board

Management Report

Background

Stichting PSI-Europe was incorporated as a locally registered non-governmental organisation (NGO) based in Amsterdam, the Netherlands (Chamber of Commerce registration (KvK number 34310776) on August 28, 2008.

Stichting PSI-Europe (hereafter PSI-Europe) is an independent NGO, affiliated in name with Population Services International (PSI). The PSI network is comprised of local offices in over 40 countries throughout Africa, Asia, Latin America and the Caribbean, and Eastern Europe, coordinated by PSI's global headquarters in Washington DC, USA.

PSI-Europe's mission is to support, promote and generate resources for the PSI network in its effort to contribute to universal health coverage, through shaping policies and priorities of European donors and stakeholders.

For over 50 years, the PSI network has improved the health of poor and vulnerable people through intersectoral approaches that optimize local resources for sustained access to quality health (sexual and reproductive health and rights, malaria and water & sanitation) programmes, products and services. With PSI's new strategic direction (2021-2023), it aims to scale consumer-powered healthcare to accelerate progress towards universal health coverage through i) shaping mixed health systems, ii) shifting policy and funding and iii) strengthening PSI's global capacity.

Introduction

After two years of the COVID-19 pandemic, we now face new uncertain times. The Russian invasion of Ukraine has caused the greatest humanitarian crisis in Europe since the Second World War, and the war has severe consequences on world economies and particularly on African economies: an increase in the price of gas, oil and agricultural raw materials. In the United States, the leaked draft opinion from the Supreme Court indicating it could overturn *Roe v. Wade* means that not only millions of women in more than half of US states could either lose the ability to get an abortion or see their access drastically rolled back; it could also weaken reproductive rights across the world. What's more, the UN's Intergovernmental Panel on Climate Change (IPCC) has issued a "code red for humanity", which has become visible in, among others, extreme droughts in Eastern Africa and excessive heat waves in South Asia, mainly jeopardizing the lives of less privileged people in the countries in these regions.

As we navigate this shifting and turbulent world, the international community has the responsibility to protect the lives and needs of the most vulnerable. Evidence shows that human crises and disease outbreaks affect women and men differently, that pandemics exacerbate inequalities for girls and women, who are also often the hardest hit, and that women play an outsize role responding to crises. COVID-19 has exposed many of the structural and *systemic* issues, also disproportionately impacting other marginalized populations, including people of colour, LGBTIQ people, older people, refugees, migrants and more, who have been hit hardest by both the coronavirus and the associated social distancing measures.

We must ensure that the unique needs of girls and women, in all their diversity and in all settings, and other vulnerable groups, are addressed, and that their unique expertise is leveraged in social and economic recovery efforts, and in how we *strengthen our health systems* for the long term. And we must safeguard the progress we've made towards gender equality, including hard-won gains for maternal, sexual and reproductive health and rights for these groups.

For PSI-Europe, this means remaining a trusted partner of the PSI network, and its 'consumers', in the areas where PSI operates. PSI-Europe's role has become even more important in mobilising support for

the PSI network by further diversifying PSI's donor base, by adding new European donors and by sustaining existing donor relationships, at a time that donor funding globally is versatile and vulnerable.

As we noted in last year's report, the global pandemic also offered opportunities. Opportunities to strengthen health systems and leverage opportunities to provide services and information with less dependency on health workers, protecting frontline health workers from being over-burdened and ensuring that the most effective healthcare could be provided at scale, by further instituting *self-care*. At the end of 2021, PSI initiated the development of a vision for self-care for PSI that supports Universal Health Coverage (UHC), articulating PSI's unique role in contributing to this. PSI's strategic priority will be to support governments to *integrate self-care into the health system*, adding a vibrant self-care layer responsive to users, endorsed by health system actors, and appropriately financed.

To support this strategic direction, PSI-Europe will continue to engage with stakeholders and donors in Europe who aim to contribute to *health systems strengthening* and are looking for credible partners like PSI, who are locally present with strong connections to national Ministries of Health and other government bodies, who involve the private sector in building stronger 'mixed' -consisting of both the public and private sector - health systems, who bring innovation to tackle some of the most urgent health needs and to reach the most vulnerable, and who can take (innovative) solutions to scale.

2021 was the first year of the full execution of PSI-Europe's new strategy, which reflected a shift away from direct programme implementation to primarily mobilising support for the PSI network through shaping policies and priorities of European donors and stakeholders. PSI-Europe actively engaged with existing donors of and new donors for PSI, including the Dutch Ministry of Foreign Affairs, the Dutch Development Bank (Invest International), the German Development Bank (KfW), the French Foreign Ministry of Europe and Foreign Affairs, the French Development Agency (Afd) and others. Through its advocacy work for the menstrual health & hygiene (MHH) agenda, it engaged with new stakeholders to provide thought leadership on MHH and mobilise support for this under-served and under-resourced topic. Highlights were PSI-Europe's contribution to two MHH Symposia, organized by UNICEF and UNFPA around MHH Day in May, and PSI-Europe's engagement with the Sanitation and Hygiene Fund.

Last year was also the final year of implementation of Project Ignite, funded by the Dutch Ministry of Foreign Affairs. PSI's partnership with RNW Media, brokered through PSI-Europe, brought digital innovation to the final year of this project, which opened doors for new partnership and funding opportunities to sustain the project results within and beyond the project.

PSI-Europe remains proud of its support to the PSI network's contribution to public health. The scope and scale of the PSI network's impact across 40 countries around the world in 2021 reached 82.5 million directly attributable users. PSI's work provided over 12 million couple years of protection (CYPs) with modern methods of contraception. Of the total of 82.5 million directly attributable users reached, 62.5 million users were reached through PSI's work on Malaria, over 5.1 million through PSI's programmes on modern contraception, 4.4 million through WASH interventions, 2.2 million through maternal, newborn and child health programmes, 1.6 million as a result of PSI's work on HIV & STI's, 1.5 million with safe abortion products and services, and 5.2 million users through other PSI programmes. As mentioned above, PSI Europe will continue to focus on strengthening and expanding our current European donor base to sustain this critical work.

Governance

PSI-Europe is governed by a Board of Directors, consisting of members with highly relevant professional experience in health and development related fields. The Board is responsible for overseeing the overall operation of the organisation and ensures high standards of transparency and accountability. The Board approves PSI-Europe's strategic plan, annual budget, and annual accounts.

As of 31st December 2021, the PSI-Europe Board is represented by:

Mirella Visser (Chair)
Dr. Joerg Maas (Board member)
Michael Allen Holscher (Board member)
Ekua Yankah (Board member)
Christine Fenenga (Board member)

Day-to-day management and the power of representation is delegated to the Managing Director, Odette Hekster. The senior management team of PSI-Europe includes the Managing Director, Odette Hekster, and the Finance Director, Robert Bal.

At the end of 2021, PSI-Europe's staff composition included two full-time employees and two part-time employees (at the end of 2021, there were 3 full-time and one part-time employee).

During 2021, on 1st of June 2021, the contract of the Administrative and Accounting Assistant was ended as a result of optimizing PSI-Europe's capacity. To enhance its capacity to mobilise donor support, PSI-Europe contracted a Stakeholder and Donor Engagement Director, who started on the 1st of September 2021.

Highlights on activities and achievements

Project Ignite

In April 2016, PSI signed a Strategic Partnership with the Dutch Ministry of Foreign Affairs in the area of SRHR to execute the Ignite project, in partnership with Triggerise. The aim of the project is to break down barriers to access and uptake of voluntary, modern contraception among adolescent girls and young women (15-24 years old), with the aim of reducing unintended pregnancies, reducing unsafe abortions and preventing transmission of HIV and other sexually transmitted infections (STIs). PSI implements a market development approach that addresses market failures faced by different market players, while Triggerise implements an ecosystem development approach, which leverages a network of micro-entrepreneurs, wholesalers and health service providers to motivate young women to use contraception. PSI-Europe provides overall program oversight of this project and acts as liaison with the Dutch Ministry of Foreign Affairs. The total value of the grant is 18 million EUR for the entire project period (2016-2020). In 2020, PSI was granted a €3.6 million extension for Ignite in 2021 to build on the project's success and to project it into the future.

2021 Project Activities and Performance

The additional funds that the Dutch Ministry of Foreign Affairs granted Project Ignite in 2020 for an extension into 2021 helped both expand previous work and start new activities and partnerships. As in 2020, PSI's and Triggerise's field teams showed strong resilience and creativity to continue activities despite COVID-19 restrictions. Key efforts toward the project's five outcomes in 2021 included:

- **Outcome 1: Increase informed demand for SRH services by adolescent girls and young women**

In 2021, PSI/Côte d'Ivoire partnered with RNW Media to expand its social media presence by relaunching Didier, its male-facing platform, and regionalizing Entre Nous. PSI/Mozambique designed and launched Aquele Papo season 3, based on the learnings from the previous seasons. PSI operated chatbots in both countries.

- **Outcome 2: Increase access to a wide range of SRH products and services for adolescent girls and young women**

PSI continued to focus its service delivery approach on quality, with renewed Quality Assurance protocols and proximity, through mobile services or service delivery near schools.

- **Outcome 3: Improve enabling environment for youth and young women for improving their sexual and reproductive health and rights (including safe abortion)**

PSI continued to engage with the MoH on the delivery of post-abortion care (PAC) and safe abortion through advocacy and technical work.

- **Outcome 4: Create wealth (via improved depth and reach of the ecosystem)**

In 2021, Triggerise started operations in Burkina Faso through its local partner Burcaso. In 2021, a total of **€901,663** was earned by all actors in the three ecosystems. The bulk of income was earned by Tiko Pros (peer mobilizers) in India, and health service providers in Kenya.

- **Outcome 5: Improve lives (via improved SRHR health outcomes)**

In 2021, Triggerise generated **256,866 SRH services** through its three ecosystems.

In 2021, Nearly **90,000** young women became **new contraceptive users** in Cote d'Ivoire and Mozambique through Ignite, which is close to 2020 achievement, (even though the project only ran from January-October in 2021), bringing the total number of women who adopted contraception through the project to **377,469**. Ignite also provided continuing access to contraceptives to over **140,273 young women** (662,844 since inception). Together, in the four countries of implementation (Cote d'Ivoire, India, Kenya and Mozambique), PSI and Triggerise have generated a cumulative **441,994 CYPs** (couple-year protection) in 2021, and close to an impressive **1.8 million CYPs** over the life of the project.

Life of Project Activities & Performance

From 2016 to 2021, Ignite has been an important project for Population Services International (PSI) and Triggerise to break down barriers to access and uptake of voluntary modern contraception among adolescent girls and young women in six countries. Through this partnership with the Dutch Ministry of Foreign Affairs (Ministerie van Buitenlandse Zaken, Minbuza), both organizations have been able to test two different models to improve Sexual and Reproductive Health and Rights (SRHR) outcomes for young women aged 15-24: the market development approach (PSI); and the ecosystem development approach (Triggerise). The flexibility of the funding mechanism and the constant support provided by Minbuza have been key in liberating creative energies and in testing new approaches to increase young women's and girls' access to voluntary contraception and abortion.

Key efforts toward the project's five outcomes included:

- **Outcome 1: Increase informed demand for SRHR services by adolescent girls and young women**

In each country, the landscape analysis showed that improving access to an approachable, engaging, yet credible source of information on contraception was essential to stimulate demand. Ignite has dedicated significant resources towards this objective with successful results in all countries. Through close involvement of young people, supported by the experience of PSI's project A360 in user-centred design techniques, PSI developed comprehensive strategies adapted to each context, with a

mix of traditional demand creation techniques such as peer mobilization and digital engagement through social media.

- **Outcome 2: Increase access to a wide range of SRHR products and services for adolescent girls and young women**

PSI sought to lift the barriers that impeded young women's access to contraception – through service delivery as well as distribution. Most of this work involved working with service providers to address their own biases, strengthening teams with specific trainings, and setting up robust quality control systems.

- **Outcome 3: Improve enabling environment for youth and young women to improve their sexual and reproductive health and rights (including safe abortion)**

PSI network members sought to improve access to abortion services or post-abortion care, depending on the context, by conducting advocacy activities, actively participating in technical group meetings, and ensuring access to needed abortion / PAC products.

- **Outcome 4: Create wealth (via improved depth and reach of the ecosystem)**

Triggerise created ecosystems that bind together a set of different actors such as young women (Rafikis), mobilizers (Tiko Pros or agents), service providers (clinics, pharmacies) and retail business owners through a rewards system that encouraged positive behaviours. The shared 'unit' of this reward system is called 'Tiko miles.' While Rafikis can use their Tiko miles to get discounts on health service provision or specific products in participating stores, agents and service providers receive financial compensation. Agents greatly benefited from the income generated by their activity with Triggerise, particularly in countries like India where access to paid employment can be challenging for women with limited education. Over 1.2 million new users were reached with services under the project, mobilised by over 21,000 agents, accessing service from over 1,000 providers and spending their Tiko Miles at over 1,400 Tiko traders. Products were stocked by agents at an estimated value of €2,453,846 with a total net economic growth of

€4,671,845, which is a combination of SRHR referrals and product sales.

- **Outcome 5: Improve lives (via improved SRHR health outcomes)**

Triggerise offered over 1,020,000 impact services (including 964,564 SRHR services) in Kenya, India and Burkina Faso which saw a total achievement of 845,530 CYPs.

The project has been a resounding success: Between 2016 and 2021, 1.8 million couples have been protected against unwanted pregnancies for a year; close to 400,000 young women started using voluntary contraception; and nearly 700,000 young women were able to restock on their contraceptive method of choice. Through advocacy and training, Ignite contributed to the enactment of a new safe abortion law in Mozambique. Thousands of Indian women made an income as micro-entrepreneurs as part of their participation in the Triggerise ecosystem that aim to improve economic opportunities and improve health. Young people drove impactful social media campaigns that have had nationwide impact in Côte d'Ivoire, Haïti, and Mozambique. Contraceptive choice expanded significantly and got even closer to young women – in schools (PSI) or directly at their front door (Triggerise). All these results contributed meaningfully and significantly to advancing national SRHR objectives in the Ignite countries.

The Ignite project enabled Triggerise to grow from a small start-up organization serving 136,000 participants in 2016 to a global membership programme enabling 1.8m participants to access offers and services by the end of 2021. For PSI, the project funded innovations like the contraceptive *Choice Book* and chatbots, which are now used throughout PSI. Ignite also enabled PSI to test the market development approach, which was in its nascent phase when the project started.

Figure 6: Cumulative CYPs generated over the life of project Ignite

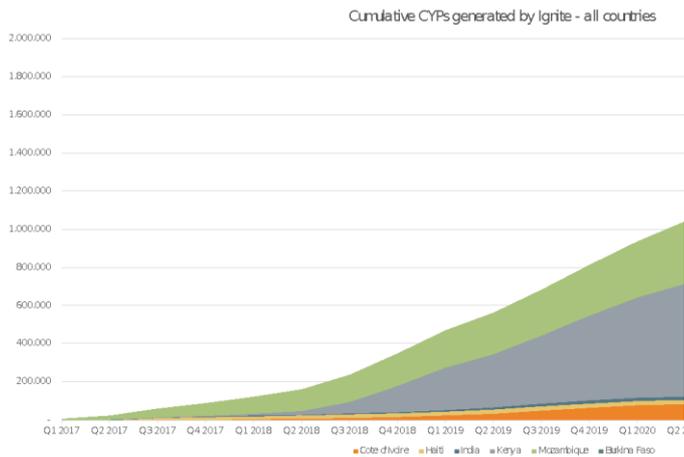
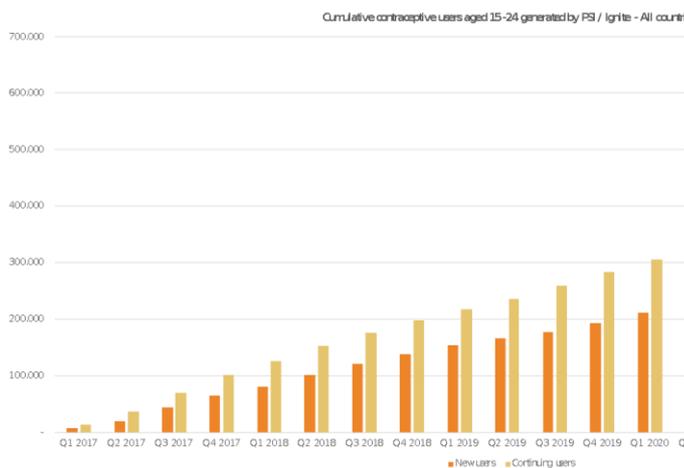


Figure 7: Cumulative new and continuing contraceptive users generated over the life of project Ignite



Ignite Key Learnings

Throughout the project, PSI and Triggerise continuously used data and evidence to help each organization develop or evolve new models or build tools or new approaches to improve young women’s lives.

1. The huge returns of a strong social media presence

Social media activity related to Ignite has been successful in all countries because PSI teams made sure to follow a standardized methodology that allowed for replication. First of all, PSI conducted numerous deep dives and research to truly understand and **gain empathy with the target audience**. Then, each country team **put young people in the driving seat** by co-creating branding

and content with young people. PSI teamed up with **local talented artists and graphic designers** to turn youth-created content into professional, modern, and aspirational visuals. PSI teams also developed and adhered to strict branding and editorial guidelines that gave brands their appeal. PSI created digital platforms that engaged young people on topics that were relevant to them such as **relationships, studies, beauty, and well-being** – not only SRHR and contraception. This way, each country was able to attract young women, particularly in Côte d’Ivoire, where PSI created a **safe space online for young women** (95% of Entre Nous members are women, which is extremely rare in the region). Young people spontaneously created digital and offline communities, such as the Entre Nous clubs, to propose content and engage young women in their area on the topics. **PSI brought online communities offline** (Entre Nous caravan, Aquele Papo minibus) to give young women who did not have access to smartphones the opportunity to engage and participate in the community. PSI teams prioritized user retention by responding quickly to their messages and requests. As the number of users grew, PSI developed chatbots to maintain engagement and dashboards and to guide decision-making. In return for these efforts, Djanm, Entre Nous, and Aquele Papo have had tremendous success with young people, as evidenced by the number of followers of social media and the level of interaction with the contents.

With growing complexity, it became important to receive support from other organizations specialized in social media, such as RNW Media. This partnership helped strengthen content to increase scale and prepare for the regionalization of Entre Nous to other francophone countries in West Africa in the last year of the project. Support from RNW media has also been important to roll out the diversification of social media platforms, where video played a growing role: YouTube, Instagram and TikTok. Through Ignite, PSI learned that managing a high-quality social media presence was costly – requiring qualified staff, local talent, discipline, and technological infrastructure to deliver high-quality content.

2. Experimentation and evaluation of nudges: the ecosystem model's contribution to the behavioural economics community of practice

With its multiple apps facing different audiences, Triggerise has the unique ability to experiment with nudges and to contribute to the behavioural economics community of practice. In 2021, Triggerise partnered with the Behavioural Insights Team (BIT) in Kenya to implement studies to test the effectiveness of behavioural economics interventions to encourage repeat use. The first BIT trial (concluded in Q2) evaluated the impact of behavioural variations in SMS flows on service uptake among both new and existing low-tech users (those users who can receive SMS but do not own a smartphone). The trial tested three variations of SMS communication. The second trial tested the impact of incentive framing. Both focused on SRHR service uptake. These experiments not only help Triggerise fine-tune its nudge strategy, but also contribute to the community of practice. In addition to these formal trials, Triggerise experimented with small scale changes in online and offline nudges and was able to make significant progress in understanding how to motivate different actors in the ecosystem compared to 2016, when loyalty points were Triggerise's main motivational tool. Today, Triggerise can refine points, complexify the conditions of their use, create escrows, and learn how to use them to increase impact. Triggerise has expanded its behavioural economics capabilities to South Africa, where a platform for PrEP adherence is being tested in Mpumalanga. The outcome of this study will determine motivating factors in ensuring young people take up, and more importantly stay on, PrEP.

Ignite has proven that Triggerise's ecosystem approach had a significant impact on SRH outputs and outcomes in terms of CYPs (nearly 850,000 achieved over the life of the project). An independent endline evaluation report conducted by the African Population and Health Research Center found that 67.6% of adolescents who were exposed to the program were using contraception at the time of the endline survey as compared to 30.4% of those who were not exposed to the program. The evaluation found that adolescents exposed to the program had higher contraceptive use, improved method mix, better informed choice, and higher satisfaction with the services. Triggerise demonstrated that an ecosystem approach can

deliver impact by reducing unintended pregnancies and unsafe abortion and preventing the transmission of HIV and other STIs.

3. Moving the needle on LARCs with the market development approach

The market landscape analysis conducted during the inception phase in Côte d'Ivoire helped identify some key factors that impeded young women from accessing contraception: Very **low use of IUDs and implants** among young people, **providers' resistance** to distribute LARCs—particularly for young women, very widespread **myths and misinformation** on contraception that fuelled fears and uncertainty among young women, and **bad experiences with health providers**. To increase young women's choices, it was necessary to update providers' knowledge on contraception, particularly to convince them that LARCs were safe. It was also important to improve the customer experience (both in terms of youth-friendliness and providers' technical abilities). The **Counseling for Choice (C4C) tool** was an essential resource to help bridge that gap.

At project start-up in 2018, the Ivoirian Ministry of Health **viewed Ignite as an ally to help improve contraceptive uptake among young women**. During the life of project, PSI/Côte d'Ivoire conducted trainings with 127 doctors and midwives on a variety of technical topics (C4C, post-partum contraception, post-abortion care, use of MVA kits, etc). The team also focused service delivery on mobile services, which was the most relevant channel for women in the younger age group. PSI also developed and enforced stringent quality assurance measures, including internal audits and external QA audits through a **partnership with SOGOCI**. With all these measures in place, PSI/Côte d'Ivoire realized that once providers were trained to propose all methods (not just short-term ones) and young women were aware of all contraceptive methods, demand for LARCs exceeded supply. Also, when young women became aware of all methods, the share of IUDs in the method mix grew significantly (from 1% to 15% between 2018 and 2021 for the 20–24-year-old age group).

Shaping the European Donor and Stakeholder Market for Menstrual Health



In 2021, PSI-Europe actively promoted the guide [Making the Case for Investing in Menstrual Health & Hygiene](#), which it developed in collaboration with PSI, Simavi, The Case for Her and WASH United in 2020. The document allowed PSI-Europe and other organisations in the MHH space to actively engage with stakeholders and donors to highlight in what areas Menstrual

Health & Hygiene (MHH) is under-represented and under-funded. The promotion of the guide also triggered interest among organizations that actively approached PSI-Europe to explore a partnership and joint fundraising opportunities in MHH.

The Case for Her commissioned the consultancy firm Madamí by MH Hub to further elaborate on the above-mentioned guide to build the business case for MHH for a wide range of funders and investors. To solicit input for this work, Madamí held an 'intimate online design workshop' to understand how to bridge the gap between public and private financing in order to move more money into menstrual health. PSI-Europe was invited to this workshop together with a selected group of other NGOs and social enterprises. This workshop was part of the broader work by Madamí in partnership with The Case for Her that seeks to identify a series of insights and learnings to inform a high-level investment advocacy strategy across both the public and the private spheres.



In May 2021, PSI-Europe was approached by both UNFPA and UNICEF to participate as a speaker at their MHH symposia in the lead-up to MH Day 2021. For the UNFPA and the African Coalition for Menstrual Health Management's symposium, PSI-Europe worked with and supported PSI Côte d'Ivoire to share learnings on menstrual health from this country. PSI's Country Representative in Côte d'Ivoire, Marie Baptiste, contributed to the session on 'integrating menstrual health in sexual and reproductive health policies and programmes'. The report of the symposium can be found [here](#).

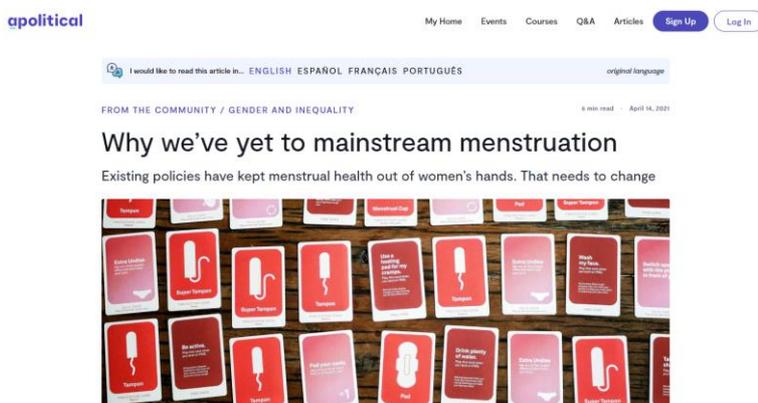
At this same symposium, UNFPA launched its [Technical Brief on the Integration of Menstrual Health in Sexual and Reproductive Health and Rights Policies and Programmes](#). After PSI-Europe developed the first-ever guide on the same topic in 2019, PSI-Europe's Odette Hekster was invited to sit on the Technical Advisory Group for this UNFPA Technical Brief.



The symposium led by UNICEF, the French Government and Muskoka specifically focused on West and Central Africa. PSI-Europe’s Managing Director, Odette Hekster spoke at this symposium about PSI’s insights from its programme users on their experience and needs in menstrual health and about the opportunity to include menstrual health in PSI’s sexual and reproductive health and rights programmes.

Furthermore, PSI-Europe actively engaged with (potential) donors to shift their policies and funding towards MHH. One example is PSI-Europe’s close interaction with the Sanitation and Hygiene Fund (SHF), which was established in late 2020 and became operational in July 2021. SHF had multiple conversations with PSI-Europe to discuss the global MHH and the gaps in the global response as well as how to measure progress in MHH programming. The SHF planned to launch its first round of sanitation and MHH project grants to six countries in 2022. The intent of this project funding is to deliver results through concrete market-based solutions that increase access to sanitation, hygiene and menstrual health and hygiene. The Project Funding will generate impact, evidence and data that can be used to further realize the potential of the sanitation and MHH economy. The results and data generated from Project Funding activities will feed back into the investment cases and financing strategies that are generated in the pre-financing phase, leading to a stronger project pipeline that is attractive to investors.

Finally, PSI-Europe also further strengthened its position as a thought leader in the MHH space and had its first article named “[Why we’ve yet to mainstream menstruation. Existing policies have kept menstrual health out of women’s hands. That needs to change.](#)” published in an external news outlet, *Apolitical*, in April 2021.



Forecast for 2022 and beyond

With its new strategy 2021-2023, PSI-Europe immediately began to engage with new donors and stakeholders (NGO partners, research institutes and other actors) in 2021, and planted the seeds for new funding opportunities in the longer term.

As explained in the previous Financial Statements, the fact that PSI-Europe's new strategy coincided with the PSI's refreshed strategy, provided the opportunity for PSI-Europe to be even more well placed to (re-) position PSI among European donors as a key player in the global health space. This materialized in more concrete terms in PSI-Europe's actively sharing PSI's transition from being a player in social marketing to being an important actor in the health systems strengthening space, which is an important funding area for many donors. For example, PSI-Europe organized a PSI 'network meeting' with a wide group of representatives from the Government of the Netherlands and has planned to do the same with the German Development Bank, KfW, and the Swedish Government in 2022.

It is important to recognise that creating funding opportunities with new donors, and with existing donors – in case there is a new round of funding or a new political leader or a different political climate – takes time.

Particularly engagement with new donors that are not yet familiar with PSI can be labour intensive due to extra (due diligence) checks that need to take place for PSI with a new donor. The level of time and energy invested in these new opportunities do not always seem to correspond with the level of funding attached to an opportunity. However, these efforts are worth the while as smaller grants may lead, in case the donor is pleased with PSI's performance, to larger grants in the future.

Given the current geopolitical climate, it will be critical for PSI-Europe to not only focus on institutional donors in Europe, as we have seen that donor governments are subject to worldwide political developments. For example, the decision of the Swedish Government to pull \$1 billion in foreign aid for Ukrainian refugees at home will imply significant tradeoffs for development activities. Similar trends are predicted for Norway, Denmark and The Netherlands - although the latter country seems to protect its SRHR budget. In Denmark, US\$300 million of allocated ODA has already been reprogrammed to support Ukrainian refugees, according to a government announcement. Therefore, PSI-Europe intends to build new and renewed relationships with other (non-government) donors and key stakeholders, including in the financing sector and with foundations and corporate actors. PSI-Europe's engagement with the Dutch Development Bank (FMO/Invest International) and the French Fund for Innovation and Development are examples of this.

Important to note is also that the COVID-19 crisis is not over and will continue to affect European economies and donor budgets accordingly. Furthermore, the current reproductive rights crisis in the US with the leaked draft opinion from the Supreme Court indicating it could overturn *Roe v. Wade* has led to the fear that this may impact reproductive rights worldwide. On a more optimistic note: while some European donors are diverting funding towards the Ukrainian crisis, other donors may step up to reinvigorate and protect the reproductive rights agenda, as was seen by the *SheDecides* movement, originally launched as a reaction to the reintroduction and dramatic expansion of the Global Gag Rule, and to ensure that essential programmes that would suffer significant cuts in funding would be able to continue.

PSI Europe operates in a context where grants for projects are issued within time limited periods, and there is always uncertainty about the continuation of existing grants and new grants.

For 2021, PSI-Europe succeeded to extend the subsidy for Project Ignite, which ended in October of 2021. Currently, in the first half of 2022, PSI-Europe has a few proposals in the pipeline. In addition to these pending proposals, we anticipate new proposals to be developed over the next six months that will potentially fund PSI Europe in 2022 and beyond.

These applications are made on a competitive basis. It is not certain that PSI- Europe will receive approval for these applications. In the worst-case scenario where we do not receive any new awards, PSI Europe can continue its activities for 12 months up to July 2023 based upon existing secured funding sources and (continuity) reserves.

At the time of writing, when current financial statements for 2021 were being prepared, for the year 2022, PSI-Europe had secured funding in the amount of 422 000 EUR.

Budget 2022 vs Actual costs 2021 and Budget of 2021

(x1€)

		Budget 2022	Actual 2021	Budget 2021
Income	Income from companies	0	0	0
	Income from government subsidies	0	248 348	263 715
	Income from affiliated non-profit organisations	415 000	425 544	415 000
	Income from other non-profit organisations	0	0	0
	Income from private individuals	0	7 250	0
	Other income	7 000	4	0
		Total Income	422 000	681 146	678 715
Expenditures	Spent on objectives			
	<i>(JeuneS3) programme implementation</i>	0	18 479	18 300
	<i>PSI Programme Management Support</i>	36 000	230 975	245 415
	<i>Technical Assistance, Representation and Advocacy</i>	349 803	294 555	415 000
	Fundraising expenses	7 000	7 260	7 638
	Management and administration expenses	91 000	91 978	77 485
	Total Expenditures	483 803	643 247	763 838
	Balance of Income and Expenditures	-/- 61 803	37 899	-/- 85 123

Financial results for 2021

Balance Sheet

(After appropriation of year-end surplus)

(x1€)

	31-Dec-21	31-Dec-20
ASSETS		
Receivables, prepayments and accrued income	15 031	26 982
Cash and cash equivalents	<u>514 808</u>	<u>832 663</u>
Total	<u>529 839</u>	<u>859 645</u>
Reserves and funds		
- reserves		
· continuity reserve	183 364	164 464
· appropriated reserve	<u>19 000</u>	<u>2 875</u>
	202 364	167 339
LIABILITIES		
Current liabilities	<u>327 475</u>	<u>692 305</u>
Total	<u>529 839</u>	<u>859 645</u>

Statement of Income and Expenditure

(x1€)

	Actual year 2021	Budget year 2021	Actual year 2020
INCOME			
Income from companies	0	0	0
Income from government subsidies	248 348	263 715	762 592
Income from affiliated non-profit organisations	425 544	415 000	548 722
Income from other non-profit organisations	0	0	0
Income from private individuals	7 250	0	2 875
Total income raised	681 142	0	1 314 189
Other income	4	0	49
Total income	681 146	678 715	1 314 238
EXPENSES			
Spent on objectives			
(JeuneS3) programme implementation	18 479	18 300	550 112
PSI Programme Management Support	230 975	245 415	212 480
Technical Assistance, Representation, Advocacy	294 555	415 000	401 234
	544 009	678 715	1 163 826
Fundraising expenses	7 260	7 638	10 194
Management and administration expenses	91 978	77 485	118 190
Total expenses	643 247	763 838	1 292 210
Balance of financial income and expenses	37 899	-/- 85 123	22 028
Surplus (deficit)	37 899	-/- 85 123	22 028
Appropriation of balance of income and expenses:			
Addition to / withdrawal from:			
- continuity reserve	18 899	0	19 153
- appropriated reserve	19 000	0	2 875
	37 899	0	22 028

Statement of Cash Flow

(January through December 2021)

(x1€)

	<u>Jan - Dec 21</u>	<u>Jan - Dec 20</u>
Cash at beginning of period	<u>832 663</u>	<u>628 954</u>
Funds received during the year	681 146	1 314 238
Funds Needed to cover cost of the year	-643 247	-1 292 210
Change in Account Receivables and Advance account	11 951	1 240
Change in Accounts Payable and Accrued Expenditures and Reporting Obligations	-371 855	180 441
Net cash decrease (-) or increase for period	<u>-317 855</u>	<u>203 709</u>
Cash at end of period	<u><u>514 808</u></u>	<u><u>832 663</u></u>

Notes to Financial statements

Accounting Policies and determination of the result

The statutory name of PSI-Europe is Stichting PSI-Europe. The legal form is Foundation (Stichting). The registered office is in Amsterdam. The registration number of the Chamber of Commerce is 34310776.

General

Stichting PSI Europe was founded on the 28th of August 2008. The objectives of PSI Europe are: Design, promote and implement better health-oriented programmes to promote better health focusing on poor, disadvantaged and vulnerable populations in developing countries. Raise awareness among the public in the Netherlands and other European countries for the health needs of vulnerable populations in the developing countries. Support the work of organizations linked to Population Services International.

Dutch Guideline for Financial Reporting by Fundraising Institutions

The Annual Report has been drawn up in accordance with the format set out in Guideline C1 'Kleine organisaties zonder winststreven' for financial reporting published by the Dutch Accounting Standards Board.

The financial statements are based on the reporting period of one year, coinciding with the calendar year. The numbers shown are in Euro, the currency in which all general ledger transactions are booked. Periodic financial reports submitted to the donors in 2021 are prepared in Euro.

Accounting principles for the balance sheet

Unless stated otherwise, the balance sheet items are carried at face value. Income and expenditure are based on historical cost and revenues are allocated to the year to which they relate, unless stated otherwise. To the extent anticipated, account has been taken of receivables net of a provision for doubtful debts.

Accounting principles for the statement of income and expenditures

Grant income

Grant income amounts are allocated on the basis of the realised direct and indirect spending on the organisation's objective within the guidelines established in the grant decision.

Allocation of costs

Management and administration costs, the costs of the organisation's fundraising activities and costs of various objectives have been calculated based on an apportionment formula in accordance with the revised Dutch Accounting Standards for Fundraising Institutions (Richtlijn 650, revised in 2016).

Going concern / Continuity

In the context in which organizations such as PSI Europe operate, subsidies for projects have a fixed duration and there is uncertainty about the follow-up of subsidies and new subsidies.

PSI-Europe succeeded to extend the subsidy from PSI and we submitted new applications to implement the strategy for PSI-Europe for 2022 and beyond. Various organizations are competing for these subsidies. It is not certain that PSI and/or PSI Europe will receive approval of these applications. In the most negative case, if we do not receive any new subsidies, PSI Europe can continue its activities for 12 months up to July 2023 on the basis of resources available.

Notes to Balance Sheet

Unless stated otherwise assets and liabilities are presented in their face value.

Assets

Balance in receivables, prepayments and accrued income consists of:

(x1€)

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Project receivables	0	2 106
Other receivables	1 963	907
Deposit for office rent	11 452	11 452
Rent paid in advance	0	9 521
Advances to sub-awardees	0	0
Other advances (Pension)	1 616	2 996
Total	15 031	26 982

Liquid assets are represented by cash held on the current and savings account at ABN AMRO Bank. As of 31 December 2021, closing balance on PSI-Europe current account was 363 072 EUR, and on savings account 151 736 EUR.

Reserve

PSI-Europe builds its own reserve to ensure the organisation can continue its operation and pay upon obligations should it experience a sudden drop in funding. In 2016 it was agreed by the PSI-Europe Board of Directors to start to increase its sustainability by building a Continuity Reserve.

Therefore, the PSI-Europe Board of Directors decided that from the Year-end result of 2021 in amount of 37 899 EUR:

18 899 EUR will be added to the Continuity Reserve (12 651 EUR plus yearly calculated severance contribution of 6 248 EUR for 2021).

19 000 EUR will be added to the Appropriated Reserve to enhance the capacity to implement the strategy 2021 – 2023 successfully (10 000 EUR plus savings from fringe benefits for 2021 of 9 000 EUR).

	<u>Continuity Reserve</u>	<u>Appropriated Reserve</u>	<u>Total Reserves</u>
As at December 31, 2020	<u>164 464</u>	<u>2 875</u>	<u>167 339</u>
Result appropriation including severance contribution 2021	18 899	19 000	37 899
Used during 2021 for Objectives (project contributions)	0	-/- 2 875	-/- 2 875
As at December 31, 2021	<u>183 364</u>	<u>19 000</u>	<u>202 364</u>

Liabilities

All current liabilities are payable within one year.

Balance in current liabilities includes:

1 - Accounts payable and accrued expenditures related to 2021 financial year in amount of 201 027 EUR, from which:

(x1€)

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Wage taxes obligations, not paid as of 31 December	15 141	15 580
Vacation allowance accrual	16 779	17 204
Unused vacation accrual	46 394	34 800
Salaries and Wages other	49 089	36 000
Audit costs	7 660	21 750
Donations for PSI	2 000	0
ACMS	0	271 327
ABMS	0	63 410
Other Liabilities	63 964	78 546
Total	201 027	538 617

Other liabilities of Euro 73 964 at 31/12/2021 are mainly payables, accruals, obligations regarding (flexible) capacity consultants (39 220 EUR), relocation office, equipment and ICT (12 000 EUR), legal advice (3 000 EUR), overhead (7 418 EUR) and other (2 326 EUR). In Salaries and Wages other are costs for settlement agreement included.

2 - Reporting obligations towards donors, in the amount of 126 448 EUR, representing funds received in advance and not disbursed as of 31st December 2021. PSI-Europe reports those reporting obligations as short-term liabilities, as they are expected to be spent in the following financial year.

Most of the related commitments from the donors have a long-term nature and are extended on annual basis. At 31/12/2021 PSI-Europe has reporting obligations to PSI for an amount of Euro 126 448 (PSI Representation Technical Assistance & Advocacy (119 133 EUR), Ignite (4 897 EUR) and PSI HR Francophone Support (2 418 EUR)).

(x1€)

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Funding received in advance for		
JeuneS3 programme implementation	0	51 381
PSI Programme Management Support for Ignite project	4 897	10 343
PSI HR Francophone Support	2 418	0
PSI Technical Assistance, Representation, Advocacy	119 133	91 964
Total	126 448	130 138

Off-balance sheet liabilities

PSI-Europe strives wherever possible to avoid long-term contracts with suppliers that include fixed commitments. Most of the contracts with vendors can be terminated within 1 year or amounts payable are based on actual usage.

Contract for office rent (Herengracht 124 – 128, 1015 BT Amsterdam, contract for 12 months which will be automatically renewed after the laps of a period of 12 months, terms of notice of 3 months, yearly before the 16th of April (in case of termination PSI-Europe has to submit a written notice before the 16th of January), monthly rent 3 613 EUR, deposit 11 452 EUR) and contract with company pension fund are among the few exceptions.

Due to COVID-19 employees of PSI-Europe worked in 2020 mainly from home. To reduce costs and because we expect to continue to work more from home in the future we terminated the contract for office rent in 2021. From the 17th of April 2021 we continued to use the office facilities of our office at the Herengracht 124 – 128 but in a limited and flexible way. Monthly costs for 2021, after the 16th of April 2021, 1 130 EUR and monthly costs for 2022 870 EUR.

Notes to Statement of Income and Expenditure

Income

PSI-Europe recognises the incoming resources from financing contracts and grant decisions in accordance with Dutch Accounting Standard 274. This means that income is recognized at the time resources are expended, and actual costs reported and approved by the donors.

The total income for the year 2021 can be broken down into the following components:

(x1€)	<u>Jan - Dec 21</u>	<u>Jan - Dec 20</u>
Income from companies	0	0
Income from government subsidies represents funding originated from the Dutch Ministry of Foreign affairs, received by PSI-Europe via sub-award relationship with PSI and Cordaid		
JeuneS3 programme (Cordaid)	17 373	550 112
Funding for programme management of Ignite project (PSI)	230 975	212 480
Income from affiliated non-profit organisations represent funding received from PSI for the following tasks:		
Funding for generating resources for PSI network and liaison with European donor organisations	395 962	453 646
Funding for seconded employees and consultants arrangements	29 582	95 076
Income from private individuals	7 250	2 875
Other income is interest earned on savings account	4	49
Total Income	681 146	1 314 238

Total income realized by PSI-Europe in 2021 was 681 146 EUR, which is 48 % lower than income for 2020 (1 314 238 EUR).

Expenditures

The main cost allocation principles, used by PSI-Europe are:

- costs are accounted for the year to which they relate;
- costs are taken into account as long as they are foreseeable;
- IT equipment and furniture purchased at a value smaller than 5.000 EUR is accounted for as an expense on a payment date.

Costs listed in this report include expenditures related to fulfilling of the organisation's core objectives; costs of own fundraising, general management and administration costs. For 2021 financial statements expense division, PSI-Europe adopted the following core objectives classification in line with main activities;

- JeuneS3 programme
- PSI Programme Management
- Technical Assistance, Representation and Advocacy

Based on recommendation of the Guideline for Annual Reporting, total costs of the year are divided into following categories:

- Directly attributable expenditures are those directly allocated to one of the main. These costs may consist of direct programme costs, incurred directly by a specific project, and common costs, incurred as part of sustaining operations that benefit multiple projects; the later ones are allocated to the projects by means of quarterly allocations as per PSI-Europe Finance policy;
- Costs associated with general management and administration;
- Cost of own fundraising.

Total expenditures in 2021 accounted 643 247 EUR, reflecting a 50,2 % decrease in comparison to total 2020 costs (1 292 210 EUR).

PSI-Europe closed financial year 2021 with a positive balance of Income and Expenditures. Year-end result in amount of 37 899 EUR is added to the continuity reserve and the appropriated reserve.

Under expenditure of in total 120 591 EUR (2021 actual expenditures versus 2021 budget) occurred mainly due to lower expenditures on Personnel Costs (140 k EUR) as a result of dismissal of the Administrative Accounting Assistant (1st of June 2021), later hire of the Stakeholder and Donor Engagement Director (1st of September 2021) and limited salary increase and fringe benefits. This has to be seen in relation with the over expenditure on Outsourced Work / Professional Services (60 k EUR) related to costs of hiring flexible capacity to assure that we were able to further implement our strategy successfully.

Next to this we realized additional savings as a result of working from home on office and equipment costs (16 k EUR), lower direct costs / office costs (12 k EUR) and travel costs (19 k EUR) due to fewer activities as a result of COVID-19.

Specification of Expenditures, 2021

(x1€)

	Spent on objectives			Own Fund-raising	Management & admin	Total actual year 2021	Budget year 2021	Total actual year 2020
	JeuneS3 Program Management	PSI Program Management	Technical Assist., Repres. & Advocacy					
Provided (project) subsidies and (project) contributions	...	...	...	7 250	...	7 250	0	369 137
Purchases and acquisitions	...	79	336	...	...	415	6 000	7 941
Outsourced work	...	12 915	98 556	...	2 366	113 848	53 724	144 993
Communication expenses, Conferences	...	...	239	...	1 000	1 239	2 500	490
Personnel costs	18 389	209 274	179 267	...	85 494	492 425	632 351	714 868
Travel & Accommodation expenses	...	55	352	...	74	480	19 200	3 516
Rent & Utilities	...	7 553	14 075	...	2 240	23 867	34 107	47 332
Office and general expenses	90	1 099	1 720	10	803	3 723	15 956	3 933
Total	18 479	230 975	294 555	7 260	91 977	643 247	763 838	1 292 210

Jeune S3 programme costs represent around 3% of total expenditures for 2021 and relate to the closing of the JeuneS3 programme activities that took place under SRHR Strategic Partnership of Dutch Ministry of Foreign Affairs with Cordaid as alliance lead and PSI-Europe as one of alliance partners. Under this project PSI-Europe issued until 2020 sub-awards to its local partner in Cameroon - Association Camerounaise pour le Marketing Social (ACMS) and its local partner in Benin – Association Béninoise de Marketing Social (ABMS).

PSI programme management costs represent around 36% of total expenditures for 2021 and relates to the programme management and implementation support of the International SRHR Strategic Partnership programme (Ignite) between PSI and Dutch Ministry of Foreign Affairs.

Technical assistance, representation and advocacy costs represent 46% of total expenditures for 2021, and relate to the technical assistance provided to PSI network members in terms of liaison with European donor organisations and promoting PSI network core values among European stakeholders, costs associated to new business development support, as well hiring staff seconded from PSI. Our technical assistance, representation and advocacy for Menstrual Health is also part of this category.

Cost of own fundraising represents 1% of total expenditures for 2021, are the donations received as a result of own fundraising and contributed to our projects.

Costs of general management and administration, represents 14% of total expenditures for 2021 the costs are primarily related to the governance of the organisation to fulfil constitutional and statutory requirements, executive management, finance and human resources management, management of donations and general office costs.

Specification of Staff Cost

Due to the nature of PSI-Europe’s work, staff costs represent a relatively big portion of its total costs. Breakdown of staff costs is shown in the following table:

(x1€)

	<u>Jan - Dec 21</u>	<u>Jan - Dec 20</u>
Gross Salary	377 344	569 865
Social charges / taxes	38 415	55 959
Pension plan	27 146	34 799
Other benefits	49 520	54 245
Total staff costs	492 425	714 868

Average number of staff count in 2021 was 3,7 FTE, in comparison to 5,0 FTE in 2020.

Total staff costs decreased by 31 % (2021 compared to 2020).

During 2021 (1st of June 2021) the contract of Nina Manjavidze (Administrative and Accounting Assistant) was ended as a result of optimizing the capacity. The 1st of September 2021 Davey Groothoff was hired as Stakeholder and Donor Engagement Director.

Executive remuneration (WNT accountability)

Since the 1st of January 2013, the law for executive remuneration (WNT) is in place. The individual maximum applicable for the remuneration for Development Cooperations is Euro 191 000 in 2021. Starting 2017 the WNT was applicable for Stichting PSI-Europe. Based upon the quantity of subsidies in 2021 Stichting PSI-Europe has no longer this legal obligation. However Stichting PSI-Europe voluntarily applies the WNT and publishes the remuneration of the staff and the Board.

No employees or temporary staff of PSI-Europe received remuneration above the WNT-maximum in 2021. Remuneration of the Managing Director is presented below.

(x1EUR) Name	2020		2021
	Douglas F. Call Managing Director	Odette Hekster Managing Director	Odette Hekster Managing Director
Function	1/1/2020 - 30/6/2020	1/7/2020 -31/12/2020	1/1/2021 - 31/12/2021
Duration employment	1,0	1,0	1,0
Full time equivalent during the year	Yes	Yes	Yes
Employment	85.116	50.257	108.347
Remuneration plus taxable expense allowances	5.430	3.592	7.185
Remuneration affordable over time (Pension)	90.546	53.850	115.532
Total Remuneration for WNT	93.984	95.016	191.000
Individual WNT-maximum	n/a	n/a	n/a
minus unduly paid and amount not yet received back	90.546	53.850	191.000
Total Remuneration	n/a	n/a	n/a
The amount of overrun and the reason why the overrun is permitted or not	n/a	n/a	n/a
Explanation of the claim for undue payment	n/a	n/a	n/a

Board members do not receive monetary remuneration for their services; but are entitled to expense compensation.

Function	2020	2021
	Name Board member	Name Board member
Chair	Mirella Visser	Mirella Visser
Secretary	Karen Hoehn	Karen Hoehn (until the 15th of December 2021)
Board member	Dr. Joerg Maas	Dr. Joerg Maas
Board member	Michael Allen Holscher	Michael Allen Holscher
Board member		Ekua Yankah (elected the 15th of Dec 2021)
Board member		Christine Fenenga (elected the 15th of Dec 2021)

Specification of Travel Cost

In its function of providing Technical Assistance, Representation and Advocacy support to PSI network members, PSI-Europe conducts normally number of country visits, as well as attends various events and meetings with donor organisations. It also conducts monitoring visits and programme related trips in line with sub-award management and other aspects of programme management. Due to COVID-19 travel costs were in 2021, just like in 2020, nihil. Relevant travel costs are detailed below:

(x1€)

	<u>Jan - Dec 21</u>	<u>Jan - Dec 20</u>
Airfare International Travel	0	0
Accommodation/Per Diem International Travel	0	0
Airfare European travel	0	1 615
Accommodation/Per Diem European Travel	241	791
Visas/Travel Fees/Baggage/Vaccinations	0	0
Ground transportation	239	1 110
Total travel costs	480	3 516

Specification of General Office Cost

(x1€)

	<u>Jan - Dec 21</u>	<u>Jan - Dec 20</u>
Rent & Utilities	23 955	47 333
Office Supplies	1 258	1 111
Insurances	1 930	1 929
Professional Development	0	0
Meeting Expenses and Employee Morale	976	2 060
Bank Charges/Fees	1 393	390
Dues, Fees, Subscriptions	0	397
Other	8	-26
Total general office cost costs	29 520	53 194

After balance sheet date information

There have been no material post-balance-sheet events, which would require adjustment to financial statements for the 2021 financial year.

Adoption of the Annual Accounts and appropriation of year-end result

According to PSI-Europe Articles of Association, the Board adopts the annual accounts drawn up by the Director of Finance. Included in the annual accounts is the proposal for the appropriation of positive or negative result of the fiscal year concerned. The appropriation of the balance takes into account the imposed restrictions on spending by third parties.

From the year-end result of 2021 in amount of 37 899 EUR is 18 899 EUR added to the Continuity Reserve and 19 000 EUR is added to the Appropriated Reserve for (flexible) capacity.

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

To: the Board of Stichting PSI-Europe, based in Amsterdam, The Netherlands.

A. Report on the audit of the financial statements 2021

Our opinion

We have audited the financial statements 2021 of Stichting PSI-Europe based in Amsterdam, The Netherlands.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting PSI-Europe at 31 December 2021 and of its result for 2021 in accordance with the 'RJ-Richtlijn C1 Kleine organisaties zonder winststreven' (Guideline for annual reporting C1 'Small not-for-profit organisations') of the Dutch Accounting Standards Board).

The financial statements comprise:

1. the balance sheet as at 31 December 2021;
2. the profit and loss account for 2021; 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 PSI-Europe 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.

Oranje Nassaulaan 1
1075 AH Amsterdam
Telefoon 020 571 23 45

E-mail info@dubois.nl
www.dubois.nl
KvK nummer 34374865



B. 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 report.

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, being the Management Board's report in accordance with Guideline for annual reporting 'RJ-Richtlijn C1 Kleine organisaties zonder winststreven' (Guideline for annual reporting C1 'Small not-for-profit organisations').

C. Description of responsibilities regarding the financial statements

Responsibilities of the management for the financial statements.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting 'RJ-Richtlijn C1 Kleine organisaties zonder winststreven' (Guideline for annual reporting C1 'Small not-for-profit organisations'). 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 organisation'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 organisation 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 organisation's ability to continue as a going concern in the financial statements.

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 organisation'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 organisation 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 management 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.

Amsterdam, 15 June 2022

Dubois & Co. Registeraccountants

G. Visser RA