

Dorcas *Annual Report*



2023
Building
bridges

Impact story

Ioana crosses the bridge to a flourishing life

Ioana grew up in a Roma community in north-western Romania. She was just 18 months old when she burned her hand severely.

Ioana: 'After that, I could hardly use my left hand. My parents never sent me to school because they were afraid that other children would laugh at me due to my handicap. So I did not learn to read or write or acquire the skills you need to get a job. I married and became a mother. We struggled to survive as a family and could only just afford to send my son to school. We did not have the money to send my two daughters, though.'

Through her son's school, Ioana came into contact with a Dorcas project. That provided the bridge she and her family needed to a flourishing life. Thanks to the project, Ioana's daughters could attend school and Ioana learned to read and write during a literacy course. She also joined the sewing club at the local community centre and became a skilled seamstress.

Ioana: 'The Dorcas project has given my family so many opportunities!

My children can now receive a good education, which will boost their chances of finding a job. And I'm no longer ashamed of my disability. Also, thanks to the sewing club, my confidence has grown, and I've become a respected member of the local community.' Ioana hopes that other Roma adults, especially women, can also acquire the social and vocational skills they need to participate fully and equally in society. 'I long for the day when all Roma are no longer seen as outsiders but as valued members of the local communities in which they live.'



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Highlights of 2023



Emergency humanitarian assistance campaign launched in February immediately after the devastating earthquakes in Syria: € 2.6 million received.



Over 5 million articles sold in Dorcas shops with a revenue of € 11 million.



Dorcas independently verified against Core Humanitarian Standard for our humanitarian, development and advocacy mandates.



Corporate social responsibility integrated in Dorcas operations: operational guide produced to decrease our environmental and climate impact.





Dorcas and Woord en Daad sign partnership agreement and continue their collaboration on job creation for youths in Ethiopia.



New EU-funded programme started to strengthen Civil Society Organisations' capacity to develop innovative solutions related to the environment, digitalisation, and gender equality.



Human rights campaign launched to raise awareness for just societies in which every individual, whoever they are, can participate and flourish.

Foreword

Building Bridges

A bridge connects two areas. It can reduce travel time or help reach places previously cut off. Bridges can also be built between people to improve relations and facilitate mutual exchange. Building bridges is also a metaphor for how Dorcas works. We reach out to those in need, bridge differences in equality and opportunity, and ensure that everyone is connected and able to participate. In this annual report, we reflect on key developments and our main achievements, the challenges we faced, and the lessons learned from the bridges we built in 2023.

Our world is in turmoil: 2023 saw a marked increase in crises and people in need. This could be a cause for despondency. However, at Dorcas, we focussed on building bridges that brought hope and perspective to people and places off the beaten track.

We did this through the power of partnership, the strength of connection, and reaching out to each other. We are grateful that Dorcas could act as the bridge between our supporters and those in need. Thanks to the hard work of our colleagues and volunteers, we could support thousands of people impacted by poverty, crisis, or exclusion. This team effort enabled us to take immediate action when Syria was hit by earthquakes and to continue our support in Ukraine. It also meant we could stand up for people in need who are less visible and known, such as older people in Romania and Moldova or farmers in Mozambique and Tanzania. The projects and stories highlighted in this annual report illustrate the strength of the Dorcas approaches that enable individuals and communities to flourish.

We gave this annual report the title 'Building bridges'. We reached out to those in need in cooperation with many other stakeholders. As such, we were inspired by Jesus, who demonstrated his love and compassion for others by reaching out to people who were sick, hurting and without hope. We are grateful for the bridges built in 2023 and look forward to reaching out even more in 2024.

John 13:35 *"By this, all people will know that you are my disciples if you have love for one another."*



Executive Board
Agnes Kroese, CEO
Peter Palsma, COO

What we change

The results presented are based on at least 70 per cent of indicators measured in 2023.



How we Change



*22 per cent project spending transferred directly to implementation partners.



*Including South Sudan, end of year data on full-time equivalent.

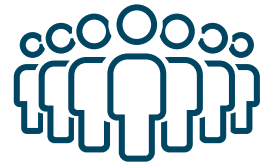
**Full-year average on full-time equivalent.

Where we Change

Eastern Europe

The Middle East

Eastern Africa



1,401,366*
People reached

*Numbers include South Sudan, where we work closely together with ZOA.



3,121
Volunteers



44
Shops



4,372
Churches



5,125
Companies



75,353
Donors

We are Dorcas

Dorcas is a Christian organisation that provides humanitarian assistance and facilitates development cooperation. We invest in sustainable change in the lives of people who are marginalised. In the event of poverty, exclusion or a crisis, we create opportunities for them to flourish.

What we believe

We believe in the value and God-given potential of every single person. We are called to demonstrate God's love for those in need. This is how we follow Jesus Christ.

What we see

We see a world where poverty, exclusion and crisis marginalise people. We also see the potential of these people and their communities to flourish despite their difficult circumstances.



What we do

We empower people who are marginalised to develop their talents. And we enable disadvantaged communities to flourish. We equip individuals and communities to promote and ensure participation of all.

We create hope and long-term perspectives in volatile and complex situations. We meet people's basic needs in times of crisis and increase their ability to overcome poverty and exclusion.

We persist despite frequent setbacks and invest in durable relationships to realise sustainable change.

We are part of a global movement of individuals and organisations working for a just and fair world. We recognise and appreciate everybody who supports our work. And we actively partner with others to create synergy and amplify our impact.

Our strategic direction in 2024

The Dorcas strategic ambitions for 2022-2025 spearhead the following priorities and concrete plans we have made for 2024 (excluding monetary targets).

Focus on people who are marginalised:

- ▶ Build qualitative evidence and evidence-based track records to improve our Way of Working and strengthen our positioning and fundraising.
- ▶ Increase the sustainability of Social Empowerment and Protection (SEP) programming through a graduation model.
- ▶ Enhance Humanitarian Assistance and Recovery (HAR) by focusing more on recovery and enhancing Nexus programming.
- ▶ Develop a contextualised Inclusive Entrepreneurship (IE) approach for East Africa.

Develop coherent and community-based programmes:

- ▶ Implement the programmatic learning cycle across all country offices to improve Dorcas programme concepts (HAR, SEP, IE) and increase impact.
- ▶ Strengthen community-level interventions in project design and implementation for increased impact at the community level.

Increase the scale and effectiveness of our work:

- ▶ Implement partner action plans to strengthen strategic partnerships and the benefit Dorcas gains from these.
- ▶ Enhance our implementation partners capacities based on assessments of their needs.
- ▶ Boost project management efficiency through stronger monitoring of our Project Cycle Management process and system.

Mobilise resources and engage communities:

- ▶ Improve sustainability and operations of Dorcas shops by structuring and developing the management structures while maintaining the entrepreneurial spirit that made them successful.
- ▶ Enhance our Dutch support base by implementing an improved fundraising strategy that engages and keeps existing donors and attracts new ones.
- ▶ Strengthen our public fundraising campaigns with measurable targets.
- ▶ Improve our institutional fundraising through improved planning, better proposal development and writing, forecasting fundraising needs at country offices, and strengthening relationships with key institutional donors.

Become an agile catalyst and connActor:

- ▶ Strengthen our country office operations by developing and implementing organisation-wide operational models as well as specific tools and structures to improve operational management at our country offices.
- ▶ Continue implementing the leadership programme and staff well-being improvements.
- ▶ Monitor our climate footprint and take steps to reduce the climate impact of our offices and operations.
- ▶ Implement improvements to ensure compliance with the Core Humanitarian Standard by the end of 2024.
- ▶ Continue improving our operational processes and support functions, such as monitoring and steering on lead times, implementing information and security policy, and improving and developing new management information dashboards.





Part 1

Annual report

Chapter 1

Impact



Dorcas contributes to change in Eastern Europe, the Middle East and Eastern Africa. This chapter gives an overview of how we do this by highlighting several projects per region.

How we move towards change

Each project is linked to the long-term outcomes (LTOs) of the Dorcas results framework and their corresponding indicators, and we link each project with the impact statements in our Theory of Change. By doing this, we illustrate how our Way of Working contributes to change for individuals, communities and societies.

Long-term outcomes

Dorcas works with seven key LTOs. These seven key LTOs were chosen based on their level of contribution to the six impact statements of flourishing people and communities and the degree of compatibility with Dorcas' fields of expertise. Each programme of Dorcas should contribute to one or more of the seven key LTOs. Dorcas identified medium-term outcomes (MTOs) that represent preconditions to reaching these seven key LTOs. Progress of both is measured using specific, measurable, attainable, realistic and time-bound indicators.

LTO 1

Improved economic resilience

Economic resilience of livelihoods is about households ability to smooth out shocks over time with savings, borrowing, and sharing risk.

LTO 2

Improved food security and climate resilience

All members of a household, at all times, have access to enough food for an active, healthy life. Households have adapted their livelihoods systems to the changing climatic conditions, being able to overcome longer periods of drought, floods or other negative consequences of climate change that affect their livelihood activities.

LTO 3

Empowered community members

People have a sense of autonomy and self-determination, enabling them to represent their interests in a responsible and self-determined way, acting on their own authority. People recognise and use their resources and chances in order to further both their own interests and those of the community.

LTO 4

Basic services are accessible to all people

In flourishing communities all people have equal access to these services, including vulnerable and marginalised population groups. That is, access is inclusive. During conflict or disaster basic services can also include food and necessary non-food items.

LTO 5

Community safety nets support the vulnerable people in the community

People who are marginalised due to poverty, exclusion or crisis are supported economically, spiritually, physically and emotionally through existing community structures.

LTO 6

Protection system in place for victims and people at risk of harm

With a protection system we mean a set of methods, procedures and routines that are established to keep the most vulnerable groups in the community safe and to provide support when people are harmed.

LTO 7

Government and institutions take into account advocacy messages, honouring the rights of their constituencies

Governments and institutions are convinced of the importance of doing right to all citizens, including people marginalised due to poverty, exclusion or crisis. Community and civil society groups formulate appropriate advocacy messages.

Eastern Europe

In Eastern Europe, Dorcas is present in Albania, Moldova, Romania and Ukraine. In 2023, Dorcas and 25 implementation partners reached 118,290 people in 54 projects.



485

Households with higher income.



4,475

People with higher empowerment score.



6,728

Households with higher access to basic services.



4,026

People supported by community.



8,266

People who feel more secure.



14

Advocacy messages taken into account.



Ukraine

Frontline resilience through cash, mental health and psychosocial support

Zaporizhya is a severely conflict-affected frontline region in Eastern Ukraine. The population faces repeated missile attacks and the prospect of further ground offensives. Many people fled westward in the early months after the invasion. Others were not able or willing to leave, particularly older people and people with disabilities. With funding from the Ukraine Humanitarian Fund through UN OCHA, Dorcas provided over 8,000 people with:

- ▶ Urgent mental health and psychosocial support.
- ▶ Unconditional cash assistance.
- ▶ Essential items and household repairs.

Growing vegetables and starting businesses to sustain life in conflict

Millions of citizens from Eastern Ukraine fled to the relative safety of Zakarpatta, a region bordering Hungary and Slovakia. Many of these displaced people struggle to find employment and make a living. Funded by World Vision America through World Vision International, Dorcas supported 280 households in the west of Ukraine to:

- ▶ Grow vegetables in greenhouses.
- ▶ Acquire new skills for employment through vocational training.
- ▶ Start micro and small businesses through business training.



Albania and Moldova

Community development for everyone

Together with urban and rural communities in Albania and Moldova, Dorcas implements integrated projects for community development and support to community members.

With funding from *Draagt Elkanders Lasten*, *Kom Over en Help* and *New Day Impact*, Dorcas supported 1,335 community members through:

- ▶ Mobilising community members and resources.
- ▶ Lobbying the government to support vulnerable groups, including older people.
- ▶ Community-based initiatives.
- ▶ Social businesses.
- ▶ Farmer field and business schools.
- ▶ Income-generation support.
- ▶ Life skills training.
- ▶ After-school support.

Nadiia

“By taking part in various activities, older people forget about the fear and danger, and they feel heard and valued! We all hope that the conflict will end and that we will feel safe in our homeland.”



[Read Nadiia's story →](#)

The Middle East

In the Middle East, Dorcas is present in Egypt, Iraq, Lebanon, Syria and Yemen. In 2023, Dorcas and 25 implementation partners reached 727,089 people in 67 projects.



6,295

Households with higher income.



5,547

Households with higher food security.



7,818

People with higher empowerment score.



23,910

Households with higher access to basic services.



636

People supported by community.



9,980

People who feel more secure.



13

Advocacy messages taken into account.



Lebanon

Resilience for refugees and host communities

Displaced people and host communities are affected by the aftermath of the Syria and Iraq crises and a destabilised economy. Their resilience is put to the test. Through Tabitha, Dorcas participated in the Qudra 2 project, which was executed by five organisations: GIZ, AECID, EF, HIA and ENABEL, in four countries, including Lebanon.

Dorcas contributed to strengthening protection systems and promoting self-development and well-being for 6,306 children, youth, adults, and older persons through:

- ▶ Five social development centres and mobile units.
- ▶ Child protection.
- ▶ Arts and crafts activities.
- ▶ Case management and referral to external services.
- ▶ Vocational skills promotion.
- ▶ Healthy family dynamics.



Zainab

“The burden has been lifted from my shoulders.”



[Read more Syria and Zainab's story →](#)



Syria

Restoring markets and livelihoods in Aleppo

Urban and rural communities in Aleppo are severely impacted by ongoing conflict and economic crisis. Local markets are in dire need of revitalisation to support the livelihoods of Aleppo citizens.

Dorcas supported:

- ▶ 368 people with protection awareness and technical training.
- ▶ 132 people working in the food sector with tools and resources.
- ▶ 100 farmers with fertilisers and agricultural inputs.
- ▶ 136 livestock farmers with animal feed.
- ▶ 88 women with food vouchers.



Gilberte

“Dorcas support has restored my dignity and self-worth because I no longer struggle to meet my basic food needs.”



[Read Gilberte's story →](#)



Yemen

Let the sun shine again in Yemen

Yemeni households are affected by ongoing conflict, displacement and drought. The Yemen Joint Response addresses the protracted crisis in Yemen through the Dutch Relief Alliance, which is funded by the Dutch Ministry of Foreign Affairs.

Dorcas, together with Medair, ITDC and Yemeni partners, reached 336,705 people and supported them with:

- ▶ Hygiene kits and awareness.
- ▶ Minimum food basket distributions.
- ▶ Unconditional cash transfers.
- ▶ Rehabilitation of four community water systems and eight health facilities.
- ▶ Solar oven prototype.
- ▶ Solar technician trainings and distribution of solar systems.



Iraq

Water brings back hope to Sinjar

More than 80 per cent of public infrastructure and 70 per cent of private infrastructure in Sinjar district, Iraq, were destroyed. Displaced returnees and host communities in Sinjar district want to see their water supply restored and their sanitation and hygiene improved.

With funding from UAE Aid and in partnership with Nadia's Initiative, Dorcas supported 19,329 people in eight villages in Sinjar district by:

- ▶ Drilling two new and rehabilitating three existing water boreholes.
- ▶ Constructing water networks, including five protection rooms, water tanks and electrical transformers.
- ▶ Forming and training eight village WASH committees.
- ▶ Organising 54 community hygiene awareness sessions.



Minsa*

"Dorcas gave us the psychosocial support we needed and through an empowerment programme, we could set up a business and support ourselves as a family." **Pseudonym*



[Read Minsa's story →](#)



Eastern Africa

In Eastern Africa, Dorcas is present in Ethiopia, Kenya, Mozambique, South Sudan and Tanzania. In 2023, Dorcas and 23 implementation partners reached 555,987 people in 44 projects*.



6,653

Households with higher income.



4,772

Households with higher food security.



3

Communities with higher climate resilience.



2,379

People with higher empowerment score.



552

Households with higher access to basic services.



3,041

People supported by community.



1,173

People who feel more secure.



22

Advocacy messages taken into account.

*Numbers include South Sudan, where we work closely together with ZOA.



Kenya

Community climate resilience

Rural and semi-urban communities are affected by environmental degradation and a changing climate. Renewable energy, clean cooking, planting trees and other nature-based solutions and enterprises enhance their climate resilience.

Together with other Kenyan organisations, Dorcas reached and supported 840 community members and 52 county officials in Kitui county with:

- ▶ Awareness of climate change adaptation and mitigation.
- ▶ 30 community members supported as change agents.
- ▶ Clean energy fuel and cooking stoves.
- ▶ 45,000 indigenous bee-friendly trees planted.
- ▶ One bio-briquette production unit providing employment to 10 people.



South Sudan

Dykes protecting land and people

Farmers in Akon South and other areas of South Sudan repeatedly face extreme weather, with frequent flooding of fertile agricultural land.

With funding from EO Metterdaad, ZOA Dorcas South Sudan started the Flood Solutions Restores Livelihoods in Akon South project.

In 2023, ZOA Dorcas South Sudan:

- ▶ Assisted 2,592 community members.
- ▶ Constructed dykes protecting an estimated 1,440 hectares from flooding.
- ▶ Trained dyke maintenance committees.
- ▶ Provided 400 farmers with seeds, agricultural tools and training.





Tanzania

Farmers transforming farming

Participatory Integrated Planning (PIP) is an innovative approach to enabling farming households to transform their small-scale subsistence farms so that these better support their livelihoods and are sustainable in the face of climate change.

Dorcas applies PIP in Tanzania and Mozambique as an active member of the international PIP platform.

In 2023:

- ▶ 80 innovator farmers started to use PIP, which benefitted 441 household members.
- ▶ 70 farmers trained on good agronomical practices, Quality Declared Seed (QDS) seed production and/or farmer-managed natural regeneration.
- ▶ 1,600 live stems of desirable tree and shrub species protected as part of farmer-managed natural regeneration.
- ▶ 25 farmers kept 60 goats for milk production.
- ▶ 29 farmers used 53 improved beehives.
- ▶ 25 farmers kept 925 SASSO chickens.
- ▶ 5,000 agroforestry trees were planted.
- ▶ Two village community banking groups were started.



Cor

"I stand up for people affected by the consequences of climate change."

Read Cor's story →



Warialanga

"I had never imagined that I would one day just turn on the stove and make a meal in the comfort of my living room."

Read Warialanga's story →





Ethiopia

Inclusive, community-led, enterprising solutions for Shashamene

Inhabitants of eight Shashamene informal settlements experience high social and economic vulnerability due to poor housing, sanitation and hygiene conditions. Most youth in these settlements are unemployed. In Shashamene, there are opportunities for micro and small enterprise development and potential for community-led development.

Together with other Ethiopian organisations – including Vision Fund MFI – and government offices, Dorcas reached and supported 1,517 unemployed youth and an additional 208 individuals through asset-based community-led development.

In 2023:

- ▶ 547 youth acquired technical and vocational skills.
- ▶ 115 youth were linked with employers.
- ▶ 970 youth acquired life and entrepreneurial skills.
- ▶ 197 youth increased income through wage employment.
- ▶ 674 youth increased income through self-employment.
- ▶ Six micro and small enterprises received loans.
- ▶ 41 micro and small enterprises found a workshop or outlet location.
- ▶ 50 micro and small enterprises received business development support.



Joana

“I am no longer where I was, but can move towards the future.”



Watch the video to learn more on Joana and PIP →

ZOA Dorcas South Sudan

Dorcas and ZOA form a joint working organisation in South Sudan under the name ZOA Dorcas South Sudan. In 2023, ZOA Dorcas South Sudan became a stronger working organisation in its own right. A new Country Director started to lead the organisation, along with a new Manager of Programme Quality. The dynamic regional teams of South Sudanese staff joined forces to be there for those in need in four areas of South Sudan. A dedicated team of ZOA and Dorcas staff in the Netherlands support the working operation in South Sudan with their programmes, partnerships and corporate positioning.

In 2024, the collaboration between ZOA and Dorcas will be evaluated, and the potential for further scaling of the cooperation explored.



More information? →

Chapter 2

Stakeholders



Dorcas can only realise sustainable change in the lives of marginalised people and communities by working with a wide range of stakeholders. These include partners, networks, politicians and policymakers, and communities of churches, businesses, private individuals, and volunteers. Our strong focus on stakeholder relationships enables us to raise awareness, increase our income and expand the size and effectiveness of our programming.

2.1 Partners

In 2023, the Dorcas Partnerships team mapped our partner relationships to identify common goals. We further strengthened ties with long-established partners who support multiple projects in Ethiopia, Kenya, Mozambique, South Sudan, Syria, Kenya and Ukraine. Furthermore, in the context of empowering relationships, Dorcas country offices now play a leading role in some themes. For example, Dorcas Tanzania has considerable experience with clean cooking and provides high-level advice on this subject.

Dorcas works with different types of partners

Strategic partners are organisations closely aligned with Dorcas and organisations that add a specific expertise and with whom we collaborate at the programmatic level in a country or across multiple countries. Strategic partners invest tangible commitment in funding, time or other resources into the partnership. Implementation partners are responsible for or involved in implementing a programme or project throughout the full project cycle. They are therefore essential to realise change. Local and national partners are increasingly important to Dorcas in line with our objective to implement as locally as possible and as internationally as necessary. Resourcing partners are institutions or organisations that contribute to a

“Hofsteestichting’s primary goal is to improve the dignity and living conditions of the poorest of the poor. We refuse to accept that in this day and age, large groups of people in the world still languish in poverty. Dorcas is a reliable and established partner for helping us to realise this goal.”

Edwin Baelde
Executive Board Secretary
Hofsteestichting



“We are truly impressed by Dorcas’s ability to bridge the gap between international expertise and local needs. Your deep understanding of the communities you serve, coupled with your dedication to building lasting relationships, has been instrumental in driving positive change in a very cost-effective manner.”

Bedru Muzcin
Programme Manager
GIZ



project by donating or investing financially. A list of partners who funded our work can be found in the comments on the statement of income and expenditure on page 54.

Funding highlights

In general, Dorcas is well-positioned to acquire external funding from various large donors. Dorcas Ethiopia contracted \$ 700,000 in funding for an emergency project via the UN to support internally displaced people in Ethiopia. In addition, the German development agency



“We continued our long-standing partnership with Dorcas in 2023. Our grant funded the Integrated Social Empowerment and Protection Programme for Ukrainian refugees and vulnerable Moldovan households in Moldova, and we were very pleased with the TV episodes we produced about this.”

*Hanna Pak
Project Coordinator
Partner: EO Metterdaad*



GIZ committed € 465,000 funding for a cross-border community empowerment project located in the border area between Ethiopia and Kenya because it sees the value of Dorcas’ work there. The European Union (EU) continued funding for four Dorcas country programmes in 2023 (Egypt, Lebanon, Moldova, and South Sudan). For projects in Ukraine, Dorcas received € 6.8 million of external donor funding, won a UN OCHA contract worth \$ 5 million and continued to receive USAID/BHA funding for its programmes in 2023. Last but not least, Dorcas managed to raise over € 7 million in external donor funding for projects in Syria. Examples of projects funded are given in chapter 1.

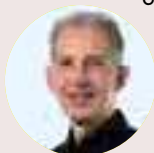


Dorcas appreciates and thanks all its partners, including those not specifically mentioned here.

2.2 Networks

Active membership of networks enables Dorcas to achieve more sustainable impact. Through the PRISMA, EU-CORD, Dutch Relief Alliance, Christian Platform Eastern Europe (CPOE), Partos and DCDD networks, we meet partners, learn from each other, exchange knowledge, and jointly lobby and advocate for change. In the Dutch Christian Emergency Relief Cluster (*Christelijk Noodhulp Cluster*), we work together with five other faith-based NGOs in humanitarian and emergency assistance efforts.

“Achieving more together for those in need is our main motivation for actively partnering with other organisations and being active members of networks.”



*Nico Smith
Thematic Expert*



Dorcas appreciates and thanks all its partners, including those not specifically mentioned here.

“Working at a Dorcas shop is meaningful and gives me so much positive energy. It is really great that I can support those in need this way. The contact with customers, volunteers and other Dorcas shops is also very valuable, with many pleasant conversations. And there is a wonderful supply of articles to sell. I feel I can genuinely mean something for other people in this role, and I enjoy the work, too!”



*Alie Boer-Heshusius
Coordinator Dorcas Winkel
Hattem*

2.3 Individuals and communities

Dorcas nourishes the committed movement of churches, businesses, private individuals and volunteers who make our work possible. In addition to raising funds, most of our activities also aim to strengthen and expand our engagement. Behind the scenes, we implemented various process changes in 2023 to improve how we engage with and support our movement, such as organising campaigns and setting up supporter journeys. Furthermore, many of our volunteers are involved in running Dorcas shops. In 2023, 3,121 volunteers staffed 44 Dorcas shops that sold over 5 million articles and had a revenue of € 11 million (compared to € 9.4 million in 2022).

Our movement is growing

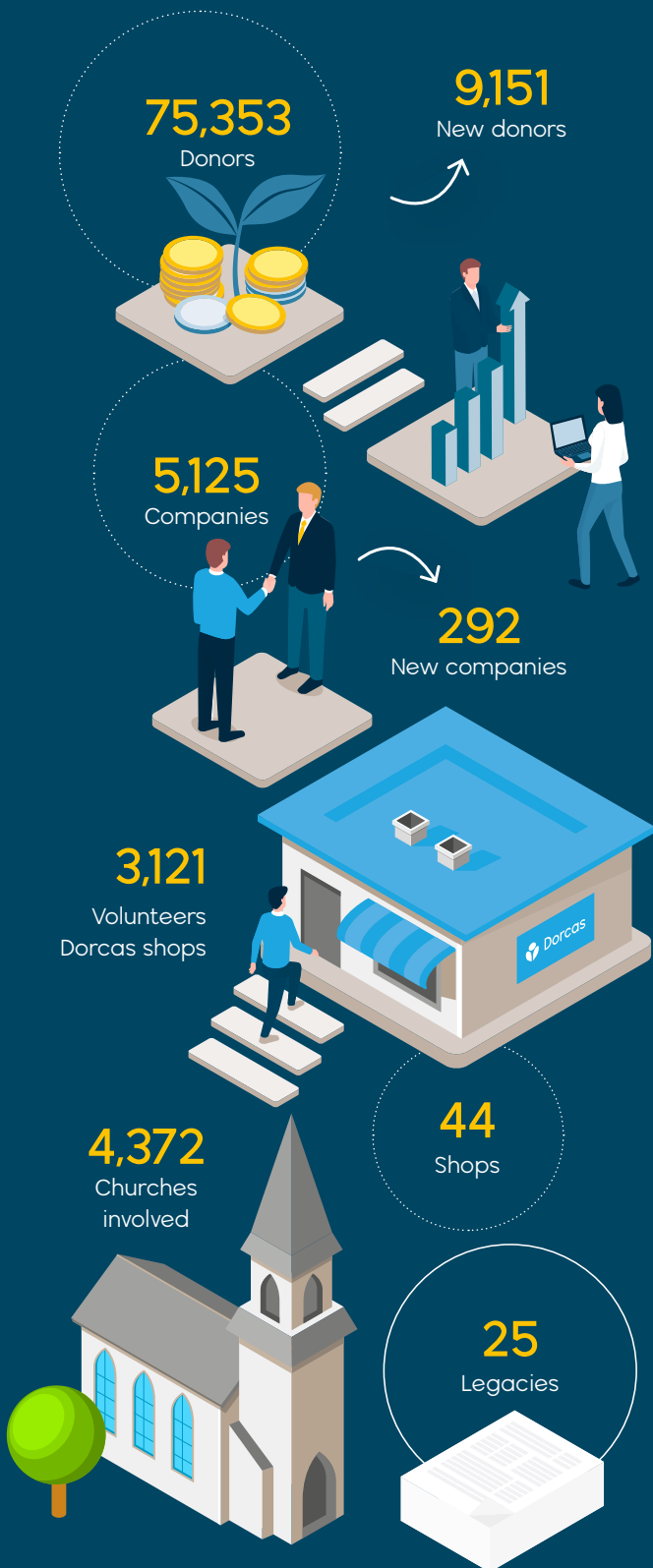
By the end of 2023, we had over 144,000 relations. A trip for entrepreneurs to Ethiopia, a supporter trip for

“In times of uncertainty, the growth in our income is particularly remarkable and touching. It attests to people’s enduring faith in the power and value of development assistance.”



*Jan Jacob Hoefnagel
Spokesperson*

Dorcas communities



"Being connected with such a large group of participants who enjoyed the same hobby was amazing. They were so enthusiastic about the patterns and really enjoyed coming together in groups. Many beautiful flag lines were made and it was fantastic to see so many happy faces."



*Margriet Visser-Staat
Volunteer Coordinator*

women to Albania and activities like our crochet project, which attracted 6,600 participants, contributed to a stronger relationship with our supporters. We also saw strong growth on social media, with an extra 1,705 (up 13.2 per cent) followers on Facebook and 742 (up 50.8 per cent) more followers on Instagram.

Our movement is informed

Hartslag, our general relations magazine, was published three times in 2023, and special magazines were produced for entrepreneurs, churches and sponsors. The Water Power (*Actie Waterkracht*) campaign raised awareness about the lack of access to clean drinking water and the Dorcas Food Campaign drew attention to the issue of food security in various countries where we work. And with newsletters and updates, we kept specific groups, like granny sponsors, informed of the latest developments.

Our movement is generous

Dorcas fundraising efforts increasingly focus on strategy development, data analysis, sponsorship research and the personalisation of fundraising mails. In 2023, our income grew by 15 per cent to € 18.7 million. We saw a five-fold increase in online donations, winter campaign revenues almost doubled, and the growth in income from companies was more than budgeted. Furthermore, our emergency humanitarian assistance campaign for people affected by the earthquake in Syria raised an impressive € 2.6 million from private individuals.

Page 54 details the statement of income and expenditure.

2.4 Policy influencing

Dorcas intensified its own lobby activities and also its participation in lobby and advocacy networks so that it could increase its impact on Dutch international cooperation policies.

In April 2023, the Dutch government announced considerable cuts to the development budget. However, thanks to concerted lobbying efforts by Dorcas and other organisations, these cuts were lowered from € 549 million to € 210 million.

Our lobbying efforts within the Dutch Relief Alliance (DRA) led to the Dutch Parliament adopting two motions regarding inclusion in humanitarian assistance and localisation. The motions resulted in a letter on inclusion in humanitarian assistance from the Dutch government to the Dutch parliament. We used this letter to expand our lobbying and advocacy activities on humanitarian assistance and realise a successful follow-up of the accepted motions in parliament. Furthermore, results like this support a better positioning of the DRA within the Dutch Parliament and the wider political arena.

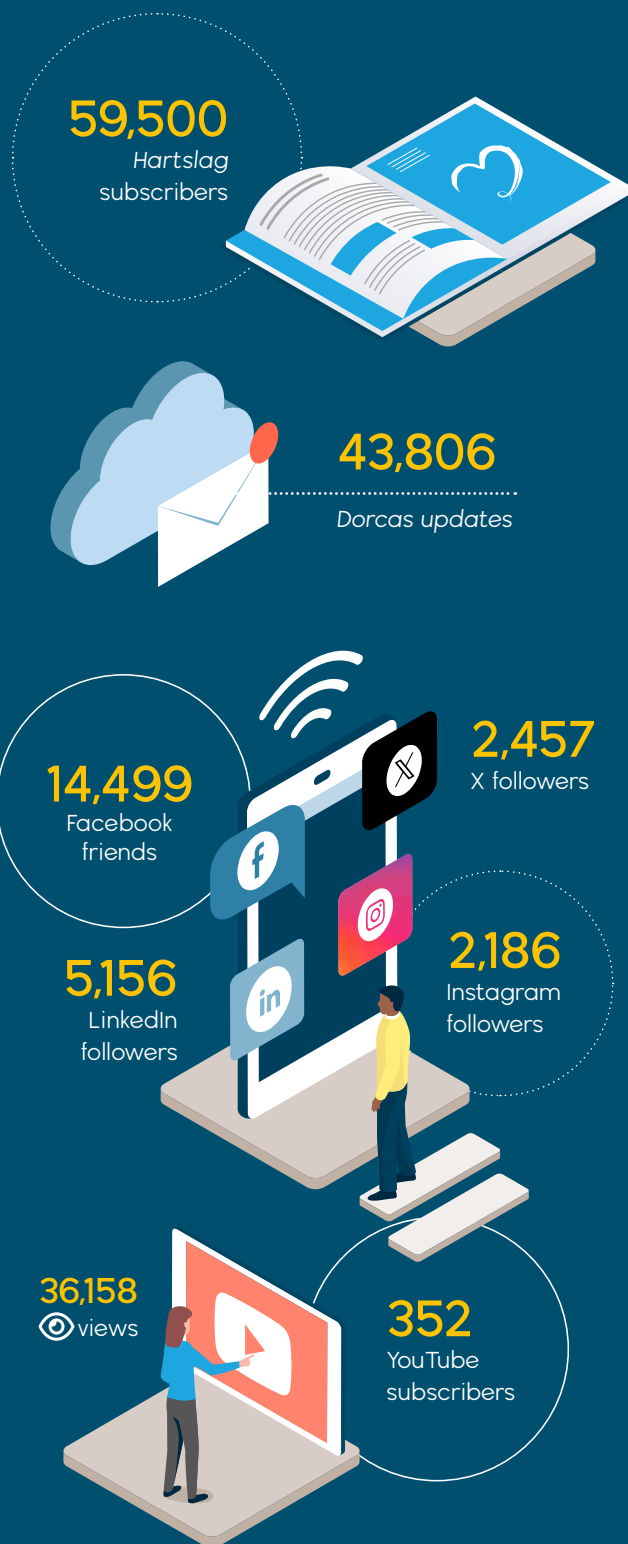
We raised public awareness by sharing our lobby and advocacy messages with various media outlets. These efforts led to publications in Dutch national newspapers, such as *Nederlands Dagblad*, *NRC Handelsblad* and *De Telegraaf*, and appearances on Dutch national TV news (*NOS*).

"We sharpened our lobby and advocacy messages in 2023 and used these to challenge the changing political climate in the Netherlands. We're grateful for the concrete results achieved but are hungry for more!"



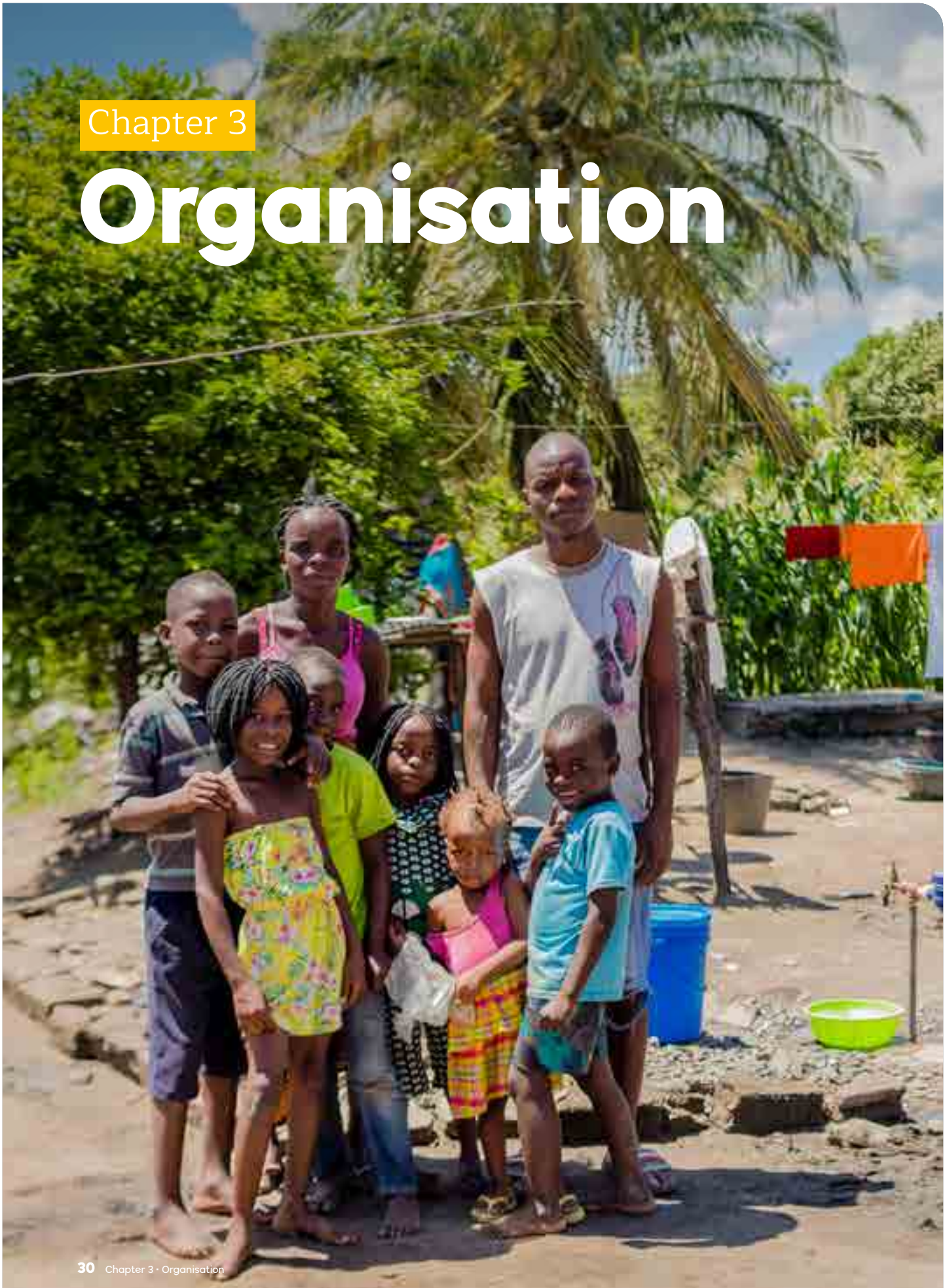
Jochem Duinhof
Political Advisor

Communication channels



Chapter 3

Organisation



One of Dorcas' strategic ambitions is to work in a result-oriented, smooth, and efficient manner. Then we can be of added value to the project participants, communities, partners, stakeholders, donors and supporters we work and collaborate with. We want to be known as a trustworthy and expert organisation, able to do what we say, report what we do, and act with agility while maintaining quality. This chapter describes key organisational developments in 2023.

3.1 Development of the organisation

In 2023, the structure of the Communities and Resource Mobilisation (C&RM) department at the international office changed. There were two reasons for this. First, we faced challenges in managing and administering Dorcas shops, textile operations and fundraising from our Dutch supporters. Second, we saw opportunities for growth that required more capacity than was available. We therefore split the C&RM department into new departments. Shops and Textile (S&T) is now responsible for Dorcas shops and our textile operations, and Engagement and Fundraising (E&F) is responsible for all other former C&RM activities. Both departments have their own manager and will strengthen their processes and structures in 2024 to achieve more impact for Dorcas.

Other key organisational developments in 2023 were:

- ▶ Further steps towards decentralisation and localisation to ensure the structure of our international office and country offices remains fit for purpose and the country offices acquire greater autonomy. A concrete example is Ukraine, where the changing context and programme portfolio led to a strengthening and restructuring of the country office.
- ▶ A leadership development programme for senior management to strengthen leadership capacities at the international office and country offices. Specific attention was given to staff care and well-being, and this topic was more strongly integrated into our HR policies.

- ▶ Implementing the Core Humanitarian Standard (CHS) improvement plan in our policies and programmes so Dorcas can qualify for CHS certification in 2025.
- ▶ Developing and implementing a new intranet and document management system to enhance internal communication and collaboration throughout the organisation.

3.2 Quality management and compliance

Dorcas is committed to quality and continuous improvement to ensure we deliver impact for those in need. We therefore adhere to several standards:

- ▶ ISO 9001:2015 / Partos 9001:2015 (version 2018) quality standard for management systems. Dorcas was recertified in 2023 and is audited annually.
- ▶ Dorcas is recognised by the *Centraal Bureau Fondsenwerving* (CBF, the Dutch Central Fundraising Bureau) for complying with regulations for charitable organisations that cover fundraising and accountability to the general public. Dorcas was recertified in 2020 and is annually reviewed. The CBF 'Recognition Passport' is available at www.cbf.nl/organisatie/dorcas.
- ▶ Dorcas holds ECHO certification (previously known as Framework Partnership Agreement with the European Commission).
- ▶ Dorcas is independently verified against the Core Humanitarian Standard on Quality and Accountability (CHS).

Other international standards that Dorcas complies with include the Code of Conduct for the International Red Cross and Red Crescent Movement, the EU-CORD Quality Declaration and the policy for Protection against Sexual Exploitation and Abuse (PSEA).

We also adhere to certain conditions laid out by two Dutch regulatory organisations:

- ▶ *Raad voor de Jaarverslaggeving* – An advisory body that exists to improve the quality of annual reporting of non-listed organisations and companies in the Netherlands. Dorcas is audited once a year and the annual report is certified by a registered *Raad voor de Jaarverslaggeving* accountant.
- ▶ *Goede Doelen Nederland* – A non-profit association providing advocacy, knowledge development, and services to large and small charities. Dorcas is not a member of Goede Doelen Nederland but applies two of

its recommendations in our work – *Richtlijn Financieel Beheer* (guideline financial management) and the *Toewijzing van kosten voor beheer en administratie* (allocation of costs for management and administration).

3.3 Risk management

Our periodic risk assessment maps out which risks may occur and how these are likely to impact our operations. We estimate and score (probability x impact) our risks carefully and adopt mitigating measures to reduce their impact on our organisation. The business controller supervises and regularly updates the risk monitor. The following five risks have the highest risk scores (*score out of 25 per risk*):



Risks	Mitigating measures
A sudden and relentless drop in private income (20)	<ul style="list-style-type: none"> ▶ Safety margin in the funding allocation framework. ▶ Bi-monthly monitoring and forecasting of income. ▶ Size of continuity reserve linked to risk monitor. ▶ Scenario planning procedure in case income drops.
People getting physically or mentally hurt when executing their tasks (16)	<ul style="list-style-type: none"> ▶ Safety and security policy, including rules for travelling in foreign countries. ▶ Offices have up-to-date safety and security plans. ▶ Safety and security training, advice and support by a safety and security specialist. ▶ Regular risk inventory and evaluations at the international office, Dorcas shops and groups. ▶ Staff well-being policy.
Negative publicity (15)	<ul style="list-style-type: none"> ▶ Monitoring of media to be alert for negative publicity. ▶ Guidelines and procedures for handling negative publicity. ▶ Staff involved in crisis communication are properly trained. ▶ Working and accessible feedback and complaint mechanism (see below under 3.5).
Institutional reputation damage through non-compliance with requirements of institutional funding (12)	<ul style="list-style-type: none"> ▶ Maintaining and increasing knowledge, both at the international office or country offices, about institutional funds requirements (grant conditions, ineligible expenses, financial regulations). ▶ Conflicts of interest are managed in the project cycle management process and project partner agreement. ▶ External audits are handled with care and professional input is given on draft audit reports. ▶ Pro-active communication with donors to manage relationships.
Irregularities at shops leading to lower income and less involvement of volunteers (12)	<ul style="list-style-type: none"> ▶ Maintain and strengthen relationships with Dorcas shops through active engagement with shop boards and volunteers. ▶ Financial management procedures for shops are in place and up to date. ▶ Proper training of shop treasurers. ▶ Auditing Dorcas shops in a three-year cycle on compliance with financial and organisational policies and procedures.

3.4 Corporate social responsibility

Dorcas commits to protecting people, peace, planet and partnerships, as stated in our corporate social responsibility (CSR) policy. We are working to integrate the CSR commitments into our operations. In 2023, the following progress was made:

- ▶ We developed an operational guide for the international office with clear actions to decrease our environmental and climate impact. These range from electricity use in the office building, to commuting policy and sustainability criteria for purchases. Next year, this guide will be followed up with a similar tool for the country offices.
- ▶ We sharpened the green travel policy and monitored

the implementation of the revised version.

- ▶ We worked with Climate Stewards to explore possibilities for certifying CO₂ emission savings in our programmes via their Seal of Approval. This will allow us to compensate our CO₂ emissions.
- ▶ We developed a climate resilience guide and accompanying tools to assess and improve climate themes in programme designs.
- ▶ We paid specific attention to integrating climate issues into our annual planning process to ensure further progress in 2024.

3.5 Integrity

Dorcas fosters a strong integrity culture that promotes trust in our organisation and mutual trust between Dorcas colleagues. Furthermore, we work with people in need who are vulnerable to acts of misconduct, which means we must clearly act with integrity in every aspect of our work.

At the end of 2022, a baseline integrity culture measurement was performed. This provided essential starting points to strengthen the integrity culture within our organisation. Based on these insights, the measurement was specifically repeated in October 2023 for one of our departments. The outcomes did not lead to additional actions.

Our new Code of Conduct was another significant development. It has a principled approach, which lays a solid foundation for our integrity policy. Parallel to this, we finalised our integrity framework. The latest version includes key issues such as child protection and the prevention of sexual exploitation and abuse (PSEA) in a more integrated and understandable way. This revised framework and Code of Conduct have been discussed and adopted in consultation with our International Management Team and Works Council, which underlines broad support for and organisation-wide commitment to integrity.

Preparations for implementing the integrity framework and the associated communication strategy have been completed, including an online training course to promote integrity at all levels of the organisation. Our communication approach is closely aligned with our policy to promote an open culture. We actively encourage employees to engage in dialogue, discuss dilemmas and, where necessary, make reports. This underlines our commitment to upholding and strengthening integrity as a fundamental value within Dorcas.



Part of the integrity system is the existing feedback and complaint mechanism, through which we received and subsequently followed up on feedback and complaints in 2023. The table below summarises the integrity complaints received through the mechanism, other types of complaints are not listed. We received no complaints related to sexual exploitation and abuse (SEA). All cases were handled and resolved according to the complaint procedure, one case was still under investigation at the end of 2023.

3.6 Governance

Dorcas Aid International is a Dutch foundation (*stichting*) registered as a Relief and Development Agency in the Netherlands. Annex A describes our governance and organisational structure, including in Annex B a full list of all Executive Board and Supervisory Board members and their (additional) positions. Our organisational structure is

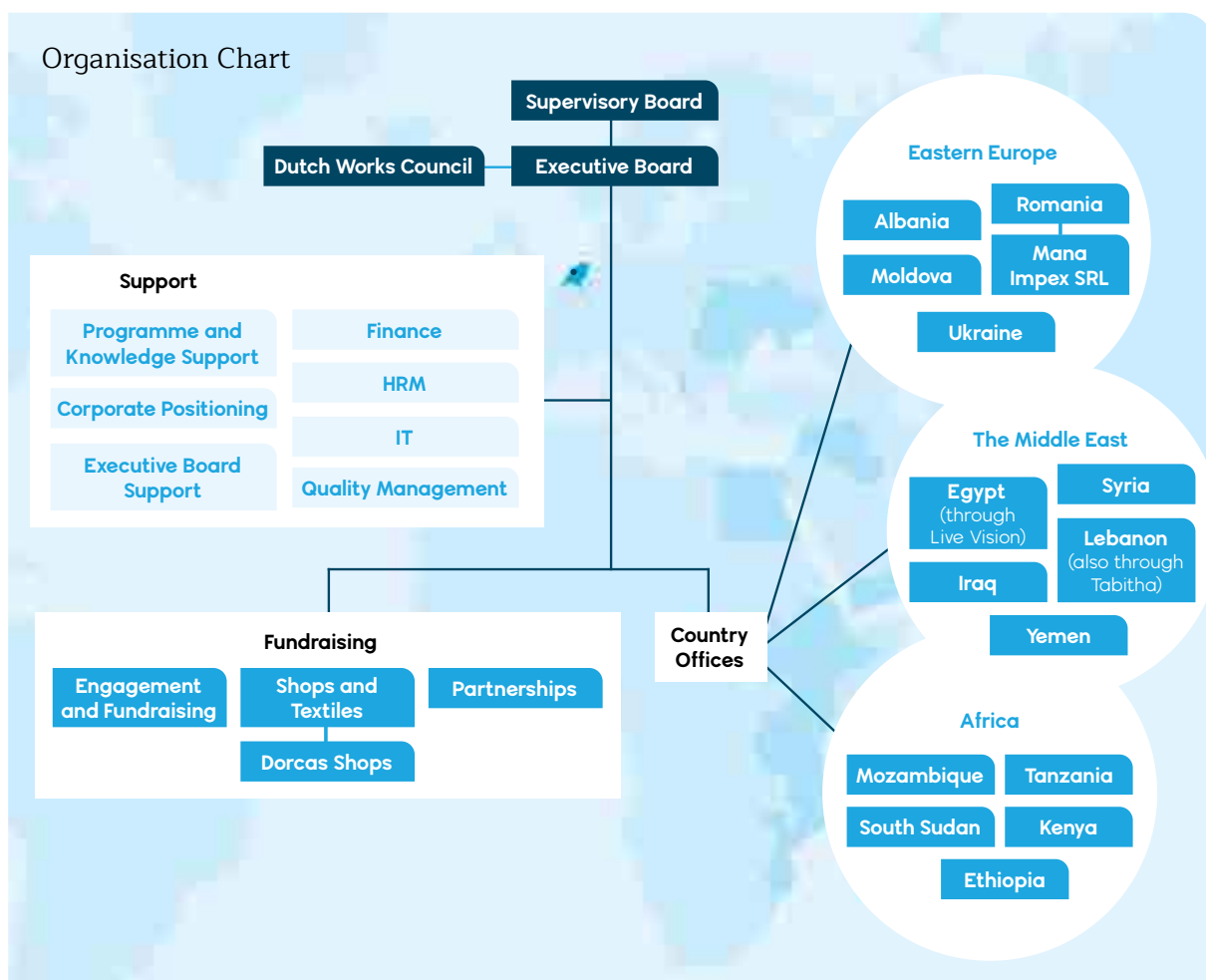
Origin	Number	Key subjects
International office	0	
Country offices	5	<ul style="list-style-type: none"> ▶ Interpersonal behaviour. ▶ Alleged fraud and corruption.
Shops	4	<ul style="list-style-type: none"> ▶ Relationship between shop management and volunteers.

shown in the presented on the next page. Dorcas has a clear division between executive and managerial responsibilities and supervisory duties. An external Supervisory Board (SB) monitors our organisational activities. In 2023, the SB was expanded with a new member, bringing the SB to six members. This will ensure a better allocation of responsibilities across members with appropriate expertise.

- ▶ NGO landscape study and orientation on (potential) strategic partnerships.
- ▶ Climate change and a transition towards a more regenerative economy, including implications for Dorcas.
- ▶ Performance of Executive Board members.
- ▶ Vacancies within the SB.

In 2023, the SB discussed the following topics:

- ▶ Planning and control: the 2022 annual report, auditor’s report and compliance, financial progress reports, and the 2024 annual plan and budget.
- ▶ Forming a cooperative for social impact enterprise development.



For an overview of relations between Dorcas and Dorcas-related entities, see annex B.





Part 2

Annual accounts

Balance sheet as of 31 december 2023 (In euros)

Assets	December 31st 2023	December 31st 2022
Fixed assets		
Intangible fixed assets (B0)	649,634	770,549
Material fixed assets (B1)	3,105,827	3,067,511
Financial fixed assets (B2)	228,902	263,058
	3,984,363	4,101,118
Current assets		
Stocks (B3)	22,413	24,900
Receivables (B4)	5,551,308	4,192,503
Liquid assets (B5)	15,251,336	14,087,415
	20,825,057	18,304,818
Total	24,809,420	22,405,936
Equity and liabilities		
Reserves and funds (B6)		
RESERVES		
Designated reserve financing assets	3,611,427	3,753,090
Project allocation reserve	1,381,478	294,670
Continuity reserve	5,548,328	4,888,777
	10,541,233	8,936,537
FUNDS		
Designated funds projects	6,873,451	6,335,494
	17,414,684	15,272,031
Provisions		
Provisions (B7)	87,500	336,896
Liabilities		
Long-term liabilities (B8)	378,540	354,253
Short-term liabilities (B9)	6,928,696	6,442,756
Total	24,809,420	22,405,936

Statement of income and expenditures 2023 (in euros)

	2023	Budget 2023	2022
Income			
Private individuals (S1)	10,073,195	8,700,000	8,641,080
Companies (S2)	1,297,901	1,200,000	1,294,227
Government grants (S3)	13,458,049	11,300,000	13,101,498
Affiliated non-profit organisations (S4)	125,000	75,000	125,000
Other non-profit organisations (S5)	9,269,222	8,400,000	9,241,388
Total income raised	34,223,367	29,675,000	32,403,193
Income in exchange for delivery of products and/or services (S6)	5,538,079	4,591,323	4,515,657
Total income	39,761,446	34,266,323	36,918,850
Expenses			
SPENT ON OBJECTIVES (S7)			
Awareness	1,635,235	1,457,911	1,414,704
Humanitarian Assistance and Recovery (HAR)	21,965,329	16,895,060	20,664,469
Inclusive Entrepreneurship (IE)	5,313,465	8,174,220	5,476,949
Social Empowerment and Protection (SEP)	4,608,276	6,273,760	4,655,638
	33,522,305	32,800,950	32,211,760
FUNDRAISING EXPENSES (S8)	2,426,573	2,261,597	2,220,146
MANAGEMENT AND ADMINISTRATION EXPENSES (S9)	1,431,351	1,323,242	1,263,022
Total expenses	37,380,229	36,385,789	35,694,928
BALANCE OF INCOME AND EXPENSES	2,381,218	-2,119,466	1,223,922
Financial income and expenses (S10)	-238,578	-18,000	-9,510
Surplus (deficit)	2,142,640	-2,137,466	1,214,412

Result appropriation 2023

ADDED TO/WITHDRAWN FROM	
Designated reserve financing assets	-141,663
Continuity reserve	659,538
Project allocation reserve	1,086,808
Designated funds projects	537,957
	2,142,640

Attribution of Costs

Attribution	Objectives				Expenses		Totals		
	Expenses	Awareness	HAR	IE	SEP	Fundraising	Man.& administr.	Total 2023	Budget 2023
Direct project spending cash and goods	-	18,829,635	4,206,661	3,498,384	-	-	26,534,680	26,382,087	25,888,474
Salaries	616,240	1,424,040	487,246	484,425	876,551	619,146	4,507,647	4,836,131	4,147,226
Social insurance	129,035	194,341	81,224	85,259	178,493	120,945	789,297	801,434	708,178
Pension	83,907	118,931	51,327	54,282	115,707	78,023	502,178	557,457	441,378
Other staff expenses	303,515	587,756	217,222	220,894	426,202	295,429	2,051,017	1,290,148	1,522,069
Communication	195,151	57,451	18,158	16,721	390,303	5,384	683,168	504,377	625,480
Accommodation	42,509	178,461	49,681	45,913	64,365	49,430	430,360	331,154	404,505
Logistics/warehouse	525	6,232	1,420	1,194	991	948	11,310	34,305	11,376
Office and general	166,153	398,013	134,189	132,802	237,022	168,114	1,236,292	1,131,725	1,358,848
Depreciation	98,201	170,470	66,336	68,401	136,938	93,935	634,281	516,971	587,396
Totals	1,635,235	21,965,329	5,313,465	4,608,276	2,426,573	1,431,351	37,380,229	36,385,789	35,694,928

	2023	2022	Dorcac norm
Spent on objectives as a percentage of total income	84.3%	87.3%	>85%
Spent on objectives as a percentage of total costs	89.7%	90.2%	>85%
Fundraising expenses as a percentage of total income raised	7.1%	6.9%	<10%
Management and administration expenses as a percentage of total costs	3.8%	3.5%	4%

In 2023 Dorcas received a lot of donations for the Emergency Response in Syria. Immediate humanitarian assistance and recovery is provided. There are still remaining funds that will be spent well-considered with a focus on recovery. Due to the relief in Syria and Ukraine other

projects could not be executed, which will be postponed to next year. Fundraising and Management and Administration expenses increased due to more outsourced staff expenses.

General notes

Consolidation

In most cases, Dorcas country offices are branch offices; they are legally and financially part of Stichting Dorcas Aid International. The financial figures of the country offices are therefore integrated into this annual report.

Dorcas Romania, Dorcas Egypt and Tabitha for Relief and Development (Lebanon) are independent organisations with their own boards. However, due to defining influence or agreements, Dorcas has a say on the governing and policy of these organisations. Consequently, the financial information of these country offices has also been consolidated in this annual report.

Dorcas Romania has a subsidiary in a Romanian limited liability company, SC Mana Impex SRL. This company imports second-hand clothing which it buys from Dorcas in the Netherlands, to sell in second-hand wholesale and retail markets in Romania. Dorcas Romania uses the profit made from these activities to finance its projects. This Romanian limited liability company, SC Mana Impex SRL, has been consolidated into the annual accounts since 2018.

Stichting Dorcas Aid International has signed a charter agreement with Dorcas Aid America Inc., an American 501c3 organisation. In this it was agreed that the American organisation could use the name 'Dorcas' and its branding to raise funds in the USA for Dorcas

projects worldwide. Furthermore, within the parameters of responsibility and autonomy of a 501c3 organisation, Dorcas USA is part of the Dorcas family of organisations. Therefore, the finances of Dorcas USA are included in the consolidated figures.

Stichting Dorcas Aid International founded a Dutch private limited company, Tabitha for Enterprising People B.V. This company was mainly founded as a holding company for foreign companies that are used to establish business enterprises in the context of development activities and public/private partnership initiatives. As Dorcas Aid International is the founder and sole shareholder, Tabitha for Enterprising People B.V. is fully consolidated in these annual accounts.

During 2022, Dorcas Aid International and ZOA have established a partnership in South Sudan, integrating operations into a joint working organisation: ZOA Dorcas South Sudan. For this, a separate legal entity was established in 2022 in the Netherlands: Coöperatie Dutch Coalition for Relief and Development U.A. whose members are Dorcas Aid International and ZOA. The purpose is to achieve more impact for people in need in South Sudan. In accordance with the guidelines, Dorcas partially consolidated the annual figures of the Coöperatie in proportion to its interest (50 per cent).

The parties in the consolidation can be summarised as follows:

Consolidated organisation	Place of office	Governance	Goal
Dorcas Aid Romania Association	Cluj Napoca, Romania	<ul style="list-style-type: none"> Meeting of members (4) with highest authority. Board of directors (3) for overall leadership, chosen from membership. Executive director (1 of the 3 directors). 	Relief and development
SC Mana Impex SRL	Cluj Napoca, Romania	<ul style="list-style-type: none"> Shareholder is Dorcas Aid Romania Ass. Executive director is same director of Dorcas Aid Romania Ass. 	Wholesale of clothing and footwear
Tabitha for Relief and Development	Beirut, Lebanon	<ul style="list-style-type: none"> Association with General Assembly and Administrative Assembly with 5 positions, who function as the executive board. 	Relief and development

Consolidated organisation	Place of office	Governance	Goal
Dorcas Aid America Inc.	Denver, CO, USA	<ul style="list-style-type: none"> Board with chairman, secretary and treasurer, with one representative of Dorcas Aid International (NL). 	Fundraising for relief and development projects
Tabitha for Enterprising People B.V.	Andijk, the Netherlands	<ul style="list-style-type: none"> Shareholder is Stichting Dorcas Aid International Shareholdermeeting is highest authority, board of directors is the executive board, directors are the same as in Stichting Dorcas Aid International 	Facilitating economic development for self-sustainability of people in developing countries
Cooperatie Dutch Coalition for Relief and Development U.A.	Apeldoorn, the Netherlands	<ul style="list-style-type: none"> Stichting Dorcas Aid International and Stichting ZOA in Apeldoorn together form the Board of Directors of the cooperative; they are also the sole two members of the cooperative and form the supreme body, the General Assembly 	Collaboration relief and development in South Sudan

General principles

All figures provided in this annual report are stated in euros, unless stated otherwise. Compilation of this annual report requires management to make estimates that influence the accounted- for values of assets and liabilities and of income and expenses. Actual outcomes may deviate from the estimates. The estimates and underlying assumptions are assessed periodically. Based on the premises of the guideline RJ 630.101 of the Dutch Council for Annual Reporting, the provisions of Part 9 of Book 2 of the Dutch Civil Code and the Guidelines for the annual reporting of small legal entities must, in principle, be applied. However, based on the nature of the organisation (fundraising organisation), the annual accounts have been compiled in accordance with the Dutch Council for Annual Reporting's guideline RJ 650 Fundraising organisations. This has been done to satisfy the required insights stated in article 2:362 under 1. Any additional explanations required on the basis of Part 9 of Book 2 of the Dutch Civil Code and the Guidelines for the annual reporting of small legal entities have been included in the annual accounts. The report was prepared based on paid expenses, except in kind donations valued at the estimated fair value when traded. Stock in Dorcas shops has been valued at no value. We refer to the comments made on the valuation principles of the assets.

System change

In 2023, a change in accounting policy took place. The change addresses the identification and accounting for 'separate components' of tangible fixed assets. This refers to a component of a tangible fixed asset whose cost is significant in relation to the total item of a tangible fixed asset.

Where significant components of a tangible fixed asset are distinguishable from each other and differ in useful life or expected pattern of use, those components will be separately identified and depreciated with effect from 2023.

Until the previous financial year, no distinction was made between major components and the useful life or expected usage pattern was determined for the tangible fixed asset as a whole.

In line with the transitional provision in RJ 212.809, the choice has been made to recognise this change in accounting policy retrospectively from the current financial year. This means that from the current financial year, significant components of the newly acquired asset are recognised and depreciated over their useful life. There is therefore no retrospective application for previous financial years. The change in accounting policy has no effect on equity or profit for the previous and current financial year.

Foreign currency

Receivables, liabilities and obligations in foreign currency are converted against the rate at date of balance sheet. Transactions in foreign currency during the reporting period have been processed into this financial report against the exchange rate valid for the month in which the transaction took place. Resulting exchange rate differences are taken into account in the income and expenditure statement.

Principles of valuation

Fixed assets

Intangible and tangible fixed assets are valued at acquisition cost minus depreciation, taking into account possible

residual values. If major components of tangible fixed asset can be distinguished from each other and differ in terms of useful life or expected pattern of use, these components are separately identified and depreciated. In establishing residual values of real estate, it is considered that real estate has a residual value of at least half the actual value. To prevent additional costs for establishing actual values by valuations, the actual value of real estate in the Netherlands is derived from the annual valuation of the WOZ (Law on Immovable Assets). For real estate in other countries from the most recent information in which buildings are valued every five years in a rotating cycle. In 2020 the immovables of the country offices were valued. The outcome did not lead to an adjustment of the value. Depreciation is applied using a 'straight-line' method based on the estimated economic life span. Depreciation is calculated from the moment of actual use. Depreciation is not applicable to land. Costs regarding the maintenance of assets have been expensed. When calculating depreciation, residual values are taken into account.

Financial fixed assets are valued at net asset value in the case of 'significant influence' (more than 20 per cent of the shares issued are held). Where there is no 'significant influence' the financial assets are valued at the time of acquisition. Tabitha for Enterprising People B.V. has a shareholding in Selam Awassa Business Group Private Limited Company in Ethiopia, Selam Engineering Dire Dawa in Ethiopia and Frutalpin in Albania. All have been valued at net asset value.

Stocks

Stocks purchased are valued at acquisition price or lower actual value. Stock at country offices are mainly donated goods from individuals in the country itself. The stock in the Dorcas shops are second-hand items and therefore the value in itself is nil. Additional stock at the depots is not destined to be shipped to projects, but might be either shipped to Dorcas shops or to Mana (Romania) or given to other organisations. It is not valued due to the uncertain nature of the proceeds and/or the fact that these were surplus materials that Dorcas needed to dispose of in a timely manner. Stock at Mana in Romania that has been purchased from the Dutch organisation is valued at cost price.

Receivables

Receivables have been recorded at amortised cost price from which a reserve for bad debts has been deducted where necessary.

Reserves and funds

The Designated Reserve Financing Assets is defined as necessary financing for fixed assets and 25 per cent of stocks, from which long-term debts are deducted, as far as the long-term debts are not reserved for future purchases for Dutch thrift shops (DRIF loans). The size of this reserve is established each year with information from the balance sheet position.

In 2020, Dorcas undertook an update of the risk assessment analysis and the continuity reserve's ideal size. This analysis was discussed by the directors and audit committee and subsequently approved by the Supervisory Board. Two types of risks were considered: 'point risks' manifesting themselves at a point in time and 'process risks' manifesting over a certain period of time. The required continuity reserve was calculated in the event the three highest point risks would materialise, the three highest process risks would materialize and the three highest of the point and process risks would materialise. The unweighed outcome of this exercise determined the continuity reserve and it was set at € 5,500,000. Dorcas aims to achieve this height of the continuity reserve in the strategic period 2022-2025.

Due to the implementation of the 'funding allocation framework' - a method to assign Dutch private funding as allocation for project spending - allocations were made for each country to develop and implement projects. In previous years the allocations were not fully used. In 2023 Dorcas spent a substantial part, but the remainder will be available in 2024. This 'project allocation reserve' is already committed for project spending and not available to cover organisational risks like the continuity reserve, unless absolute emergencies occur.

Designated funds are donations and other income to be used for specific projects that have not yet been spent. Upon completion of a project, any surplus in designated funds may be re-designated by management. As much as possible, this re-designation will be in line with the original designation.

All designated funds may be used for funding projects in the following year. When a project entirely financed by earmarked income has overspent during a timeframe of one to several years, a negative designated fund balance will remain so that future spending can compensate for previous expenses.

Provisions

Provisions are recognised for legally enforceable obligations that exist at balance sheet date, for which an outflow of resources will be required and a reasonable estimate can be made. Provisions are measured at the best estimate of the amount that is necessary to settle the obligation as per balance sheet date.

Other

Off-balance sheet liabilities and contingencies are valued at amortised cost price. Other assets and liabilities are stated at amortised cost price, unless otherwise noted.

Principles of result determination

Income

Revenue is accounted for in the period to which it pertains. Income of non-contractual gifts and donations is accounted for when received, unless designated for a specific period. In this situation, it is accounted for in the designated period, even when revenue was received later. Legacies are accounted for at the time when content can be reliably determined. Donations in kind are valued at market value. Contractual gifts and donations (often referred to as grants) are accounted for as income in the year that these funds have been spent. If they have been received in a year, but spending takes place in the



next year(s), the funds are accounted for as pre-received income and reflected in the balance sheet under short-term liabilities. When they are spent in the next year, they are reflected as income and the spending as project expenditures. Proceeds of sold items (books, clothing and other second-hand goods) are accounted for in the year in which the goods were delivered.

Expenses

Expenses are charged to the result of the year to which they pertain.

Personnel expenses

Salaries and social insurance are assigned to the reporting period in which they are owed, according to labour contracts. The foundation in the Netherlands determines the remuneration based on the salary structure of 'CAO Sociaal Werk'. Furthermore it has a pension plan that is administered by an insurance company and all annual premiums are accounted for as expenses. Premium adjustments as a result of salary changes only affect future pension premiums and not past premiums.

Taxes

The foundation is not taxable for corporate income tax in the Netherlands nor in project countries, or there are exemptions in place for taxable activities of the foundation due to its fundraising nature and spending of the proceeds in line with the charitable goal. Therefore, there are no expenditures for corporate income tax or other taxes that are levied on profits. In the Netherlands, the foundation is taxable for value-added taxes (VAT) on specific activities. Consequently, VAT charged on taxable activities is settled in the VAT tax returns, and part of the VAT on general costs. In this annual report all amounts exclude VAT that has to be paid or can be reclaimed. The commercial enterprise in Romania 'SC Mana Impex SRL' is subject to Romanian corporation tax. The tax is accounted for (subtracted from) the line item in the statement of income and expenses called 'Income in exchange for delivery of products'.

Investments and equity policy

Dorcas adheres to a policy that 'no means are invested' and reserves are as small as necessary while maintaining a prudent reserve strategy. Temporary surplus funds are retained in relatively safe saving accounts with trustworthy banks.

Cash flow statement

The Cash flow statement is compiled via an indirect method in which there is a distinction between cash flows and operational activities, cash flows from purchases and cash flows from finance activities. The information

for the cash flow statement is taken directly from the statement of income and expenditure as well as from the changes in balance sheet positions at the start and end of the year.

Comments on the balance sheet

Assets	Software developments
INTANGIBLE FIXED ASSETS (BO)	
<i>The development in this year is as follows</i>	
Purchase costs as of 1 January	1,621,047
Accumulated depreciation as of 1 January	-850,498
Book value as of 1 January	770,549
Addition purchase value consolidation	-
Addition accumulated depreciation consolidation	-
Reclassification purchase value	595
Reclassification accumulated depreciation	186
Purchases	329,736
Depreciation	-451,433
Purchase price sold/obsolete items	-
Depreciation sold/obsolete items	-
	-120,915
Purchase price as of 31 December	1,951,379
Accumulated depreciation as of 31 December	-1,301,745
Book value as of 31 December	649,634

Depreciation has been calculated at 30 per cent of purchase costs. For the intangible fixed assets per balance sheet date, a book value of approximately €387k is used in business operations and a book value of another € 263k for direct use for the objectives of the organisation. 'Business operations' is defined as fundraising,

the Dorcas shops, Mana operation, management and administration and supporting functions. 'Direct use for the objectives of the organisation' is defined as fixed assets in the countries where projects are implemented and intangible fixed assets used with project monitoring, design and management.

Material fixed assets (B1)	Real Estate	Furniture and fixtures	Vehicles	Total
Purchase costs as of 1 January	3,028,851	1,718,171	1,404,680	6,151,702
Accumulated depreciation as of 1 January	-778,315	-1,134,103	-1,171,773	-3,084,191
Book value as of 1 January	2,250,536	584,068	232,907	3,067,511
Addition purchase value consolidation	-	-	-	-
Addition accumulated depreciation consolidation	-	-	-	-
Reclassification purchase value	-	-15,706	-944	-16,650
Reclassification accumulated depreciation	-	-5,207	-1,682	-6,889
Purchases	302,279	200,531	55,526	558,336
Depreciation	-192,197	-234,153	-68,059	-494,410
Purchase price sold/obsolete items	-5,311	-1,827	-21,450	-28,588
Depreciation of sold/obsolete items	5,311	1,827	19,376	26,514
	110,082	-54,535	-17,233	38,314
Purchase price as of 31 December	3,325,821	1,901,169	1,437,812	6,664,802
Accumulated depreciation as of 31 December	-965,201	-1,371,636	-1,222,138	-3,558,975
Book value as of 31 December	2,360,620	529,533	215,674	3,105,827

Depreciation has been calculated with the following percentages:

Real estate property (including remodelling of rental property)	0-10
Furniture and fixtures	20-30
Vehicles (new) and all freight trucks and trailers	20
Vehicles, second hand passenger cars	30

Of the fixed assets per balance sheet date, a book value of approximately € 1.9 million is used in business operations and a book value of another € 1.2 million for direct use for the objectives of the organisation. 'Business operations' is defined as fundraising, the Dorcas shops, Mana operation, management and administration and supporting functions. 'Direct use for the objectives of the organisation' is defined as fixed assets in the countries where projects are implemented and tangible fixed assets used with project monitoring, design and management.

Financial fixed assets (B2)

Tabitha Enterprising People B.V. is a co-shareholder of Selam Awassa Business Group Private Limited Company

in Hawassa, Ethiopia. The limited company focuses on i) training youth and ii) designing and producing appropriate technology for the rural community. Beyond renewable energy products they produce equipment for smallholder farmers and the construction industry. Tabitha Enterprising People B.V. owns 50 per cent of the shares with a net asset value of ETB 4.7 million (equivalent €76k). This is based on the annual report 2022.

Tabitha Enterprising People B.V. is a co-shareholder of Selam Engineering Dire Dawa Private Limited Company in Dire Dawa, Ethiopia. The core competences of the limited company in Dire Dawa are twofold: i) training youths in the area of metal manufacturing and ii) engineering

and manufacturing of products for rural households, farming communities, construction companies and hospitals. Tabitha Enterprising People B.V. owns 49.6 per cent of the shares with a net asset value of ETB 7.3 million (equivalent € 117k). This is based on the annual report 2022.

Tabitha Enterprising People B.V. is a co-quotaholder of Frutalpin SH.P.K in Tropoja, Albania. The core competences of the limited liability cooperation in Tropoja are

to contribute to improved social and economic situation of vulnerable families in northern areas of Albania and promote good working conditions and fair treatment of employees and farmers. Tabitha Enterprising People B.V. owns 20 per cent of the quota capital with a net asset value of ALL 100k (equivalent € 965). This is based on the annual report 2022. The premium above quota that Tabitha Enterprising People B.V. transferred to Frutalpin (equivalent € 35k) is still represented under borrowings in the annual report 2022 of Frutalpin.

Stocks (B3)	2023	2022
DESIGNATED FOR BUSINESS EXECUTION:		
Sales items and promotion materials	-	-
Sales items Mana Romania	21,401	23,435
DESIGNATED FOR BUSINESS OBJECTIVES:		
Donations in kind	-	-
Stock at country offices	1,012	1,465
Total stock as of 31 December	22,413	24,900

Receivables (B4)	2023	2022
ACCOUNTS RECEIVABLE		
Balance as of 31 December	104,268	80,971
Provision for bad debts	-1,000	-1,000
Balance as of 31 December	103,268	79,971
OTHER RECEIVABLES AND PREPAID EXPENSES		
Prepaid expenses	335,420	320,367
Legacies receivable	960,277	789,931
Receivables from donors	1,911,057	1,439,181
Other receivables	2,241,286	1,563,054
	5,448,040	4,112,532
Balance as of 31 December	5,551,308	4,192,503

Receivables are predominantly used in business operations.

Liquid assets (B5)	2023	2022
Petty cash/Netherlands banks	12,461,796	11,079,158
Petty cash/banks shops, commercial enterprise and D-Cord	756,265	556,257
Petty cash/banks business and workgroups	52,677	63,429
Petty cash/bank country offices minus outstanding checks	1,978,641	2,415,971
Money in transfer	1,957	-27,400
Total Liquid Assets as of 31 December	15,251,336	14,087,415

Of all liquid assets, an amount of € 348k is fully restricted in a collateral account at Rabobank which issued bank guarantees for several rental arrangements. The liquid assets are predominantly classified as investments in

the sense that they absorb cash flow variations during the next year and fund spending designated funds and project allocation reserve for projects.

Equity and liabilities

Reserves and funds (B6)	2023	2022
RESERVES		
DESIGNATED RESERVE FINANCING ASSETS		
Balance as of 1 January	3,753,090	4,017,547
Subtracted/added through result distribution	-141,663	-264,457
Balance as of 31 December	3,611,427	3,753,090
PROJECT ALLOCATION RESERVE		
Balance as of 1 January	294,670	616,810
Subtracted/added through result distribution	1,086,808	-322,140
Balance as of 31 December	1,381,478	294,670
CONTINUITY RESERVE		
Balance as of 1 January	4,888,777	4,933,908
Exchange differences net value Dorcas USA and Mana	13	17
Subtracted/added through result distribution	659,538	-45,148
Balance as of 31 December	5,548,328	4,888,777

Four reserves (funds) are distinguished:

1. Designated funds for projects (see hereafter) which have spending obligations, but according to Directive 650 must be presented as equity.
2. Designated reserve financing assets, for financing assets.
3. Project allocation reserve, for allocated project spending in 2023 that has been delayed to 2024.
4. Continuity reserve, to ensure continuity of the organisation.

The purpose of the continuity reserve is threefold: 1) levelling the seasonal nature of income during the calendar year; and 2) absorbing variations in actual income in comparison to budget so that if income is low, the organisation, as well as programme execution, is systematically adjusted to the decrease in income and 3) risks that might occur and that cause a sudden decrease in liquidity.

The reserve for financing assets is established on each balance sheet date based on the assumptions mentioned

as part of the principles of valuation in this chapter of the annual report.

In the present year a budgeted growth of the continuity reserve was planned. But more could be added due to the increase of unearmarked legacies.

The division of the continuity reserve per December 31st 2023 among the consolidated entities is as follows:

	2023	2022
Dorcas Aid International	4,811,805	3,970,762
Dorcas Aid Romania Association	32,990	68,579
SC Mana Impex SRL	32,714	42,794
Tabitha for Relief and Development (Lebanon)	495,814	582,302
Dorcas Aid America Inc.	-7,502	-1,215
Tabitha for Enterprising People B.V. (the Netherlands)	182,507	225,554
Totals	5,548,328	4,888,777

Funds

Upon completion of a project management may reallocate any surplus of designated funds for the project. Management will seek to redesignate these funds in line with the original designation as much as possible. This is realised with the utmost care. Designated funds will be used for funding projects in 2024 and further.

When interpreting the term 'result' (or 'profit' and 'loss') in a fundraising organisation, it is important to know the system to determine results. Income (excl. government grants and contractual grants) received in a specific year is accounted for in that year, even if the income is not spent for the project in that year. Government grants

and contractual grants (both with a possible repayment obligation) received in a specific year are accounted for in that year when this income has been spent. The project expenses are accounted for in the year expenses actually occur. Consequently, major fluctuations in the 'result' occur from year to year. Terms such 'profit', 'loss', 'surplus', 'shortage' and 'result' must therefore be used with restraint in a fundraising organisation.

A detailed specification per project is available in the financial administration. Development of total project designated funds is seen as follows:

Designated Funds	2023	2022
Balance as of 1 January	6,335,494	4,489,337
Subtracted/added through result distribution	537,957	1,846,157
Balance as of 31 December	6,873,451	6,335,494

Statement of movement designated funds	Opening balance	Received or assigned	Direct project spending	Closing balance
Humanitarian Assistance and Recovery	3,903,443	20,320,101	-18,829,635	5,393,910
Inclusive Entrepreneurship	1,039,551	3,998,132	-4,206,661	831,022
Social Empowerment and Protection	1,392,500	2,754,404	-3,498,384	648,519
Totals	6,335,494	27,072,637	-26,534,680	6,873,451

Provisions (B7)	2023	2022
Balances as of 1 January	336,896	-
Addition	62,500	336,896
Release	-311,896	-
Balance as of 31 December	87,500	336,896

Provisions for potential liabilities relate to ineligible project expenses, payment of rent. It is uncertain if these costs require payment, therefore a provision is provided.

Provisions are measured based on the best estimate, but it can vary between € 20k to € 525k.

Long-term liabilities (B8)	2023	2022
PRIVATE LOANS		
Balances as of 1 January	198,995	54,723
Add: new loans	99,861	167,179
Less: principal payments	-35,590	-22,908
Total	263,265	198,995
Accounted for under short-term liabilities	-23,960	-34,364
Balance as of 31 December	239,305	164,630
These loans are summarised as:		
Loans with a term of less than 5 years	170,870	128,778
Loans with a term of longer than 5 years	92,394	70,218
Total	263,265	198,995
<i>These are several private loans. No collateral has been provided. Some present loans are interest-free.</i>		
MORTGAGE LOANS		
Balance as of 1 January	115,459	136,447
Add: new loans	-	-
Less: principal payments	-14,147	-20,988
Total	101,312	115,459
Accounted for under short-term liabilities	-9,192	-14,147
Balance as of 31 December	92,120	101,312

Long-term liabilities (B8)	2023	2022
<i>These mortgage loans are summarised as:</i>		
Mortgage loans with a term of less than 5 years	45,960	50,915
Mortgage loans with a term of more than 5 years	55,352	64,544
Total	101,312	115,459
DRIF LOANS		
Balance as of 1 January	195,536	368,453
Add: new loans	-	-
Less: principal payments	-102,679	-172,917
Total	92,857	195,536
Accounted for under short-term liabilities	-48,214	-115,178
Balance as of 31 December	44,644	80,358
<i>These DRIF loans are summarised as:</i>		
DRIF loans with a term of less than 5 years	92,857	195,536
DRIF loans with a term of more than 5 years	-	-
Total	92,857	195,536
FINANCIAL LEASE		
Balance as of 1 January	23,993	48,663
Add: new loans, net	-	-
Add: new loans, interest	-	-
	23,993	48,663
Less: principal payments	-16,058	-24,670
	7,935	23,993
Less: interest therein	-87	-430
Net liability	7,848	23,563
Accounted for under short-term liabilities	-5,377	-15,611
Balance as of 31 December	2,471	7,953
<i>These financial lease obligations can be summed up as follows</i>		
Leases with a term of less than 5 years	7,848	23,563
Leases with a term of more than 5 years	-	-
Total	7,848	23,563
Total long-term liabilities as of 31 December	378,540	354,253

There are two mortgages on the property of the Dorcas shop in Nijverdal that are two identical loans, each with

an original balance of € 115,000. Both loans carry a fixed term interest of 3.3 per cent to 31 December 2024.

The payment on the principal for each of these loans is € 1,149 per quarter. Collateral for these loans is a mortgage on the real estate property of the shop in Nijverdal.

A mortgage of € 118,000 on the Dorcas shop in Bergambacht was obtained in 2013 to finance purchase of the building, which was adjacent to the rented shop. The loan had a fixed term interest of 4.15 per cent until 1 July 2023. This mortgage has been paid in full in 2023. The payment on the principal was € 983 per month. Collateral for this loan was a mortgage on the real estate property in Bergambacht.

The DRIF loans are private loans obtained to finance a rapid increase in the number of Dorcas shops planned for 2018 and beyond. DRIF stands for Dorcas retail investment fund. It is not an investment vehicle, but these are ordinary private contractual loans with fixed terms and

fixed interest. The interest varies from 3 to 5 per cent and the repayment term varies from 3 to 10 years. At 2023 balance sheet date, there are five loans outstanding. The concept behind DRIF loans is to prevent the finance needed for new Shops taking money away from projects, but instead to pay these loans back from the additional proceeds of the new shops. For the lenders it provides a way of investing their money in a safe vehicle with moderate proceeds as a form of 'social investment'.

The financial lease pertains seven lease contracts for small freight trucks for shops, a depot and Mana. These assets are the collateral for these financial lease obligations and are included in the material fixed assets. The lease contracts for shops and the depot have been completely paid off in 2023.

Short-term liabilities (B9)	2023	2022
LIABILITIES TO CREDIT INSTITUTIONS AND PRIVATE LOANS		
Repayment obligation mortgage loans	9,192	14,147
Repayment obligation private loans	23,960	34,364
Repayment obligation DRIF loans	48,214	115,178
Repayment obligation financial lease	5,377	15,611
Total	86,743	179,300
ACCOUNTS PAYABLE	568,652	393,711
TAXES AND SOCIAL SECURITY PAYMENTS		
VAT	342,919	347,366
Salary taxes and social security payments	219,818	206,982
Total as of 31 December	562,737	554,348
OTHER LIABILITIES		
Unspent project contract grants	2,926,837	2,712,874
Holiday (vacation) allowance	214,150	178,211
Holidays	191,434	132,692
Other payables and accrued expenses	2,378,143	2,291,620
Total as of 31 December	5,710,564	5,315,397
Total short-term liabilities as of 31 December	6,928,696	6,442,756

Off-balance sheet liabilities, contingencies and rights

The organisation has entered into longer and short-term obligations for the rental of business real estate for the Dorcas shops and depots. The contracts for the international office and depots are generally short term and those for shops are longer term, largely between five and ten years. Furthermore, Dorcas has entered into

operational lease contracts for cars, which have four or five years terms and contracts for the copiers/printers. The total obligation is summarised as follows (increases of rental and or lease costs due to contractual obligations are not included because these depend on future price indices; in the amounts below, reclaimable VAT is not included):

Obligations	< 1 year	1-5 years	> 5 years	Totals
Rental contracts International Office	137,933	85,995	-	223,928
Rental contracts Shops	2,168,524	4,188,338	208,208	6,565,070
Rental contracts depots	52,189	35,387	-	87,576
Car lease operational lease obligations	56,431	80,038	-	136,469
Copier/printer lease/service obligations	8,039	3,564	-	11,603
	2,423,115	4,393,322	208,208	7,024,646

The foundation signs partner/project agreements for a period of at most three years. These agreements with partner organisations concern the implementation and funding of projects. Under these three-year contracts, the foundation has accepted a conditional basic obligation to fund projects for the duration of the agreement. At the time of this financial report, the 2024 obligations are approximately € 0.8 million.

The organisation entered into purchase/installation/service contracts for € 500k to be carried out in 2024-2025. They are mainly related to IT.

Dorcas is privileged to have received additional government grants after the balance sheet date (2024 through 2025) that amount to € 5.3 million for a number of projects. These funds come from, among others the E.U., DRA, World Vision and the UN.



Comments on the statement of income and expenditure

Income	2023	Budget 2023	2022
Private individuals (S1)			
Collections (incl. online)	61,155		57,990
Legacies	2,292,936		877,449
Sponsorships	2,113,922		2,038,862
Donations/gifts designated Netherlands	2,887,986		2,908,363
Donations/gifts not designated Netherlands	2,556,760		2,544,177
Donations/gifts designated country offices	83,926		76,835
Donations/gifts not designated country offices	6,685		9,208
Net proceeds work groups (ex collections and subsidies)	63,332		115,411
Via Dorcas USA	6,491		12,783
Total	10,073,195	8,700,000	8,641,080
Companies (S2)			
Donations/gifts designated Netherlands	948,251		1,064,413
Donations/gifts not designated Netherlands	268,398		228,781
Donations/gifts designated country offices	77,733		726
Donations/gifts not designated country offices	3,519		307
Total	1,297,901	1,200,000	1,294,227
Government subsidies (S3)			
ADH via World Vision Ukraine Emergency Response	595,819		373,971
CDCS via Expertise France through Lebanon & Syria	75,259		-
Danida via Mission East through Lebanon & Syria	-		589,705
Danida via Mission East through Ukraine	4,898		9,144
Dutch municipalities	-		550
EU South Sudan	79,143		103,795
EU via CCRDA/through country office Ethiopia	-2,270		25,100
EU via HEKS/through country office Ethiopia	22,102		54,985
EU via IP Keystone through Moldova	15,166		18,435
EU via KALRO through country office Kenya	38,044		48,113
GIZ through country office Ethiopia	-		117,161
Government through country office Egypt	127,647		72,125
IOM/through country office Ethiopia incl. in kind	729,546		884,209

Income	2023	Budget 2023	2022
MoFA/Dutch Relief Alliance	39,100		416,932
MoFA/Dutch Relief Alliance Ukraine Emergency Response	-1,047		2,396,386
MoFA/Kenya Joint Response, through Tear	-		534,534
MoFA/South Sudan Joint Response, through Save the Children	889,682		835,861
MoFA/Syria Earthquake Response, through ZOA	491,703		-
MoFA/Syria Joint Response, through ZOA	1,556,269		714,212
MoFA/Yemen Joint Response, through Care	1,061,030		1,034,780
Moldovan Ministry of Finance/country office Moldova	376		178
Municipality in Albania	-		10,126
RVO/Kenya & Ethiopia	104,533		493,603
Start Network Mozambique through Save the Children	-		202,171
The Charities Aid Foundation/Mozambique	29,767		-
UAE Aid via Nadia's Initiative through Country Office Iraq (2022 stated under S5)	468,772		-
UN via IOM through Lebanon & Syria	19,785		52,295
UN via Peace Wind Japan through country office Iraq	-		12,942
UN(OCHA)/through country office Ethiopia	3,821		-
UN(OCHA)/through country office Iraq	179,815		781,117
UN(OCHA)/through country office Ukraine	1,574,044		1,119,068
UNFPA+OCHA/through country office Lebanon & Syria	319,479		358,595
Unicef/South Sudan	-		43,658
USAID (BHA) via World Vision Ukraine Emergency Response	3,950,062		721,327
WFP/South Sudan	-		149,217
Other unnamed organisations	1,085,503		927,203
Total	13,458,049	11,300,000	13,101,498
Affiliated non-profit organisations (S4)			
Stichting Vrienden van Dorcas Woudenberg	125,000	75,000	125,000
Total	125,000	75,000	125,000
Other non-profit organisations (S5)			
BDLE/Lebanon & Syria	67,273		-
EO Metterdaad	682,257		956,600

Income	2023	Budget 2023	2022
HEKS/Ethiopia (2022 partly stated under S3)	12,158		70,253
Kom over en Help through country office Albania	92,000		96,000
Kom Over en Help/Moldova	25,000		100,000
Light for the World/South Sudan	-61,462		8,373
LM International/Syria	50,217		-
Mara Foundation through country office Albania	-		35,000
Mary's Meals/Lebanon & Syria	558,876		414,119
Medair/Ethiopia	376		128,120
Mission East/Ukraine	-		58,794
Nadia's Initiative/Iraq (2023 stated under S3)	-		335,438
New Day Impact through country office Albania	33,080		25,950
Other non-profit organisations through country office Egypt	194,482		169,135
Peace Wind Japan/Iraq	-		3,036
Peace Wind Japan/Lebanon & Syria	1,051,535		209,804
Pontifical Mission/Lebanon & Syria	202,892		-
Red een Kind/Lebanon	12,963		30,000
Red een Kind/South Sudan	-		12,560
Red een Kind/Ukraine	75,668		24,332
Samenwerkende Hulp Organisaties (SHO)/Ukraine	379,076		541,078
Stichting VOx/Kenya	9,941		39,929
Stichting VOx/Ukraine	-		4,000
Tear/Ukraine	-		150,000
Woord & Daad/Lebanon	-		223,250
Woord & Daad/Mozambique	62,170		89,945
Woord & Daad/Ukraine	-		200,000
World Vision/Lebanon & Syria	8,792		87,674
WorldVision Ukraine	154,038		-
ZOA/Lebanon & Syria	-		56,928
Other unnamed organisations	3,832,545		3,335,425
Churches, designated	1,445,769		1,510,851
Churches, not designated	379,577		324,792
Total	9,269,222	8,400,000	9,241,388
	34,223,367	29,675,000	32,403,193

Dorcas feels really blessed as the total income received in 2023 was far higher than expected and more than in 2022. As last year a large number of donations were

received due to the emergency humanitarian assistance campaign, this year for Syria due to the earthquake. Besides that the income of legacies was higher than

expected and last year. Grants Dorcas received from other non-profit organisations and the government were more or less on the same level as last year, but more than planned due to the earthquake in Syria. Dorcas is thankful

that many Dutch churches choose Dorcas to be the channel for expressing their commitment to people in need.

The development of government grants is as follows:

	2023	2022
Received last year, not spent that year	1,197,231	1,296,848
Received last year, not spent that year from other non-profit organisations	-	24,478
Received this year	12,693,560	12,977,403
Received this year, not spent this year	-432,742	-1,197,231
Accounted for as income	13,458,049	13,101,498

Each grant received is explained in a grant decision which states the aim of the grant, conditions and obligations attached to it. Usually the grant must be spent in a certain timeframe. The grant has a financial ceiling, above which no reimbursement of expenses will be given. For some grants, an 'own contribution' applies, which

Dorcas must finance from private sources. If a grant is not entirely spent for the project for which it was awarded, the surplus must be paid back. Most of the grants stated under S3 are already reported to the grant donor, but still need to be approved.



The development of income of other non-profit organisations is as follows:

	2023	2022
Received last year, not spent that year	1,515,643	1,525,219
Received last year, not spent that year to government subsidies	-	-24,478
Received this year	10,247,674	9,256,290
Received this year, not spent this year	-2,494,095	-1,515,643
Accounted for as income	9,269,222	9,241,388

Income in exchange for the delivery of products and/or services (S6)

The net income from sales 2023 is summarised as follows:

Net income from sales 2023	Shops	Mana & other sales	Total
Sales exclusive of VAT	11,167,152	214,178	11,381,330
Costs at a local level	-4,574,693	-126,373	-4,701,066
Costs at a national level	-1,120,691	-21,494	-1,142,185
Net proceeds	5,471,767	66,312	5,538,079
Costs at a local level as % of sales	41%		41.3%
Costs at a national level as % of sales	10%		10%
Total cost of sales	51%		51.3%

The comparative figures for 2022 are as follows:

Net income from sales 2022	Shops, auction & depots	Mana & other sales	Total
Sales exclusive of VAT	9,424,447	169,669	9,594,116
In kind income	10,737	-	10,737
Costs at a local level	-3,860,361	-116,403	-3,976,764
Costs at a national level	-1,092,758	-19,673	-1,112,431
Net proceeds	4,482,064	33,593	4,515,657
Costs at a local level as % of sales	40.9%		41.4%
Costs at a national level as % of sales	11.6%		11.6%
Total cost of sales	52.5%		53.0%

The Dorcas shops are thrift shops. The local public donates second hand goods to the local Dorcas shop. Volunteers screen the goods, repair them if necessary and display them in the shop. The shops have limited opening

times, between 8 and 32 hours per week. The strength of the Dorcas shops is that volunteers run them. For these volunteers, running a Dorcas shop is a meaningful and focused way to help raise funds to alleviate poverty. The

concept also prioritises recycling, cradle-to-cradle and sustainability.

The sales of the shops developed very well in 2023. This was partly due to the opening of new shops and the renovation of existing ones. Apart from that Dorcas felt compelled to increase the prices a bit due to the increased inflation. The expenses subtracted from sales are the very few goods purchased and the services and expenses that can be directly allocated to the sales efforts. These expenses include support of shops by the shops' team at Dorcas international office, shop rental costs, heating and electricity and all other direct costs for the shops. For other sales (clothing, etc.), expenses are directly allocated to these sales. This includes prepaid transport costs that have been recharged to the clients in the sales prices.

The increase in direct costs of the shops is due to housing expenses (rent and utilities) and other operational expenses (ict), but this amount decreased to 41 per cent relative to sales, which was mainly due to increased sales.

Each shop has a non-formal 'management team' that operates the shop. All functions of the shop are carried out by volunteers, who work together and provide a strong tie between them. As Dorcas-shops are run entirely by volunteers formal controls used with employees cannot be implemented.

However, internal controls are in place and enforced in all Dorcas shops. In Dorcas-shops we work with second-hand items received as donations in kind and the value in itself

is nil. Dorcas is currently developing a stock administration, through which goods are tracked and there is more certainty of the accounted turnover. It is expected that this will be rolled out in 2025.

The Dorcas international office and local shop management monitor financial and other control mechanisms at the Dorcas-shops to establish internal controls that function as optimally as possible. Also each shop will be thoroughly evaluated once every three years. Overall, Dorcas management believes it has done everything in its power to ensure appropriate and sound oversight of the Dorcas-shops and that maximum measures have been taken to guarantee the completeness of turnover.

The income of Mana remained at the same level, but other sales (by the international office) increased compared to last year due to temporary hiring out IT personnel.

Sustainability of income

Dorcas management gives due attention to the sustainability of income in future years. Dorcas has varied income streams fed from many different sources. The result is a complex organisation with different types of fundraising activities. It also means the risk is mitigated when certain sources decrease. We expect that cash income will be maintained over the next years, even with ebbs and flows. Due to these various sources, it is to be expected that Dorcas will keep on having sustainable income long into the future.



Expenditure	2023	Budget 2023	2022
Spent on objectives (\$7)			
AWARENESS			
Activities/projects	-	-	-
Execution expenses own organisation	1,635,235	1,457,910	1,414,704
Total	1,635,235	1,457,910	1,414,704
HUMANITARIAN ASSISTANCE AND RECOVERY			
Activities/projects	18,829,635	14,253,777	17,731,996
Execution expenses own organisation	3,135,694	2,641,283	2,932,473
Total	21,965,329	16,895,060	20,664,469
INCLUSIVE ENTREPRENEURSHIP			
Activities/projects	4,206,661	6,931,059	4,443,841
Execution expenses own organisation	1,106,804	1,243,161	1,033,108
Total	5,313,465	8,174,220	5,476,949
SOCIAL EMPOWERMENT AND PROTECTION			
Activities/projects	3,498,384	5,197,251	3,712,636
Execution expenses own organisation	1,109,892	1,076,509	943,002
Total	4,608,276	6,273,760	4,655,638
Grand total spent on objectives	33,522,305	32,800,950	32,211,760

The following numbers are shown excluding expenses on awareness:

	2023	Budget 2023	2022
Total direct project spending	26,534,680	26,382,087	25,888,474
Total execution expenses own organisation	5,352,390	4,960,953	4,908,583
Total spent on objectives	31,887,070	31,343,040	30,797,057
Expenses own organisation as % of direct project spending	20.2%	18.8%	19.0%

Overall the expenditures on objectives is a bit higher than expected and last year. Although there are difference between the objectives.

Allocation of expenses to awareness activities was higher than 2022 as Dorcas focused more on corporate positioning. Due to the increase in income for the emergency

humanitarian assistance response Syria, Dorcas was able to spend more on projects than budgeted.

Last year Dorcas received a lot of income the relief response in Ukraine. Therefore the direct project expenditures on Humanitarian Assistance and Recovery are more or less on the same level.

In Eastern Europe and Middle East (Syria) the focus was

still on humanitarian assistance due to the conflict in Ukraine and the earthquake in Syria. This caused a delay in implementing projects from the other approaches. In 2022 East Africa fell deeper into a humanitarian crisis due to devastating drought. Therefore the spending on humanitarian assistance and recovery was higher than this year.

Fundraising expenses (S8)

Fundraising expenses increased by € 206k in absolute terms but relatively only a bit higher due to the substantial increase in total income. In general, fundraising for government grants is relatively 'cheap', while fundraising from private sources is 'expensive'. At the same time, Dorcas aims for a balance of the two types of funding because it provides sustainability to programmes and the organisation as a whole. The main increases were in personnel costs.

Management and administration expenses (S9)

The cost for management and administration are accounted for as follows:

Item	2023	2022
Personnel	1,113,542	932,444
Communication	5,384	7,546
Accommodation	49,430	45,569
Logistics	948	935
Office and general	168,114	191,478
Depreciation	93,935	85,051
	1,431,352	1,263,022

In assigning personnel costs to management and administration, the following assumptions were made:

	2023
Financial administration staff	100%
Finance Manager	50%
Financial officer programmes	20-60%
Backoffice employee fundraising & programmes	20-70%
Project coordinators (for general tasks)	0-20%
HR officers	50-100%
HR Manager	50%
Hospitality employees	80%
IT officers	20-80%
IT manager	20%
CEO	20%
COO	20%
Assistant Board of Directors	40%
Quality Manager	25%
Business Controller	25%
Lawyer	70%
Works Council members	10%

Management and administration expenses increased by € 168k in absolute terms but relatively only a bit higher due to the substantial increase in total income. The increase is mainly caused by personnel costs.

Financial Income and expenses (S10)	2023	2022
Paid interest	-7,984	-29,747
Received interest	73,161	1,173
Exchange differences	-322,568	9,669
Incidental gains and losses	19,474	14,589
Book profits sold assets	15,831	5,801
Result Shareholding	-16,492	-10,995
	-238,578	-9,510

Expenses own organisation

		Objectives				Costs under 'expenses'	
		Awareness	HAR	IE	SEP	Fundraising	Man. & administr.
Salaries	L1	616,240	1,424,040	487,246	484,425	876,551	619,146
Social insurance	L2	129,035	194,341	81,224	85,259	178,493	120,945
Pension	L3	83,907	118,931	51,327	54,282	115,707	78,023
Other staff expenses	L4	303,515	587,756	217,222	220,894	426,202	295,429
Communication	L5	195,151	57,451	18,158	16,721	390,303	5,384
Accommodation	L6	42,509	178,461	49,681	45,913	64,365	49,430
Logistics/warehouse	L7	525	6,232	1,420	1,194	991	948
Office and general	L8	166,153	398,013	134,189	132,802	237,022	168,114
Depreciation	L9	98,201	170,470	66,336	68,401	136,938	93,935
		1,635,235	3,135,694	1,106,804	1,109,892	2,426,573	1,431,352

		Totals under 'expenses'			Costs subtracted from Income		Overall totals		
		Total 2023	Budget 2023	Total 2022	Shop team	Other sales	Total 2023	Budget 2023	Total 2022
Salaries	L1	4,507,647	4,836,131	4,147,226	547,731	77,697	5,133,074	5,461,811	4,612,404
Social insurance	L2	789,297	801,434	708,178	112,454	17,371	919,122	926,503	808,575
Pension	L3	502,178	557,457	441,378	73,637	11,375	587,189	641,368	506,854
Other staff expenses	L4	2,051,017	1,290,148	1,522,069	58,989	39,474	2,149,479	1,326,622	1,570,685
Communication	L5	683,168	504,377	625,480	32,548	25,661	741,377	578,817	798,927
Accommodation	L6	430,360	331,154	404,505	221	4,508	435,089	440,654	518,219
Logistics/warehouse	L7	11,310	34,305	11,376	639	13	11,962	34,305	11,956
Office and general	L8	1,236,292	1,131,725	1,358,848	106,088	20,800	1,363,180	1,225,710	1,469,589
Depreciation	L9	634,281	516,971	587,396	-	12,980	647,261	533,617	621,678
		10,845,550	10,003,702	9,806,456	932,306	209,879	11,987,734	11,169,406	10,918,888

Allocation method

These expenses have been distributed on the basis of historically used methods of distribution. The distribution keys of these expenses are based on the estimated worked hours of each employee and distributed in percentage terms across the categories according to

economic principles, considering real estimated activities of the employee.

The principles upon which expenses have been assigned is summarised as follows:

People who work at Programme and Knowledge Support

(PKS) at the international office assist the country offices in designing projects, providing knowledge and assistance and giving input on programmatic issues, are assigned as indirect project costs at 100 per cent based on the type of intervention they provide assistance for. If they have additional tasks, such as being members of the Works Council, formulating strategy or involvement in fundraising, a portion of their time and costs are assigned to these activities.

The expenses of fundraisers are assigned to fundraising activities, and also to awareness. In conjunction with fundraising activities, they often fulfil a role in raising awareness amongst the public regarding poverty and the necessity to tangibly respond through advocacy activities in the Netherlands. Depending on the employee and the activities that are undertaken, between 10 and 100 per cent of the time and personnel expenses are assigned to awareness. The expenses of supporting services are assigned to the activities for which they are executed. This leads to partly objectives spending and partly indirect project costs.

Overall expenses

The total expenses of the organisation increased from € 10,918,888 to € 11,987,734 an increase of € 1,068,846.

Personnel expenses (L1-L4)

Of the total expenses of almost € 12 million, more than € 8.8 million are personnel expenses. That is 73 per cent of the total which is 5 per cent more than 2022.

Regarding salaries (L1-L3) it gives the following breakdown:

	2023
Gross salary costs	8,652,273
Social insurance	1,102,036
Pension costs	670,055
Total gross salary-related costs	10,424,364
Charged against income sales (Mana)	-74,948
Charged to projects	-3,710,030
Net salary-related costs	6,639,386

The Dutch pension system is a defined contribution scheme. The costs of the premiums are accounted for in the year to which they pertain. The pension system is based on an investment arrangement.

In 2023 there were 356.56 FTEs (2022: 326.63) on average working for Dorcas, of which 79.57 in the Netherlands (2022: 72.07) and 276.99 (2022: 254.56) in the country offices. In the Netherlands the staff increased by 7.5 FTE and in the country office increased by 34.57 FTE (esp. Ukraine). In 2023 the FTE in the Netherlands is based on a 36-hour working week, as in 2022 this was based on 40 hours. The FTEs do not include staff working for ZOA-Dorcas in South Sudan.

A large portion of the country office staff are project employees, of whom the personnel costs are accounted for in whole or in part as project expenses. About 36 per cent of all gross salary-related costs are charged to projects. These are predominantly projects that Dorcas implements itself, without the assistance of partner organisations.

The members of the Dutch Supervisory Board receive no remuneration for their work. In 2023 € 13,075 of Dutch board expenses were paid (2022: € 5,066). This is mainly travelling and lodging expenses and expenses related to the recruitment of a new Supervisory Board member. Supervisory Board members visit one of the project countries every two years. There they see and experience Dorcas programmes, so they can gain understanding of the activities carried out, which they have to supervise. In 2023 they went to Albania. No trip took place in 2022.

Total taxable salaries in the Netherlands in 2023 were € 4,162,737 (2022: € 3,548,774) for 79.57 FTEs (2022: 72.07). On average this is € 52,300 per FTE (2022: € 49,200). These figures include a small number of interns. Salaries per FTE increased due the adjusted fulltime-working week to 36 hours and due to inflation.

Dorcas has a structured and moderate remuneration policy (in the Netherlands the remuneration is based on the salary structure of the 'CAO Sociaal Werk'), fitting for a humanitarian assistance and development organisation. Many people who work for Dorcas from a for-profit background see some decrease in remuneration. Nevertheless, Dorcas seeks to be an attractive employer by using a structured remuneration policy with function classification, a transparent salary scheme, annual steps in that scheme, indexing of the salary scales and a fiscally optimal, premium-free pension plan.

Management remuneration

The Supervisory Board sets the remuneration policy, the level of directors' salaries and the level of other remuneration components. The remuneration policy is updated periodically. In addition the evaluation of the directors is planned each year in the first half-year. The Supervisory Board is responsible for management remuneration policy, setting management salaries and setting the level of fringe benefits.

Name	Agnes Kroese	Peter Palsma
Function	CEO (Chief Executive Officer)	COO (Chief Operating Officer)
Employment kind	indefinite	indefinite
Hours	40.0	33.7
Parttime percentage	100%	94%
Period	1-1/31-12	1-1/31-12
Remuneration		
Gross salary	98,826	90,758
Year-end allowance	143	108
Severance pay	-	-
Total annual income	98,969	90,866
Taxable reimbursements/additions	4,713	5,417
Pension costs for employer	12,527	16,133
Total other expenses and reimbursements	17,240	21,549
Total remuneration 2023	116,209	112,415
Total remuneration 2022	34,561	104,087

The remuneration package has no variable components, bonuses or other incentives.

The Supervisory Board sets the director's salaries using the GDN-guidelines for directors' remuneration (GDN: Goede Doelen Nederland, a Dutch branch organisation for charitable organisations). When applying the criteria of GDN and how these turn out for the directors remuneration of Dorcas, the following point system is used:

Spending on objectives	120 points
Equity	10 points
Number of FTE's	85 points
Diversity organisation	115 points
Yes/no part of umbrella organisation	80 points
Management and policy	80 points
Number of points	490 points

Determination of directors salaries	CEO (Kroese)	COO (Palsma)
Director's model	87%	80%
Outcome weighing difficulty of management	427	392
Accompanying fulltime salary 2023 acc. GDN	134,620	120,741
Accompanying part-time salary 2023 acc. GDN	134,620	112,915
Dorcas directors salaries acc. GDN	98,969	90,866

As Dorcas receives grants from the Ministry of Foreign Affairs and from RVO (Government Services of Entrepreneurial Netherlands), in principle the Law of the Norms for remuneration of management of (semi-) public officers applies because funding is from public resources. However, in these cases income must be comprised of at least 50 per cent government grants before these norms for management are applied.

Communication expenses (L5)

Communication expenses were € 57,550 lower than last year, because Dorcas implemented the change of its logo in the majority of Dorcas shops last year.

Accommodation costs (L6)

Accommodation costs decreased with € 83,130 over 2022. The decrease is mainly due to less expenses related to other accommodation expenses of D-Cord.

Logistics/warehouse (L7)

Logistical costs are mostly assigned to the commercial activities. This part is mostly related to the Dorcas Food Campaign and is at the same level as last year.

Office and general expenses (L8)

These decreased by € 106,409, mainly caused by less ICT expenses.

Depreciation (L9)

Only part of the entire depreciations shows up in the overview of the organisation costs, as part is subtracted from the commercial income and shown as a net amount.

This can be summarised as follows:

	2023	2022
Depreciation in the statement of income and expenditure	634,281	587,396
Depreciation in costs other sales, including Mana	19,899	16,756
Depreciation in national shops costs	-	24,372
Depreciation in local shops costs	291,662	255,792
	945,843	884,316
Of which on material fixed assets	494,410	469,769
Of which on intangible fixed assets (software)	451,433	414,547
	945,843	884,316

Cash flow statement 2023

	2023	2022
CASH FLOWS FROM OPERATIONS:		
Result of the year	2,142,640	1,214,412
Add: Depreciation	945,843	884,316
Increase/decrease of stock	2,487	21,593
	3,090,970	2,120,321
CHANGES IN WORKING CAPITAL:		
Addition to consolidation (D-Cord, Mana, c.q. Dorcas USA)	13	18
Addition to consolidation increase receivables (D-Cord)	-	-633,020
Addition to consolidation increase short-term liabilities (D-Cord)	-	790,210
Increase/decrease receivables	-1,358,805	-1,012,524
Increase/decrease short-term liabilities and provisions	236,541	-663,623
	-1,122,251	-1,518,940
	1,968,719	601,381
CASH FLOWS FROM FINANCING		
Shareholdings	34,156	-12,120
Increase/decrease long term liabilities	24,287	29,740
	58,443	17,620
CASH FLOW FROM PURCHASES AND SALES		
Addition to consolidation (D-Cord)	-	-34,105
Purchases	-865,315	-677,488
Sales	2,074	68,714
	-863,241	-642,877
Increase/decrease in cash	1,163,921	-23,876
Liquid assets as of 31 December	15,251,336	14,087,415
Liquid assets as of 1 January	14,087,415	14,111,291
	1,163,921	-23,876

The cash flow position increased compared to last year. The depreciation is mainly used to 'finance' the purchases and the positive result led to an increase in the working capital.

Signing by Executive Board and Supervisory Board

The original papers were signed by the Executive Board and the Supervisory Board members.

Almere, 31 May 2024

Supervisory Board

Mr J.C. van der Linden
Chairperson of the Supervisory Board

Mr C.N. de Kat
Mr H.F. Massink
Ms A.J. van der Werff – Dost
Mr F.J. Albracht
Ms E. van Weelie – Nijman

Executive Board

Ms A.J. Kroese
Chief Executive Officer

Mr. P.G. Palsma
Chief Operating Officer



INDEPENDENT AUDITOR'S REPORT

To: the Supervisory Board of Stichting Dorcas Aid International

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

Our qualified opinion

We have audited the consolidated financial statements 2023 of Stichting Dorcas Aid International based in Almere.

In our opinion, except for the possible effects of the matter described in the 'Basis for our qualified opinion' section, the accompanying consolidated financial statements give a true and fair view of the financial position of Stichting Dorcas Aid International as at 31 December 2023 and of its result for 2023 in accordance with the Guideline for annual reporting 650 'Fondsenwervende organisaties' of the Dutch Accounting Standards Board and Part 9 of Book 2 of the Dutch Civil Code (applicable to small legal entities).

The consolidated financial statements comprise:

1. the consolidated balance sheet as at 31 December 2023;
2. the consolidated statement of income and expenditure for 2023; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our qualified opinion

The consolidated statement of income and expenditure for 2023 includes *'Income in exchange for the delivery of products and/or services'* (section S6) with regard to the Dorcas Shops (amount of € 11,167,152). Owing to the specific characteristics of the shops, which are run exclusively by volunteers, a number of essential internal controls are not in place. As a consequence we have not been able to obtain sufficient and appropriate audit evidence regarding the completeness of revenue from Dorcas Shops.

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 consolidated financial statements' section of our report.

We are independent of Stichting Dorcas Aid International in accordance with the 'Verordering 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 qualified opinion.

Report on the other information included in the annual report

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

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Except for the possible effects of the matter described in the 'Basis for our 'qualified opinion' section, we conclude, based on the following procedures performed, that the other information:

- is consistent with the consolidated financial statements and does not contain material misstatements;
- contains all the information regarding the management report and the other information as required by the Guideline for annual reporting 650 'Fondsenwervende organisaties' of the Dutch Accounting Standards Board and Part 9 of Book 2 of the Dutch Civil Code (applicable to small legal entities).

We have read the other information. Based on our knowledge and understanding obtained through our audit of the consolidated 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 consolidated financial statements.

The Board is responsible for the preparation of the management report and other information in accordance with the Guideline for annual reporting 650 'Fondsenwervende organisaties' of the Dutch Accounting Standards Board and Part 9 of Book 2 of the Dutch Civil Code (applicable to small legal entities).

Description of responsibilities regarding the consolidated financial statements

Responsibilities of the Board and the Supervisory Board for the consolidated financial statements

The Board is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Guideline for annual reporting 650 'Fondsenwervende organisaties' of the Dutch Accounting Standards Board and Part 9 of Book 2 of the Dutch Civil Code (applicable to small legal entities). Furthermore, the Board is responsible for such internal control as the Board determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Supervisory Board is responsible for overseeing the foundation's financial reporting process.

Our responsibilities for the audit of the consolidated financial statements

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

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the consolidated 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 foundation's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board;
- concluding on the appropriateness of the Board'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 foundation'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 consolidated 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 foundation to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the consolidated financial statements, including the disclosures; and
- evaluating whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the audit of the financial information of entities or operations to be included in the financial statements. In this respect we have determined the nature and extent of the audit procedures to be carried out for these entities or operations. Decisive were the size and/or the risk profile of the entities or operations. On this basis, we selected entities or operations for which an audit or review had to be carried out on the complete set of financial information or specific items.

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.

Was signed at Sliedrecht, 3 June 2024.

WITh Accountants B.V.
P. Alblas RA







Annexes

Annex A:

The development of income of Samenwerkende Hulporganisatie (SHO) is as follows:	2023	Up to and including 2023	Up to and including 2022
Received income (third parties) from SHO	-	899,591	899,591
Received this year, not spent this year	358,513	-	-358,513
Still to receive	20,563	20,563	-
Accounted for as income	379,076	920,154	541,078
Interest	-	-	-
Total income	379,076	920,154	541,078
Expenses preparation and coordination			
Indirect Cost Reimbursement (ICR)**	2,320	37,718	35,398
Total available	376,756	882,436	505,680
Expenses			
Spent by Dorcas Aid International via Country Office Ukraine	98,865	462,069	363,204
Transferred by Country Office Ukraine to Partnerorganisations	277,891	420,367	142,476
Accounted for as spending	376,756	882,436	505,680

** This refers to the ICR for Dorcas Aid International. The ICR for Partnerorganisations is part of the transferred amounts to them.

Annex B: Management and organisational structure

Executive Board

The Executive Board consists of the Chief Executive Officer (CEO) and Chief Operations Officer (COO). Together, they act as an independent governing body and are responsible for the organisation's overall performance. The CEO is the chair of the Executive Board and is primarily responsible for our organisational strategy and external positioning. The COO is the vice chair and oversees daily decision-making and related concerns. The board's mandate is determined by government regulations as well as the Dorcas constitution. The Executive Board must authorise all work conducted by Dorcas staff in keeping with international procurement regulations. Composition of the Executive Board can be found in annex C.

Country Directors

A Country Director (CD) is in charge of supervising the programme and associated projects in his/her assigned country. He/she is responsible for managing a team of country staff and is the face of Dorcas Aid International around the world. The responsibilities of all thirteen CDs are listed in an externally legalised power of attorney document. In addition to the power of attorney, our management charter defines the mandate of the CD based on our organisational structure.

In most countries where Dorcas works, the country office acts as an extension of the international foundation and is registered according to local requirements. In some cases, a country office functions through a local board such as in Egypt, Kenya, Lebanon and Romania.

Partner organisations

Dorcas works with local partner organisations across our countries of operation. These relationships fall under the jurisdiction of the CDs, and are governed by an agreement that includes articles related to the protection of the environment, fair labour conditions, child protection, accountability to the affected population and the complaint mechanism.

International Management Team

The International Management Team (IMT) issues tactical and operational decisions with international ramifications. It also discusses urgent strategic issues to

be presented at the annual meetings of the International Council. The IMT is made up of all nine members of the Dutch Management Team, three CDs – one from each region (Africa, the Middle East, Eastern Europe) and the Executive Secretary. The IMT meets monthly.

Dutch Management Team

The Dutch Management Team (NL-MT) includes the Executive Board and managers of our Finance, Programme and Knowledge Support, Engagement and Fundraising, Shops and Textiles, Partnerships, Human Resources and IT departments. The NL-MT meets monthly to discuss matters within the jurisdiction of the international office and the work of Dorcas in the Netherlands, including strategy, policy and risk management.

International Council

The International Council (IC) – consisting of the Executive Board, thirteen CDs, NL-MT and the Executive Secretary – is the platform within Dorcas to discuss all strategic decisions concerning the whole organisation. The Executive Board has formal and final responsibility for such decisions but preferably makes strategic decisions with the consensus of all members of the IC. Internal advisors with specific expertise also take part in the IC meetings. The IC meets twice a year.

Works Council

Dorcas has a Works Council comprising five elected staff representatives. This council is a mandatory legal requirement in the Netherlands for organisations of our size. The Executive Board usually meets with the Works Council every two months, or more if needed. Subjects discussed include various organisational and staff issues. The Works Council also meets twice a year with Supervisory Board representatives.

Supervisory Board

An external Supervisory Board (SB) monitors our organisational activities. The SB has the power to approve adjustments to the Dorcas constitution, strategic plans and budget, and to hire and fire Executive Board members. It is also responsible for advising the Executive Board on key strategic decisions against set objectives.

The SB has four annual governance meetings and one additional in-depth policy meeting, and the SB annually evaluates its own functioning. All SB members work on a voluntary basis and bring years of expertise to the table. Learn more about our members in annex C.

Audit Committee

Two members of the SB also serve as members of the Audit Committee (AC). The AC offers advice on financial and legal issues and makes recommendations for financial reporting and risk management to the full SB. The AC meets three times a year, and more when necessary.

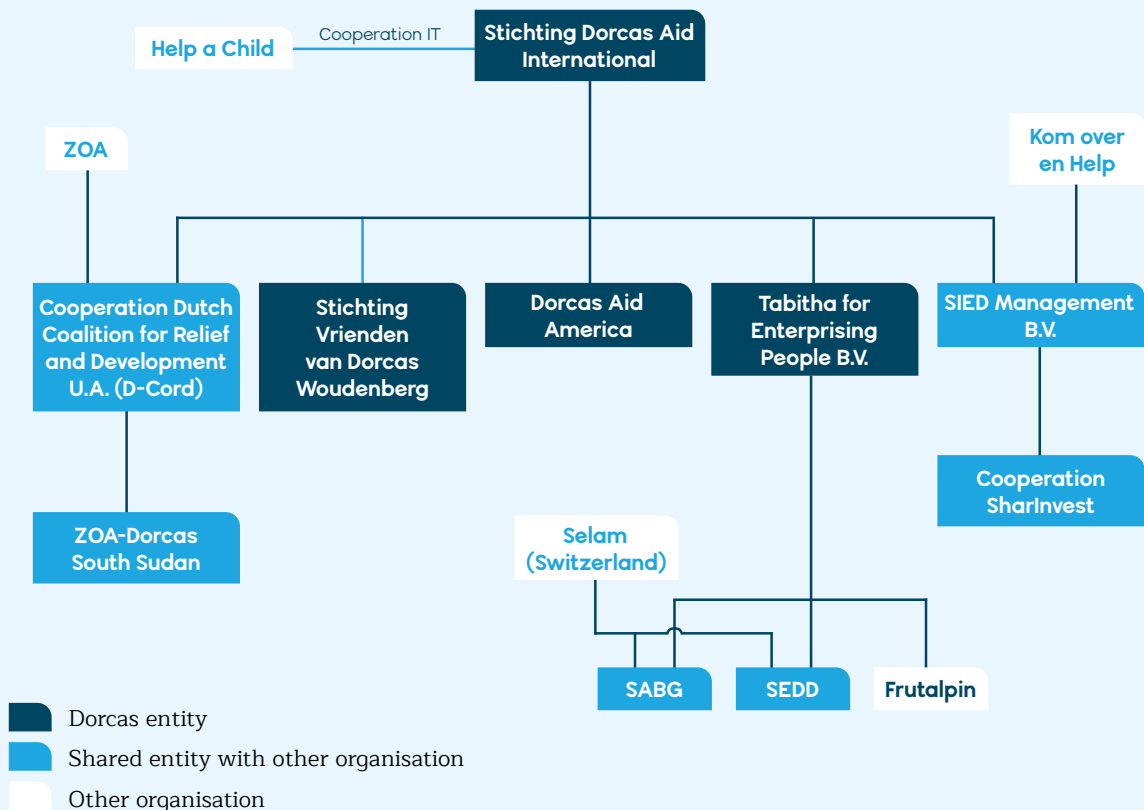
Selection and Remuneration Committee

Two members of the SB also serve as members of the Selection and Remuneration Committee. The committee makes recommendations for executive and supervisory positions and conducts performance reviews with the Executive Board members. The committee meets at least once a year and more often when necessary.

Relationships with other Dorcas entities

Next to our internal management structure, Dorcas Aid International is also related to several other Dorcas-related entities. An overview of those entities can be found in the diagram below.

Relations between Dorcas Aid International and other Dorcas-related entities



Annex C: Composition of the boards

Two leadership teams are responsible for the daily operations of Dorcas - the Executive Board and the Supervisory Board. As of 1 January 2024, these boards have the following members:

Executive Board

Ms A.J. Kroese

Chief Executive Officer (CEO)

Agnes Kroese was appointed CEO of Dorcas in September 2022. She has held various positions within the humanitarian and development sector in the Netherlands and abroad. Besides her role at Dorcas, she currently holds the following positions: Executive Board member Tabitha BV (corporate entity of Dorcas Aid International), and member of the Administrative Council of EU-CORD.

Born: 1981

FTE: 1.0

Mr P.G. Palsma

Chief Operating Officer (COO)

Peter Palsma was appointed COO of Dorcas in June 2019 and as vice-chair of the Executive Board in September 2022. He brings years of experience in youth protection and youth and adult probation – for the Salvation Army and others – to the fore with his executive role at Dorcas. He currently holds the following additional positions: Executive Board member of Tabitha BV (corporate entity of Dorcas Aid International), chairman of the board of *Stichting Kwaliteitsregister Jeugd*.

Born: 1972

FTE: 0.9

Supervisory Board

Mr J.C. van der Linden

Chairperson of the Supervisory Board

Jan van der Linden was appointed chairperson of the Supervisory Board on 15 May 2022 while in his second term as a board member. Given his years of experience as a financial advisor, he brings a great deal to this position. Furthermore, he can draw upon his experience from his other current roles as a trusted advisor of several companies and organisations and a member of the Supervisory

Board of *Regiozorg Holding BV*, as well as of the Association of the Frisian Maritime Museum.

His second term ends in 2026, and he may be reappointed.

Mr C.N. de Kat

Member of the Supervisory Board

Kees de Kat has been a member of the supervisory and audit committee since 2018. His first term ended in 2023 and he was reappointed. He is the CEO of *Growers United*. Furthermore, he is a member of several other boards, namely, GS1 Netherlands, Fresh Upstream, Amarant Group and HJW/IKC.

His second term ends in 2027 and he may be reappointed.

Mr H.F. Massink

Member of the Supervisory Board

Henk Massink is a member of the Supervisory Board since 2018 and also the chairperson of the Remuneration Committee. His first term on the Supervisory Board ended in 2023 and he was reappointed. He works as a Coordinating Policy Officer at the Dutch Ministry of Agriculture, Nature and Food Quality and brings years of expertise in government policy to his Supervisory Board role at Dorcas. Furthermore, he is a member of the following boards: a central board member of the Dutch political party *Staatkundig Gereformeerde Partij (SGP)* and a board member of the Foundation for the Support of Central and Eastern European Organisations for Mission Studies.

His second term ends in 2027 and he may be reappointed.

Ms A.J. van der Werff – Dost

Member of the Supervisory Board

Annelien van der Werff has been a member of the Supervisory Board since 2022. She is also the integrity focal point of the Supervisory Board. She has practised as a lawyer for more than 20 years, in particular in administrative law, and she has a passion for restoring justice where people have been affected by human rights violations or administrative systems. She works as assistant-coordinator with *Vluchtelingenwerkgroep Utrechts Heuvelrug*.

Annelien holds the following additional position: board

member of *Stichting Ontwikkelingsproject Maarsse-Out-jo* (SOMO).

Her first term ends in September 2026 and she may be reappointed.

Mr F.J. Albracht

Member of the Supervisory Board

Frans Albracht was appointed as a member of the Supervisory Board on September 28, 2023. He works as an interim CEO at M&G Group.

His first term ends in 2027 and he may be reappointed.

Ms E. van Weelie – Nijman

Els van Weelie was appointed as a member of the Supervisory Board on December 19, 2023. As a retired former director of World Servants, she is still active as a promoter, trainer and coach within the CHE Network (integral mission). Furthermore, she is a member of the following boards: Vice-chairperson of the Board of Operation Mobilisation Netherlands and member of the Project Board of IOS Department of the Salvation Army Netherlands.

Her first term ends in 2027 and she may be reappointed.

Supervisory board remunerations

All our supervisory board members work on a voluntary basis and do not receive any remuneration for fulfilling their duties. However, they may be reimbursed for expenses incurred.

Appointment procedure

Board members are appointed by the existing Supervisory Board using a profile which stipulates the qualities and/or capacities that they are required to possess. The candidate selection process may vary based on the needs of the board in office. The Selection and Remuneration Committee supports the Supervisory Board in this function. Board members are appointed for a maximum of four years with the possibility to be reappointed twice, giving a maximum period of twelve years on the board. The Executive Board plays an advisory role throughout the process.

Additional positions: risk analysis

Additional positions that our Executive Board and Supervisory Board members hold neither influence their position at Dorcas nor their availability formally or informally. At the time of reporting, we identify no risk to the organisation as a result of these additional positions.

Ms A.J. Kroese's membership of the Executive Board of Tabitha BV, as well as her membership of the Administrative Council of EU-CORD, is directly linked to her CEO position at Dorcas Aid International. The Supervisory Board has no objections to these positions.

Mr P.G. Palsma's membership of the Executive Board of Tabitha BV is directly linked to his COO position at Dorcas Aid International. The position with the Board of the *Stichting Kwaliteitsregister Jeugd*, is unrelated to Dorcas and does not pose any conflicts of interest. The supervisory board has no objections to these positions.

Annex D: Budget 2024

	Budget 2024
Income:	
Private individuals	8,800,000
Companies	1,400,000
Government grants	10,900,000
Affiliated non-profit organisations	75,000
Other non-profit organisations	7,500,000
Total income raised	28,675,000
Income in exchange for the delivery of products and/or services	5,676,088
Other income	-
	5,676,088
Total income	34,351,088
Expenses:	
SPENT ON OBJECTIVES	
Awareness	1,653,212
Humanitarian Assistance and Recovery (HAR)	19,072,286
Inclusive Entrepreneurship (IE)	6,312,937
Social Empowerment and Protection (SEP)	6,258,410
	33,296,844
Fundraising expenses	2,460,353
Management and administration expenses	1,466,917
Total expenses	37,224,114
Balance of income and expenses	-2,873,026
Financial income and expenses	67,500
Result	-2,805,526
Withdrawal Designated Funds	-2,348,592
Withdrawal Projectreserve	-581,934
Addition Designated reserve financing assets	125,000
Addition Continuity Reserve	-

Forecasted benchmark percentages:

Spent on objectives as percentage of total income	96.9%
Spent on objectives as percentage of total costs	89.4%
Fundraising as percentage of total income raised	8.6%
Management and administration as percentage of total costs	3.9%

The budget for 2024 will be lower than the realised income of 2023 as Dorcas doesn't expect the same height of income for emergencies responses from our constituency. Compared to the budget 2023 the upward trend of the development of our income continues (revenue of the shops and private donations). In 2024 Dorcas invests in further professionalism of our organisation (Engagement and Fundraising and Shops and Textile). Therefore an

increase is visible in the fundraising expenses. Next year the aim is to spend part of the designated funds and project reserve, hence the expected negative result. Finally based on the plans of 2024 Dorcas does not foresee to add funds to the continuity reserve as the desired needed level of € 5.5 million at the end of the strategic period in 2025 has been reached.

Annex E: Distribution direct project expenses 2023 (in euros)

	Payments in cash 2023	Contributions in kind 2023	Total 2023	Payments in cash 2022	Contributions in kind 2022	Total 2022
Distribution per programme concept						
Humanitarian Assistance and Recovery	18,268,721	560,914	18,829,635	17,731,996	-	17,731,996
Inclusive Entrepreneurship	4,206,661	-	4,206,661	4,443,841	-	4,443,841
Social Empowerment and Protection	3,498,384	-	3,498,384	3,712,636	-	3,712,636
	25,973,766	560,914	26,534,680	25,888,474	-	25,888,474
Distribution by country						
Romania	1,047,642	-	1,047,642	923,074	-	923,074
Moldova	1,170,553	-	1,170,553	1,294,548	-	1,294,548
Ukraine	7,013,360	-	7,013,360	6,137,523	-	6,137,523
Albania	530,714	-	530,714	372,266	-	372,266
Total Eastern Europe	9,762,269	-	9,762,269	8,727,411	-	8,727,411
South Sudan	3,010,657	-	3,010,657	3,441,608	-	3,441,608
Ethiopia	1,188,874	535,522	1,724,396	2,319,345	-	2,319,345
Kenya	643,117	-	643,117	1,775,502	-	1,775,502
Tanzania	637,842	-	637,842	623,706	-	623,706
Mozambique	520,371	-	520,371	856,507	-	856,507
Total Africa	6,000,861	535,522	6,536,383	9,016,668	-	9,016,668
Egypt	770,937	-	770,937	807,084	-	807,084
Syria	5,509,275	-	5,509,275	2,495,623	-	2,495,623
Lebanon	1,476,535	24,997	1,501,532	2,184,455	-	2,184,455
Iraq	779,804	-	779,804	1,185,697	-	1,185,697
Yemen	1,148,086	-	1,148,086	1,156,741	-	1,156,741
Total Middle East	9,684,637	24,997	9,709,634	7,829,600	-	7,829,600
Other countries, general and transport fund	525,999	395	526,394	314,795	-	314,795
Total other countries, general and transport fund	525,999	395	526,394	314,795	-	314,795
Grand total	25,973,766	560,914	26,534,680	25,888,474	-	25,888,474





We fight poverty, exclusion and crisis. We empower marginalised people and communities to flourish. This is how we follow Jesus Christ.