

**ANNUAL REPORT 2021**

**40 YEARS** AT THE  
FOREFRONT OF THE **ACCESS**  
**TO MEDICINES** MOVEMENT

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MARCH 2022



**Publisher**

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The Netherlands  
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**HAIWEB.ORG**

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# 1. INTRODUCTION

In the early months of the COVID-19 pandemic, few could have predicted that the world would suffer two years of illness and death, nor the devastating economic and social impact of lockdowns. But although 2021 came with further heartache and loss, it also brought us hope in the form of the newly approved vaccines that, combined with emerging treatments and other public health measures, may yet control and bring an end to this disease.

The task for Health Action International (HAI) was clear from the start: to push for equitable access to life-saving technologies for all people around the world, not just the rich countries of the Global North. The work that began in 2020 continued in earnest throughout 2021 (more on that later in this report), but by no means defined HAI's progress and achievements over the last 12 months.

Pandemic or not, 2021 was always going to be an important year for HAI as it was the year in which we celebrated our 40th anniversary. The hope had always been to be able to celebrate properly; face-to-face with the many friends and allies made along the way. Alas that was not to be, so we instead met virtually in May. The date, a week before the World Health Assembly (WHA), reflected HAI's founding at the 1981 WHA, a year in which the world celebrated the eradication of smallpox through a global vaccination effort. It was fitting too that a number of the attendees at the celebratory event were actually there at HAI's founding. In a room full of stalwarts of the access to medicines movement, we could share memories, celebrate victories, and remember friends lost along the way. Just as important, if not more so, was the chance to hold a mirror up to HAI as an organisation, and the role of wider civil society in global health.

Meanwhile, across all of HAI's projects, work continued unabated, and we remained at the centre of some of the other big issues in access to medicines and the right to health. It was the centenary of the discovery of insulin, which we marked with the launch of a short documentary looking at some of the main challenges and solutions to improve access to this life-saving medication. Transparency was again a big theme for HAI's Europe Team, with particular efforts made to make it relevant to a wider audience with a series of explainer animations. Snakebite continued to reach new communities with essential first aid and prevention materials, our popular posters being translated into a further four languages (including Swahili and Spanish). Moreover, we consolidated the Women Champions of Snakebite; a first of its kind network celebrating the contribution of women to the science, understanding and treatment of snakebite envenoming. We expanded into new technological frontiers with the launch of a brand-new project on Artificial Intelligence and its impact on access to medicines, including for marginalised groups. The first steps to other exciting new work on youth empowerment, sexual and reproductive health and rights, and family planning were also taken, with much more to come in 2022. This is just a small taste of what was another big year for HAI—read on to find out more.

For now, as ever, I would like wholeheartedly to thank HAI's dedicated staff and partners, whose commitment and perseverance in the pursuit of health for all remains a source of inspiration.



Lander van Ommen  
Chair, HAI Foundation Board

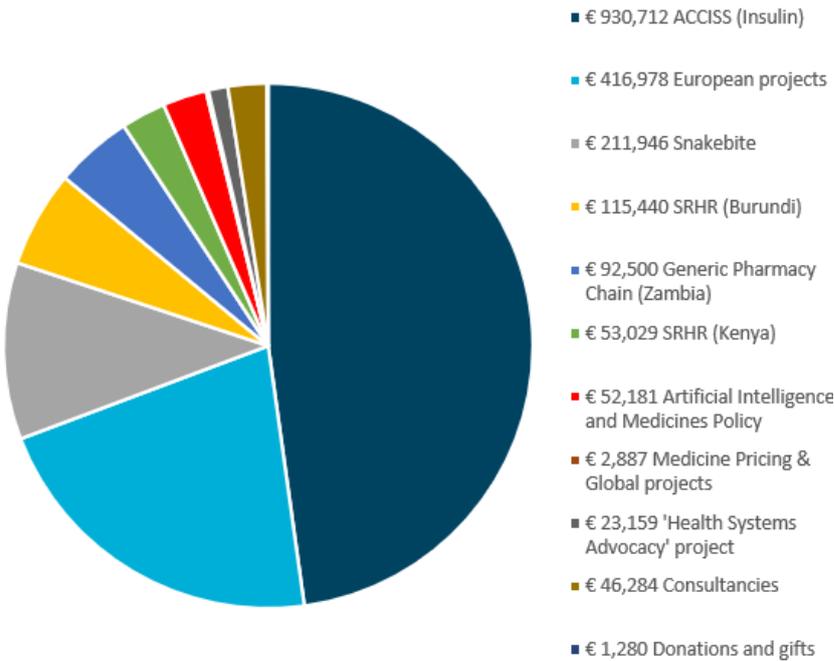
March 2022

# 2021 AT A GLANCE

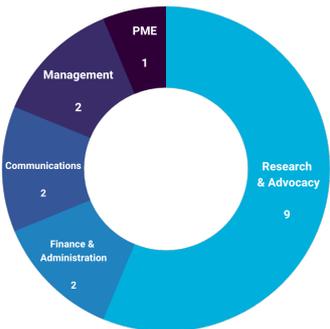
## How we spend our funding



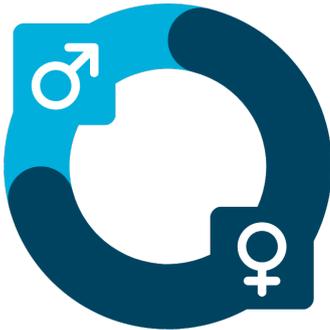
## Income by Programme Area



## Staff Composition



## Gender Balance



## 2. BOARD REPORT

### Who We Are

HAI is a non-profit organisation based in Amsterdam, but also has staff working remotely in a number of countries who, in 2021, we unable to travel due to COVID-19 restrictions. With a dedicated and professional team of in-house experts, and a global network of members and partners in 70 countries around the world, we work tirelessly to research and gather evidence to inform and advance policies that enable access to medicines for people around the world. To achieve this, we strive to create lasting change to government and industry policies and practices through evidence-based advocacy and public awareness campaigns at national, regional and international levels.

### How We Work

#### Commitment to Independence and Transparency

To protect and enhance our reputation as a trusted advocate on access to medicines and rational medicine use issues, we safeguard our objectivity and integrity by remaining resolutely independent. We never accept funding from the pharmaceutical industry, and we work with staff and members to mitigate any potential conflicts of interest that could call our independence into question.

We ensure that the same standards we demand of others also apply to us and take great pride in ensuring our organisation is fully transparent. This includes transparency in our business model, projects, policies and relationships, which

is critical to earning and retaining the trust of our donors, staff, members, partners and other stakeholders.

#### Evidence-based Advocacy

A cornerstone of HAI's credibility as an organisation depends on our evidence-based approach to advocacy. We conduct and draw upon independent, robust and impartial research to form all the policy recommendations we make. As a result, policymakers and other stakeholders know they can rely on our position. We remain robust and alert to the ever-changing world of policy, staying abreast of the latest developments, trends and challenges in global health and development so that we ensure our offer is tailored to the needs of those we serve.

#### Influencing the Highest Levels of Government

For our advocacy to be successful, it is critically important to target policymakers in their own domains. We therefore have direct relationships with many national health ministries and with the World Health Organization (WHO), with who we also hold 'Official Relations' status. This status enables us to directly participate in sessions of WHO governing bodies, such as the WHA. In addition, our longstanding relationship with the European Medicines Agency (EMA) has resulted in membership of the Patients' and Consumers' Working Party and its Health Technology Assessment Steering Group. This inclusion is a privilege that allows us to articulate and incorporate consumers' perspectives in the groups' work.

## Governance and Leadership

### HAI Foundation Board

The HAI Foundation Board comprises eight professionally diverse members from Europe, Africa, Asia, and North and South America who bring a wealth of knowledge and experience to our work.

The Board appoints the Executive Director and conducts an appraisal interview with him/her at least once a year to evaluate performance. In addition, the Board approves the strategic workplan drafted by the Executive Director, which ensures compliance with our vision and mission. It also appoints a Chair and Treasurer from its Board Members, as well as an external auditor who provides an opinion on the annual report.

The Board is also responsible for approving HAI's annual budget, report and financial statements. Due to COVID-19 travel restrictions, no face-to-face meetings were held in 2021. Two board meetings were held on Zoom in March and November. In addition, the Board held a strategic session on Zoom in April 2021. Furthermore, the Executive Director sent the Board email updates in July and December 2021. The Board Chair and other Board Members also keep in regular contact throughout the year and the Chair and Executive Director have monthly consultations.

Each Board Member is appointed for a period of four years. An appointment may be extended to a maximum of eight years. The Board Chair's term expired in 2021, because of COVID-19 the appointment of a new Chair was postponed, to be resumed in 2022.

### Primary Position(s)/Ancillary Position(s)



**Lander van Ommen**  
(Netherlands)  
Board Chair  
Term 2, 2017–2021

**Senior Health Advisor at the Health & AIDS Division of the Dutch Ministry of Foreign Affairs, The Netherlands**



**Marcus Vreeburg**  
(Netherlands)  
Treasurer  
Term 2, 2020–2024

**Owner/Director, Vidax BV (financial services for governments), The Netherlands**  
Member of the Committee for Permanent Education, European Institute for Public Controllers



**Francisco Rossi**  
(Colombia)  
Member  
Term 2, 2019–2023

**Senior Advisor to IFARMA Foundation, Colombia**  
Board Member, Alianza LAC–Global for Access to Medicines  
Board Member, Alliance REDLAM (Latin American Network for access to medicines)



**Patricia Porekuu**  
(Ghana)  
Member  
Term 2, 2020–2024

**Programmes Manager, Hope for Future Generations, Ghana**  
African Alternate Representative, West and Central Africa, People's Health Movement  
Core Team Member, People's Health Movement, Ghana, Member of CSO Platform on Sustainable Development Goals, Ghana


**Meri Koivusalo**

(Finland)

Member

Term 2, 2020–2024

**Professor of Global Health and Development,  
Tampere University, Finland**

**Briec-Yves Cadat Lampe**

(Netherlands)

Member

Term 2, 2020–2024

**Senior Researcher, Movisie, The Netherlands**  
 Chair, Board of Directors Foundation Framers Framed  
 Chair, Foundation Makassarplein Community  
 Member, Foundation Buurtmuseum Indische Buurt  
 Member, Partners Council of Foundation Pakhuis de Zwijger  
 Secretary, Foundation ZID Theater – City Arts & Performance Center

**Cecilia Sison**

(Philippines)

Member

Term 2, 2020–2024

**Country Coordinator, Medicines Transparency  
Alliance (MeTA), The Philippines**

Chair, Coalition for Safe Medicines

 MeTA Representative, DOH Advisory Council on the Implementation of  
 the Cheaper Medicines Law

 Member, Committee on Patient, Family and Community Engagement,  
 Philippine Health Research Ethics Board

**Joel Lexchin**

(Canada)

Member

Term 2, 2020–2024

**Emergency Physician, University Health Network, Canada**

Board Member, Canadian Health Coalition

Board Member, Canadian Doctors for Medicare

Professor Emeritus, Faculty of Health, York University

 Associate Professor, Department of Family and Community Medicine,  
 University of Toronto, Affiliate, Faculty of Pharmacy, University of  
 Sydney

## Executive Director

Dr Tim Reed was appointed as Executive Director in 2006. He manages the Foundation Board, which includes preparing its workplan, administering its day-to-day business, and implementing programmes and activities. He is also responsible for the organisation's annual budget, report and financial statements.

## Remuneration of Executive Director and Foundation Board

On 1 January, 2013, the Dutch Law Executives' Remuneration Financed from Public Funds (Disclosure) Act (Wet normering bezoldiging topfunctionarissen publieke en semi-publieke sector WNT) came into force. The WNT applies to HAI. This act aims to regulate remuneration of managers in the public or semi-public sector by establishing maximum amounts for remuneration.

Disclosing the annual remuneration of the Executive Director and the Foundation Board is compulsory.

The report below is prepared in line with the applicable regulation. As of 2015, the WNT maximum for the development aid sector applies, which is €191,000 for 2021. The reported maximum amount per person and function is calculated based on the full-time equivalent in the labour agreement of the Executive Director. The full-time equivalent can never exceed 1.0.

For members of the Foundation Board, an entitlement to a maximum of 15% (Chair) or 10% (other Members) of the maximum remuneration of €191,000 for executives applies. However, the Members of the Foundation Board are volunteers, and do not receive remuneration or allowances for their work, nor did they, as of 31 December 2021, or during 2021, have outstanding loans, advances or guarantees.

No employees or temporary staff received remuneration above the WNT maximum in 2021, nor was remuneration paid that was, or had to be, disclosed based on the WNT in previous years.

In 2021, HAI did not pay termination of employment payments to former employees that should be reported in these annual accounts based on the WNT.

<b>REMUNERATION EXECUTIVE DIRECTOR</b>		
	Actual 2021	Actual 2020
<b>EMPLOYMENT</b>		
Term	Indefinite	Indefinite
Hours (full-time)	36.00	36.00
Part-time percentage	100%	100%
Period	Jan-Dec 2021	Jan-Dec 2020
<b>REMUNERATION</b>	<b>€</b>	<b>€</b>
<b>Annual income</b>		
Gross salary	106,493	104,598
Holiday allowance	8,527	8,429
Year-end allowance	-	9,650
Variable annual income	-	-
Untaken leave (accrued in previous year)	-	3,244
<b>Total annual income</b>	<b>115,020</b>	<b>125,921</b>
Taxable allocations	-	-
Pension costs (employer share)	26,222	25,878
Provisions for future payments	-	-
End of service benefits	-	-
<b>Total salary and employer charges</b>	<b>141,242</b>	<b>151,799</b>
Applicable WNT-maximum	191,000	189,000
<b>REMUNERATION FOUNDATION BOARD</b>		
<b>CHAIR</b>		
	Actual 2021	Actual 2020
Period	1/1 - 31/12	1/1 - 31/12
	€	€
Remuneration	-	-
Provisions for future payments	-	-
<b>Total remuneration</b>	<b>-</b>	<b>-</b>
Applicable WNT-maximum	28,650	28,350
<b>TREASURER</b>		
	Actual 2021	Actual 2020
Period	1/1 - 31/12	1/1 - 31/12
	€	€
Remuneration	-	-
Provisions for future payments	-	-
<b>Total remuneration</b>	<b>-</b>	<b>-</b>
Applicable WNT-maximum	19,100	18,900

## Staff and Team Management

COVID-19 continued to challenge staff organisation and management throughout 2021, with only a short respite in the Autumn when, for a short period, we were once again able to meet in a more traditional office environment. It was only short lived, however, and at the time of writing, we are confined to working from home. But we have now launched a stepwise plan for the introduction of what will be HAI's way of working for the foreseeable future. We envision a hybrid model that will see us return to low occupancy office work (fifty percent of time in office) in Amsterdam and facilitated remote working, where possible. We ended 2021 with fewer staff, notably on the EU team and the Communications team. However, the staff complement will be augmented again in 2022, with the introduction of new funding streams, and exciting new programmes of work, justifying our investment in business development and acquisitions.

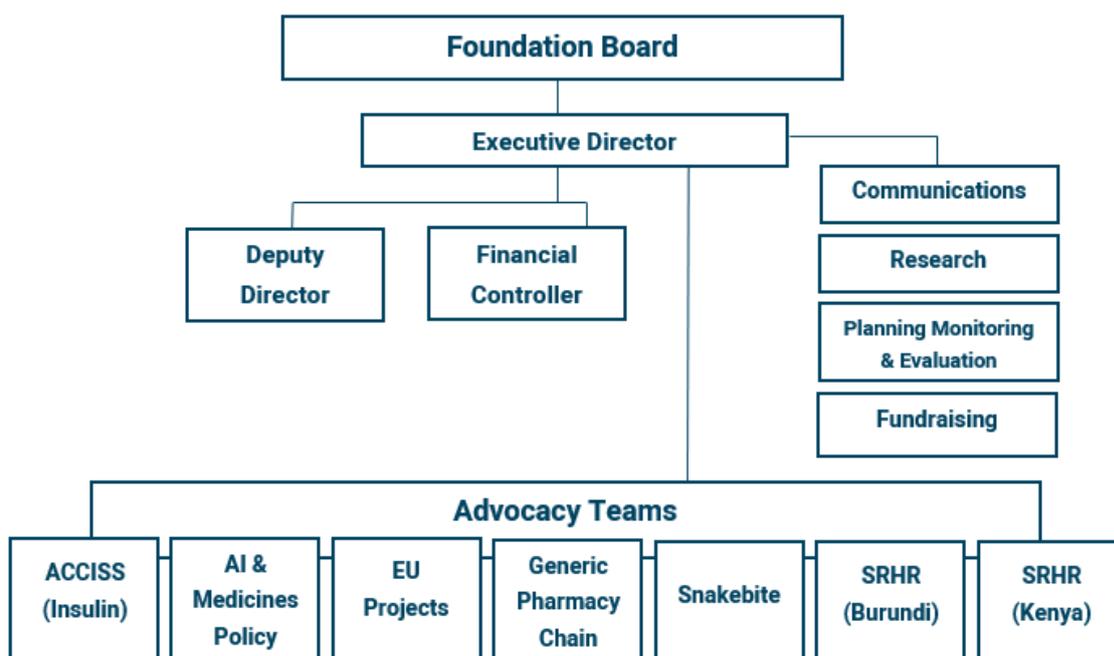
HAI's team structure, based on a 'support management hierarchy', harnesses and leverages the expertise of our entire staff in support of the interventions made by our Policy Advisors, positioned at the top of the pyramid. Everyone engaged at HAI, whether in finance, administration, research or donor reports, knows that our job is to support the advocacy teams in their efforts to increase access to medicines for everyone.



HAI's Employee Entitlements and Conditions of Employment were adopted by the Foundation Board in 2018 and remain current and relevant. Indeed, we have always tried to offer better than average flexibility in working conditions and opportunities. As mentioned above, COVID-19 has taught us new ways of working and new ways of managing a diverse and dispersed team which has further strengthened our resolve to embrace the 'new normal'. It has been said before, but is worth repeating, flexible working conditions are better for the team, better for the donor and better for the mission to better reach our targets.

	31 December 2021	31 December 2020
Number of employees	16	17
Number of FTEs	14.8	16.2
Composition staff	75% women / 25% men	76.5% women / 23.5% men
Permanent/temporary contracts	13 / 3	13 / 4
Average age	42	41
Sick leave percentage	6.69%	6.31%

During most of 2021 we still had one staff member on long term sick leave. Despite the efforts of the staff member, Human Resources manager and HAI's occupational health and safety service, the reintegration of this staff member has not been successful and, at the end of 2021, we regretfully envisage the termination of the employment agreement. No other long term sick leave occurred in 2021.



## Code of Conduct

HAI's ethical principles are reflected in our Business Conduct Guidelines and other key policies, which outline within a legal framework, the way in which we conduct our work. If mistakes, wrongful actions, or breaches of our codes occur, any stakeholder, regardless of their affiliation to HAI, has the right to file a complaint using the Complaints Procedure. The Business Conduct Guidelines, Complaints Procedure (English, Dutch, Spanish), Gender Policy, Safeguarding Policy and/or Sexual Harassment Policy make up a suite of policies that guide our day-to-day conduct. In addition, in 2019 we introduced a Modern Slavery Policy to complement the collection of policies that make up the terms and conditions of working at HAI and extend to partners we fund. HAI has a published set of core values which employees, partners and sub-contractors must observe. Together they support our vision, inspire our talented employees, and shape our culture. We adhere to these values to motivate our partners, so our donors are confident in our ability to execute our work, and HAI is a rewarding, safe and inspirational place to work.

## Our Core Values

**Social Justice:** We believe that all people, regardless of their socioeconomic status or geographic location, gender, sexual orientation, or ability, deserve equal economic, political and social rights and opportunities.

**Transparency:** We conduct our work in an honest, transparent and ethical manner.

**Integrity:** To safeguard our objectivity and integrity, we are resolutely independent of the pharmaceutical industry and protect ourselves from all other conflicts of interest.

**Evidence-based:** Our advocacy is always based on objective and current research.

**Empowerment:** We share information with and offer our research and advocacy expertise to other members of civil society so they, too, can improve access to medicines and rational medicine use.

**Perseverance:** We know that policy change takes time and never give up until the job is done.

**Inclusion:** We appreciate and respect diversity in all forms.

**Excellence:** We value and invest in our staff and network so they can achieve the high goals and objectives that we set.

## Our Projects in 2021

### ACCISS (Insulin)

2021 marked the centenary of the discovery of insulin. This momentous anniversary offered an opportunity for the Addressing the Challenge and Constraints of Insulin Sources and Supply (ACCISS) project to further raise global awareness around the issue of access to insulin. As part of the centenary year activities, ACCISS produced a short documentary on access to insulin entitled: Access to Insulin 100 Years On: Leaving No One Behind. A global online launch in September was attended by over 100 people and prompted a lively discussion with key-stakeholders from around the world. The film has now been entered into a number of global health film festivals, with results expected in the course of 2022.

One of the big wins for the ACCISS team was, working in partnership with other organisations, successfully pushing for the inclusion of specific language on access to insulin within a WHA resolution on diabetes, which was adopted at the WHA by Member States in May 2021.

2021 also marked the completion of Phase II of the ACCISS Study, and the beginning of its third phase. In Phase III we will continue to work both globally and in our four countries (Peru, Mali, Kyrgyzstan and Tanzania) on access to insulin, while beginning work on our new stream of work on addressing the barriers to diabetes self-monitoring devices and supplies.

### Artificial Intelligence and Medicines Policy

Kicking-off in April 2021, Artificial Intelligence (AI) and Medicines is a brand-new project for HAI. The primary aim is to build our organisation's capacity in AI to become a civil society voice in Europe. In its infancy, one achievement has been the successful completion by three members of staff of a five-course training on AI in healthcare, delivered by Stanford University.

Another highlight of the first eight months was attending the Intelligent Health Summit in Amsterdam in October, the only physical

AI event of the year, in which we came up to speed on current innovations and ethical issues of AI in healthcare. We have also worked to build a network with other non-governmental organisations (NGOs) and experts in the field. We are excited to see how the project is taking shape and are looking forward to the next phase of the programme, in which we will convert the knowledge gained into advocacy.

### European Projects

Throughout 2021, HAI energised and coordinated a diverse range of EU-based organisations in advocating for a Trade Related Intellectual Property (TRIPS) waiver on COVID-19 health goods, including vaccines, therapeutics and diagnostics. This coalition has been instrumental in catalysing support from dozens of Members of the European Parliament and national Parliaments in several letters calling on the European Commission and EU Member States to stop blocking negotiations on the waiver at World Trade Organization. Our efforts were also instrumental in the adoption of two resolutions from the European Parliament, endorsing the need for negotiations and supporting both the TRIPS waiver and WHO's COVID-19 Technologies Access Pool (C-TAP).

HAI's policy experts are often invited to share insight and expertise in different fora, such as the WHO's Fair Pricing Forum or the Oslo Medicine Initiative, a joint endeavour of the Norwegian government and WHO-Euro. In 2021, we also continued to provide our insight and policy positions to meetings of the WHO governing bodies, collaborated on EMA activities as part of the Patients and Consumers Working Party, and provided feedback on European Commission proposals on European Pharmaceutical Strategy and the European Health Emergency Preparedness and Response Authority (HERA), among other policy initiatives.

Over the course of the year, HAI worked hard on outreach and capacity strengthening of civil society, academia and other stakeholders in the access to medicines movement.

We organised or participated in talks, debates and hearings, as well as producing high-quality, evidence-based advocacy materials on a range of topics, from clinical trial transparency to pharmaceutical promotion. As part of our efforts to bring medicine policy closer to European citizens, we also developed a series of short explainer animations on the importance of transparency for access to medicines.

of medicines. In principle, pharmacists and pharmacy technologists would be willing to work in a GPC pharmacy, just as community members would be willing to access medicines there. Buy-in for the GPC concept has been realised with the National Health Insurance Management Authority (NHIMA) and Ministry of Health in Zambia. They have both repeatedly stated their support for the GPC concept, which is an essential condition for the GPC's successful implementation.

**WEBINAR**  
**Transparency in Clinical Trials**

21 October 2021  
3pm CEST

**HA I** HEALTH ACTION INTERNATIONAL

**Ellie White**  
Moderator  
Policy Advisor,  
Health Action International

**Nicholas DeVito**  
Doctoral Researcher,  
University of Oxford

**Maia Salholz-Hillel**  
Research Fellow, Berlin  
Institute of Health

**Daniela Cepeda Cuadrado**  
Anti-Corruption  
Adviser, U4

**Courtney Davis**  
Senior Lecturer,  
King's College London

**Till Bruckner**  
Founder,  
TranspariMED

*Flyer for a webinar aimed at civil society capacity strengthening*

## Generic Pharmacy Chain

The Generic Pharmacy Chain (GPC) project completed research surveying community members, healthcare workers and pharmacists in four rural districts in Zambia. The research helps us better understand the health-seeking behaviour of people living in rural areas to ensure the acceptability of generics and alignment of the GPC to their needs. In addition, we undertook a survey among pharmacists and pharmacy technologists to determine the acceptability of a GPC and better understand how people from its potential (future) workforce see its value and under what conditions they would be interested and able to work in it.

The research showed just how difficult it is for people in rural areas to access the medicines they need, and that a GPC could be a viable solution to fill the gap in access to essential services in these areas, when integrated into the National Health Insurance scheme to ensure affordability

## Snakebite

In July, we joined forces with Médecins Sans Frontières (MSF) Access Campaign to initiate a first-of-its-kind meeting to share community expertise on snakebite in low- and middle-income countries. Over two days, a diverse group of community experts from around the world came together to exchange experiences, collaborate on tangible solutions, and initiate a coordinated response to improving snakebite community engagement. The meeting's report showcased participant recommendations, including a call to action for developing a permanent network to give space for community experts to advocate for and on behalf of communities in 2022 and beyond. Moreover, it provides an excellent opportunity to demonstrate what can be achieved in the WHO snakebite strategy community engagement pillar.

In March, together with our Civil Society Organisation (CSO) partners, Access to Medicines Platform (AtMP) Kenya, we organised a healthcare worker (HCW) 'Training of Trainers' workshop on snakebite care, management and treatment in Kilifi (Kenya). As part of the workshop, HCWs from several Kenyan counties developed action plans to influence decision-makers and lobby their respective senior health directors to prioritise snakebite policies. As a result, the Kajiado county government has responded by allocating budget for the first time towards snakebite community education and sensitisation. Again, projects that demonstrate to decision-makers what can be achieved, even with limited resources.

In July 2021, we published the first peer-reviewed article to make the link between the ongoing COVID-19 pandemic and its impact on snakebite envenoming response, treatment, prevention and aftercare. The article, *Snakebite incidents, prevention and care during COVID-19: Global key-informant experiences*, published in *Toxicon:X*, tapped into HAI's global snakebite network to gather perspectives from key stakeholders involved in snakebite prevention and care to inform recommendations.



A group of Massai men from Kaijado, Kenya

### SRHR (Burundi)

Throughout 2021 we worked with the Embassy of the Kingdom of the Netherlands (EKN) and in-country partners to deliver a comprehensive Sexual and Reproductive Health & Rights (SRHR) 'Solutions' programme. Original applications from a range of stakeholders were grouped together as core components of the programme. HAI was asked to lead the 'Advocacy Group' of CSOs to gather and collate interventions into a single advocacy theory of change. Subsequently, HAI was also asked to collate a draft theory of change for the entire project.

Along with in-country partners HAI submitted a revised proposition, which was awarded in August and was followed by a preliminary in-person scoping mission to Bujumbura in November. Previously all work on the project had been conducted virtually. Our implementing partner is now confirmed as TWITEZIMBERE in a four-year programme to improve demand for SRH commodities and Family Planning among Burundian adolescents, and especially among young girls.

### SRHR (Kenya)

This project focused on Kenyan county of Kisumu and how the local government plans and budgets for the SRH needs of residents. A key recommendation from the project was itemisation and transparency in budgeting for ease of monitoring and tracking. The call was answered and was actioned in November on the sidelines of a Medicines Transparency Alliance (MeTA) Forum, during which county representatives not only presented their annual workplan, but also shared the disaggregated data for the health budget. Meanwhile, technical working group meetings provided an opportunity for us to present the findings of our various studies on availability and affordability of SRH commodities to sensitise sub-county reproductive health coordinators and pharmacists to SRHR needs. This resulted in the development of costed implementation plans at sub-county level, incorporating some of our recommendations. A direct result was a data cleaning exercise that saw the county find family planning commodities that had been thought to be stocked out, but were subsequently re-distributed.

## Planning, Monitoring and Evaluation

We subject our work to rigorous and robust monitoring and evaluation protocols. This is to ensure our evidence-based advocacy interventions are as effective, efficient, relevant and as sustainable as possible, and, of course, that our projected outcomes are achieved. Presiding over this process is a dedicated Planning, Monitoring and Evaluation (PME) Manager, who is embedded in each of the project teams. Each year, the teams develop workplans linked to corresponding monitoring and evaluation frameworks, which include timelines for activities, indicators, methods of verification and data sources, all of which align with reporting/fundraising cycles.

In the last five years, we have developed, tried, and tested several indicators and connected methods of verification. We have cherry-picked the most appropriate and have standardised them to our own specifications across several of our key projects. Naturally, each project has its own set of measures, but it has helped us to start the formulation of an overarching organisational results framework. While we have been using IATI for our Dutch Ministry funded projects, we feel that this has not provided the level of transparency that we envision for HAI's results. In 2022, we will start publishing these results on the HAI website in order to maximise transparency. In 2021, we completed a contract with Amref Flying Doctors, in which our PME Manager coordinated the end-term evaluation and the development of the final report of the Health Systems Advocacy Partnership programme to the Ministry of Foreign Affairs (part of our Partners for Change strategy). The final report and the end-term evaluation report were both approved, thus concluding our contract by April 2021.

## Gender & Health Index

We were again delighted to be recognised as a high-scoring organisation by Global Health 50/50 in their Gender and Health Index for our deliberate efforts to mainstream gender and inclusivity in all our projects and the culture of the organisation. We are on track, but more remains to be done in 2022 and beyond, particularly working with our partners in low-to-middle-income countries.

## Programmatic Challenges and Mitigation

Clearly, the programmatic challenges caused by the global pandemic, have been paramount. Apart from one very short lockdown 'holiday' in October/November, the physical office in Amsterdam has remained closed. When collating the 2020 Annual Report, we were only ten months into COVID-19 restrictions, a year on and now the team really need to see each other, face-to-face. But it is not to be and will not be the case for the foreseeable future, at least not all of us in the same room at the same time. However, the HAI team has always been resilient and able to rise to all the everyday challenges that NGOs face and COVID-19 is no different. In fact, in many ways it has made us stronger; it shown in high definition the gross inequalities that plague the global distribution of wealth and health. That is what we fight against, and now we know that even working under strained conditions, we can, and do, make a difference.

Beyond COVID-19, there are programmatic challenges faced by most NGOs, and change little year on year. The table below outlines these challenges.

Challenge	Mitigation
<p>In 2020 Annual Report we spoke about the poor youth representation in the HAI Europe Association Network. Whilst the issue remains, steps to mitigate the situation are starting to bear fruit.</p>	<p>HAI's full-time digital communications officer has enhanced our networking and brought new social media skills with the best year ever in delivering on social media traffic. The HAI Europe Association has elected new and agile members to the board, who with HAI's support have instigated a series of virtual cafes, each with a theme, guest speakers and expert discussion.</p>
<p>In the Annual report 2020, we noted that in future we would be more circumspect about partnerships in which we were not the lead partner and that we would prioritise more effectively to ensure our own objectives within any partnership are achieved in the most efficient manner.</p>	<p>In 2021 we partially fulfilled that promise and returned to our ground up approach by building partner relationships in target countries, rather than the top-down approach of monolithic European NGO collaborations encouraged by the large donors. In 2021, we went further and, working with in-country partners, built two propositions from the ground up, which are now fully funded.</p>
<p>The false impression that size and public trust equates with the delivery of results persists and the development 'industry' is dominated by a few monopolistic NGOs that continue to grow and merge. This leaves little room for smaller NGOs like HAI, who see millions of Euros flowing to the NGO behemoths, with little left for targeted, locally driven and owned programmes that identify real community needs.</p>	<p>Eschewing monopoly NGOs and large partnerships by 'going it alone' is a risk, given HAI's size, but we are pleased that it has proven successful and significant funds have been sought and won throughout 2021.</p>
<p>Gender bias remains one of the most significant barriers to successful development programmes, and while donors and civil society recognise the impact of gender, it is often lost on the target group.</p>	<p>We have tightened our front facing commitment to gender and inclusiveness and have a strategy of 'walking the talk'. Where perceptible bias exists, we will lead by example, and project leads will be women, trained in how to confront bias in partner programmes, policies and practice.</p>
<p>We have increased our overheads to the maximum allowed by donors, based on actual and reasonable cost recovery, so that the core functions of the organisation are covered. However, the donor landscape continues to shift, there remains a reluctance to fund core functions, necessary to run an organisation of HAI's size.</p>	<p>The strategy of donor diversification is helping somewhat, but overall, HAI's reluctance to 'grow for the sake of it' may have to be sacrificed if we are to accrue enough funding to support core functions that are sustainable. We cannot continue to thrive with the constant threat of job losses when projects reach their sunset, or worse, donors switch priorities.</p>
<p>COVID-19 and future pandemic threats will continue to limit our ability to travel, to meet in-country partners in person, to lobby directly with duty-bearers at all levels, which has the potential to impact upon our effectiveness as agents for change.</p>	<p>HAI has adapted well to the 'new normal,' and will continue to explore new possibilities for online and remote advocacy, research, training, and intervention.</p>

## Fundraising and Acquisition Activities

HAI's dedicated funding team has continued to work tirelessly throughout 2021. As ever, all technical and non-technical staff are engaged in identifying opportunities and proposal-writing. Whilst we did decide to spend less resources on unsolicited smaller fund-raising in 2021, we continue to look for discrete opportunities but as previously noted, when compared to the investment in time to make applications, it has been less than successful, garnering only one result for a project in 2021/22.

Artificial Intelligence and Medicines (European AI Fund)	Successful
Health to Her Alliance: Accountable Action to Improve Sexual and Reproductive Health	Rejected
NTD-Snakebite	Rejected
Snakebite Prevention, First-Aid and Treatment in Rural Kenya	Rejected

Meanwhile, major fundraising from institutional donors and foundations continues. An application process can take more than twelve months, but we have been successful in two major bids:

Evidence, Engagement and Exchange: Multi-stakeholder engagement for Family Planning to improve access to SRH of women and girls in Burundi (2022-2025), funded by the Embassy of the Kingdom of the Netherlands to Burundi.

Solutions for Supporting healthy adolescents and rights protection (SHARP) to improve SRH of adolescents in the African Great Lakes Region (2022-2025), funded by the European Commission (INTPA).

The Partners for Change (P4C) programme recognises HAI's core skills, such as research, PME, advocacy and communications, which are transferable within the development sector. It has taken time and patience to build the expertise available to HAI, so we now contract out specialist skills on a consultancy basis, to like-minded organisations. Contracts won in 2020 were completed successfully in 2021.

## Corporate Social Responsibility

HAI recognises its responsibility to the environment. As a result, we take steps to reduce our environmental impact, which is clearly outlined in our Environmental Policy. We endeavour to comply with, and exceed, all relevant regulatory requirements. In addition, we continually monitor and strive to improve our environmental performance and, where possible, reduce environmental impacts (with respect to use of paper, energy, water, office supplies, transportation, and maintenance and cleaning supplies and practices). Furthermore, we incorporate environmental factors into our business decisions, and provide employees with training on environmental awareness and responsibility.

## Financial Policy and Results

### Key Figures

During the financial year 2021, Stichting HAI spent €1,896,403 (2020: €2,629,588), of which €1,756,549 (92.6%) was spent on achieving HAI's objectives (2020: €2,564,904) and €97,129 on Management & Administration (2020: €49,857). This represents 5.1% of the total expenditure. Expenditure on Income generation in 2021 was €42,725 (2020: €14,827). This represents 2.3% of the total expenditure.

The total expenditure of €1,896,403 originates fully from the income of the current year. The result for 2021 shows an operating surplus of €49,993.

### Continuity Reserve

The continuity reserve amounts to €194,634 as of 31 December, 2021. This is slightly above the optimum level of €110,000–€150,000 that the HAI Foundation Board established in 2017.

Its purpose is to offer continuity to the organisation and its staff for a temporary decrease in income. The nature of HAI's discrete grants model doesn't allow the addition of significant amounts to the continuity reserve, but steps will be taken in order to maintain the reserve at the desired level.

### Diversity of Funding

83.6% of the income of €1,946,396 consists of multi-year grants, and 15.2% of the income in year 2021 was incidental.

The financial health and continuity of the organisation benefits from diversified funding streams. HAI invests in raising funds and the amount spent on income generation in 2021 (€42,725) has increased significantly compared to 2020 (€14,827). This is mainly due to increased HAI staff efforts to obtain new grants, as always a priority for the organisation. These efforts have been successful in 2021, securing several multi-year grants for 2022 and beyond.

	objective	2021	2020	2019	2018	2017
<b>Spent on fund raising vs total income</b>	≤5%	2.2%	0.5%	1.5%	3.9%	3.4%
<b>Spent on objectives vs total income</b>	≥90%	90.2%	94.9%	95.1%	93.5%	97.3%
<b>Spent on objectives vs total expenditure</b>	≥91%	92.6%	97.5%	96.5%	93.1%	93.4%
<b>Spent on management &amp; administration vs total income</b>	≤5%	5.0%	1.8%	2.0%	3.1%	3.6%

## Risk Assessment

In this chapter, we report on perceived risks and challenges faced by HAI, and how we can mitigate the likely impact.

### Financial Risk

As with all civil society organisations that rely on competitive bids to institutional donors (foundations and governments) for discreet project funding, growth and sustainability carries risks. Donor priorities may change, HAI can be 'out-bid' in an application or fail to meet operational targets. The risk is lack of financial sustainability and the donor landscape needs to accept, at some point, core funding is essential

to the maintenance of a vibrant and progressive NGO voice. Planning, organisational strategy and innovation are stifled by the constant threat of redundancy at all levels of an organisation, if employment is linked exclusively to activities on a limited funding cycle. Overheads and operational costs should be actual and reasonable, and not subject to political tension and the obsessional target driven funding of development corporations.

There is no other sector where operational costs cannot be reasonably budgeted, and until they are, civil society organisations like HAI will continue to walk the knife edge of enlargement versus survival.

HAI's policy of financial Diversification, Dispersion and Deflection, introduced in 2017, mitigates some of the risk. 'Diversification' refers to a widened and diversified funding base, so we are not dependent on a few or single donor(s). 'Dispersion' refers to a policy of spreading operating costs, including core staff costs, across all funding streams, and re-establishing an operating reserve. 'Deflection' dilutes the impact if a funding stream ends or is disrupted by managing operating costs and ensuring core costs can be absorbed in the matrix of donors that remain.

Diversification has been going well, and we have attracted several new donors since its inception. Indeed, the range of donors is up from six in 2018 to eleven in 2021 even though pipeline projects expected to mature into full proposals in 2021 were delayed because of COVID-19. Dispersion takes a little longer, since existing project budgets, agreed with donors before the introduction of the policy cannot be renegotiated to spread core costs. However, with the introduction of two new projects in 2021, the deflection of financial risk becomes stronger.

### Reputational Risk

The current climate of civil society accountability coupled with the immediacy of reputational damage (for example, through social media) carry risks for all organisations engaged on projects by institutional or government donors. This can include internal and external ethical and legal breaches, moral inconstancies, fraud and corruption. The risk is loss of faith in HAI's corporate identity, and concomitant loss of donor support.

To mitigate reputational risk, a suite of robust and transparent business practice guidelines provide a benchmark for our staff, contractors, sub-grantees and partners. The business practice guidelines provide the framework and cover all areas of conduct and fraudulent activity. They are accompanied by a complaints procedure (including whistleblowing) and transparency policy.

The organisational culture at HAI is open, transparent, and informed. To date, there has been no challenge to our reputation, and we have therefore not needed to report policy violations to donors.

### Competencies Risk

Engagement in access to medicines and rational use of medicines policy is very technical, and HAI has assembled a highly skilled, world-class team of expertise. Of course, senior members of staff have vast accumulated knowledge and, in the long term, will resign, retire or seek career advancement elsewhere. The risk is that we might no longer be able to offer world-class research, analysis and policy influencing.

To mitigate competencies risk, a deliberate policy was to engage and nurture young talent and redress the balance between experienced and inexperienced staff (see section on staff). All staff are encouraged and supported to undertake courses and studies, including to a doctorate level, and knowledge transfer between staff is actively promoted. In 2021, we were delighted that a partner from Uganda successfully defended his PhD at Utrecht University. His thesis was based on his work with HAI and he was co-supervised by a member of the HAI team.

### COVID-19 Pandemic

The risk posed by the workplace response to COVID-19 is far-reaching and has yet to reveal the full impact on working conditions across Europe. We responded immediately with the closure of the office and facilitating working from home. At the time of writing, the HAI team continues to work remotely, with only a few face-to-face meetings. This is of course, not ideal, but the team has risen to the challenge and our targets for 2021 were met regardless of lockdown restrictions.

That said, there is an inevitable deterioration in the social bond between members of a small team. The challenge for 2022, as we return to some sort of 'new normal', will be to rebuild the team under conditions of flexible and hybrid

working arrangements. With the realisation that working from home can be better for so many colleagues, and that the risk of a resurgence of COVID-19 variants remains, in 2022 we will open the office for 50 percent occupancy 50 percent of staff time. On other words, only half the staff will be in the office at any one time and staff members will spend half of their time WFH.

The following heat map depicts likelihood and consequences of potential risks and challenges:

	Almost Certain	11	16	20	23	25
	Likely	7	12	17	21	24
	Possible	4	8	13	18	22
	Unlikely	2	5	9	14	19
	Rare	1	3	6	10	15
		Insignificant	Minor	Moderate	Major	Critical
		<b>Impact</b>				

## Heat Map

Financial Risk	Heatmap	Mitigation	2021
Donor Priorities Change	25	Diversification of funding and increased number of donors, stay innovative	No direct challenges, but three new donors recruited, and one new project areas introduced
Partner Priorities Change	23	Dialogue with partners and keep an open mind on new partnerships	Existing and new partners are being engaged in new project areas (see below)
Partner (conflicts) of interest change	24	Look for new partners	No challenges in 2021
HAI becomes over-priced	13	Maintain tight budget control on bids that are actual & reasonable	No challenges in 2021
HAI fails to secure operational (core) funding	17	Review of overhead costs	Sustainability remains a threat, so new ways of accumulating reserves are being investigated as part of overheads, where donors will allow
HAI fails to meet operational targets	14	World class PME management and output/outcome tracking	No challenges in 2021
External Fraud	14	Zero tolerance policy /Transparency	No challenges in 2021
External ethical breach	14	Zero tolerance policy /Transparency	No challenges in 2021
External Safeguarding breach	14	Zero tolerance policy /Transparency	No challenges in 2021
Internal Fraud	6	Zero tolerance policy /Transparency	No challenges in 2021
Internal ethical breach	6	Zero tolerance policy /Transparency	No challenges in 2021
Internal Safeguarding breach	6	Zero tolerance policy /Transparency	No challenges in 2021
Competence drain	13	Staff benefits and CPE programme	No challenges in 2021
Failure to attract talent	13	Intern programme	No challenges in 2021

## Our Future

As we emerge from the full impact of COVID-19 restrictions, in an exciting new chapter of flexible working, in 2022 we will return to the office at fifty percent occupancy (see above).

In 2022, we will take on two new and exciting programmes of work concerning SRHR in six countries of the African Great Lakes region (Burundi, DRC, Kenya, Rwanda, Tanzania, Zambia) and at regional level (EAC, ICGLR). Religious and traditional knowledge, attitude, belief and practice are major drivers of sexual and reproductive health demand. Partnership with Faith to Action will bring HAI's evidence-based advocacy together with Faith to Action's liturgical/dogma interpretation of sexuality and

Family Planning. In fact, we have two projects in Burundi, and the second will expand on the multi-stakeholder engagement modelling in both the Burundian provinces and at national level, with the opportunity for Burundi's further engagement at the international level.

We will continue to pursue new areas of work in the Partners for Change programme, working more broadly than access to medicines, on projects which align to our core values. For example, we are currently negotiating contracts to work on women, mental health and peacebuilding and the assessment of the health impact of green and blue spaces in inner cities. Next year we hope we can report successful integration of these exciting prospects in our work portfolio.

# BUDGET 2022

Approved by the Foundation Board in March 2022

	€	% of total income
<b>INCOME</b>		
Raised income	2,369,040	58.8%
Submitted proposals	1,566,007	38.9%
Proposals to submit	92,500	2.3%
<b>TOTAL INCOME</b>	<b>4,027,547</b>	<b>100.0%</b>
<b>EXPENDITURE</b>		
<b>Programme costs</b>		
Direct project expenditure	2,510,880	62.3%
Staff costs	1,182,646	29.4%
Occupancy costs	70,543	1.8%
Office and general costs	79,874	2.0%
Depreciation	9,500	0.2%
<b>Total Programme costs</b>	<b>3,853,443</b>	<b>95.7%</b>
<b>Income generation</b>		
Fundraising costs	5,000	0.1%
Staff costs	44,604	1.1%
<b>Total Income generation</b>	<b>49,604</b>	<b>1.2%</b>
<b>Management and Administration</b>		
Staff costs	104,415	2.6%
<b>Total Management &amp; Administration</b>	<b>104,415</b>	<b>2.6%</b>
<b>TOTAL EXPENDITURE</b>	<b>4,007,462</b>	<b>99.5%</b>
<b>RESULT (Addition to Continuity reserve)</b>	<b>20,085</b>	<b>0.5%</b>

### 3. FINANCIAL STATEMENTS 2021

#### BALANCE SHEET AS OF 31 DECEMBER 2021

	31 December 2021 €	31 December 2020 €	notes
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			A
Tangible fixed assets	3,069	6,593	
Intangible fixed assets	-	11	
	<b>3,069</b>	<b>6,604</b>	
<b>CURRENT ASSETS</b>			
<b>Receivables and prepaid expenses</b>			
Grants to receive	113,984	53,466	B
Prepaid expenses	1,951	1,805	
Debtors	-	42,234	
Other receivables	9,195	3,360	C
	<b>125,130</b>	<b>100,865</b>	
<b>Cash and cash equivalents</b>	<b>1,535,378</b>	<b>1,638,820</b>	D
	<b>1,660,508</b>	<b>1,739,685</b>	
<b>TOTAL ASSETS</b>	<b>1,663,577</b>	<b>1,746,289</b>	
<b>LIABILITIES</b>			
<b>RESERVES AND FUNDS</b>			E
Continuity reserve	194,634	144,641	
	<b>194,634</b>	<b>144,641</b>	
<b>SHORT TERM LIABILITIES</b>			
Grants received in advance	1,321,500	1,137,223	F
Taxes and social security premiums	27,684	91,720	G
Creditors	1,303	46,003	
Other debts	118,456	326,702	H
	<b>1,468,943</b>	<b>1,601,648</b>	
<b>TOTAL LIABILITIES</b>	<b>1,663,577</b>	<b>1,746,289</b>	

The 2021 result of € 49,993 is included in the Continuity reserve at 31 December 2021.

# STATEMENT OF INCOME & EXPENDITURE 2021

	Actual 2021 €	Budget 2021 €	Actual 2020 €	notes
<b>INCOME</b>				<b>I</b>
Income from foundations and charitable funds	1,541,951	1,717,696	1,202,361	
Government grants	352,291	825,545	1,395,398	
Income from own fundraising	1,177	-	3,472	
Income from services/products	46,387	38,000	98,136	
Other income	4,590	3,500	3,440	
<b>TOTAL INCOME</b>	<b>1,946,396</b>	<b>2,584,741</b>	<b>2,702,807</b>	
<b>EXPENDITURE</b>				
<b>EXPENDITURE on objectives</b>				<b>J</b>
ACCISS (Insulin)	853,589	1,036,215	783,246	
European projects	353,840	340,922	340,712	
Snakebite	191,192	230,201	202,828	
SRHR (Burundi)	114,455	439,958	-	
Generic Pharmacy Chain	120,381	108,368	-	
SRHR (Kenya)	48,280	32,395	-	
Artificial Intelligence and Medicines Policy	49,812	-	-	
Medicine Pricing & Global projects	2,168	125,951	7,850	
Health Systems Advocacy' project	-	-	1,172,242	
Consultancies	22,832	15,636	58,026	
<b>Programme costs</b>	<b>1,756,549</b>	<b>2,329,646</b>	<b>2,564,904</b>	
<b>Income Generation</b>				<b>J</b>
Fundraising costs	42,725	42,524	14,827	
<b>Management and Administration</b>				<b>J</b>
Management and administrative costs	97,129	193,268	49,857	
<b>TOTAL EXPENDITURE</b>	<b>1,896,403</b>	<b>2,565,438</b>	<b>2,629,588</b>	
<b>Result before financial income and expenditure</b>	<b>49,993</b>	<b>19,303</b>	<b>73,219</b>	
Financial income and expenditure: received Interest on saving account	-	-	70	
<b>RESULT</b>	<b>49,993</b>	<b>19,303</b>	<b>73,219</b>	
<b>APPROPRIATION OF RESULT</b>				
Additions to / deductions from:				
Continuity reserve	49,993	19,303	73,219	
	49,993	19,303	72,219	

## CASH FLOW STATEMENT IN 2021

	Actual 2021 €	Actual 2020 €
<b>CASH FLOW FROM OPERATIONAL ACTIVITIES</b>		
Result from the statement of income and expenditure	<b>49,993</b>	<b>73,219</b>
<b>ADJUSTMENTS FOR:</b>		
Depreciation	3,657	12,925
	<b>3,657</b>	<b>12,925</b>
<b>CHANGES IN WORKING CAPITAL:</b>		
Short-term receivables	(24,265)	(80,468)
Short-term debts	(132,705)	103,578
	<b>(156,970)</b>	<b>23,110</b>
	<b>(103,320)</b>	<b>109,254</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Investments in tangible fixed assets	(1,951)	(2,239)
Disinvestments in tangible fixed assets	1,829	1,348
	<b>(122)</b>	<b>(891)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	-	-
<b>Changes in cash and cash equivalents</b>	<b>103,442</b>	<b>108,364</b>
<b>Cash and cash equivalents</b>		
Balance per 1 January	1,638,820	1,530,456
Balance at 31 December	1,535,378	1,638,820
<b>Changes in cash and cash equivalents</b>	<b>(103,442)</b>	<b>108,364</b>

## EXPLANATORY NOTES FOR ANNUAL ACCOUNTS: ACCOUNTING PRINCIPLES

### General

The financial statements are prepared on the basis of the historical cost concept. Unless indicated otherwise, assets and liabilities are stated at amortised cost price less necessary provisions (such as tax liabilities).

The principal accounting policies adopted in the preparation of the annual accounts are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated. These financial statements have been prepared on the assumption that HAI has a positive business case and, as such, is a going concern. The financial statements are prepared in euros. Balances and results in 2021 are compared with the budget as approved by the HAI Foundation Board and 2020 results and balances. Assets and liabilities are generally valued at acquisition cost or at current value.

### Guidelines

The financial statements have been prepared in accordance with the Dutch Accounting Standard for Fundraising Organisations (RJ 650). Notwithstanding that HAI receives almost all its funds from subsidies and contracts with donor institutions (governments and foundations) and rarely, if at all, engages in direct marketing and fundraising from the general public, and is therefore not a 'fundraising institution' as defined in guideline RJ 650, reporting in this way offers the best insight into the finances of the organisation. References to notes are included in the Balance Sheet and Statement of Income and Expenditure for further explanation and clarity.

### Comparison with Previous Year

The accounting principles used for valuation and recognition of income and expenditure are unchanged from the previous year.

### Estimates

The preparation of financial statements requires the HAI management team to make assumptions and estimates that may influence the application of principles and, for example, the reported values of assets and liabilities and of income and expenditure. The actual results may therefore differ from the estimates. However, estimates and the underlying assumptions are constantly reassessed and tested. Any revisions required are recognised in the immediate period in which the revision is made and in future periods for which they have a consequence.

### Currencies

#### Functional Currencies

The financial statements are presented in euros, which is HAI's functional and presentational currency.

#### Foreign Currencies

HAI holds a foreign currency position in United States (US) dollars. Transactions in foreign currencies during the period are included in the financial statements at the exchange rate on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency (euros) at the closing rate. The exchange differences arising from the translation into euros are credited or charged to the statement of income and expenditure. HAI does not hedge its exposure to foreign exchange rate risks. However, natural hedges exist because receivables and liabilities are often related.

## Principles for Valuation of Assets & Liabilities

### Assets

#### Fixed Assets

Tangible fixed assets: IT equipment, software, furniture and fittings and other assets are all valued at their purchase value, historical cost, decreased by linear depreciations on their estimated useful life, and impairment losses (damages). For IT equipment and software, the depreciation is 33% per year, while office furniture and fittings depreciation is 20% per year.

Intangible fixed assets: The intangible fixed assets comprise the rebranding of the organisation (visual identity, colour, font and logo). The intangible fixed assets are valued at the purchase value decreased by linear depreciations on their estimated useful lives, and impairment losses. The depreciation percentage for the intangible fixed assets is 33% per year.

Current assets: Receivables are recognised at the nominal (original) value, where necessary less a provision for possible uncollectible amounts.

#### Grants to Receive

Receivable project funding refers to items where the expenditures precede the receipt of funding. For example, a donor may hold a retention on a grant until a project is completed and reported upon, but expenditure has been made in order to complete activities.

#### Cash & Cash Equivalents

Cash and cash equivalents comprise cash and bank balances. Cash and cash equivalents are stated at face value. Cash at bank is at free disposal of HAI, if not stated otherwise. The bank balances are stated at face (nominal) value.

#### Derivatives & Financial Instruments

HAI does not make use of derivatives and/or other financial instruments (e.g., options, forward contracts, swaps, futures, trackers).

### Liabilities

#### General

Liabilities are recognised at their amortised cost price.

#### Reserves & Funds

The continuity reserve is created to ensure that HAI can meet its obligations in case of a significant fall in income in the future.

#### Short-term Liabilities

'Grants received in advance' refers to items where the receipts from a donor precede expenditures on the project.

## Principles for Determining Results

### Income

Income from foundations, charitable funds and government subsidies are recognised as income if attributable to the financial year and if the grant conditions are met and there is a reasonable degree of certainty in the assumption they will be received. Such funds are recognised in the statement of income and expenditure in the year in which the subsidised costs were incurred. Other income is accounted for in the year in which it is received.

### Expenditure

Expenditure is determined with due observance of the principles of valuation and allocated to the year to which they relate.

### Grants to Project Partners

The funding of project partners is part of direct project expenditure. These costs comprise funding that is used directly for the financing of activities of project partners under contract. They are charged to the year in which the allocation to the partner has been approved.

### Staff Costs

Salaries and social security contributions are entered in the Statement of Income and Expenditure on the basis of the employment conditions insofar as they are owed to employees or the tax authority respectively.

### **Allocation of Support Costs**

To carry out project activities, the organisation incurs support costs, such as fundraising costs and management and administration costs. All support costs are accounted to the projects based on allocated project time.

### **Fundraising Costs**

The costs of fundraising include staff and other costs related to the generation of income. As HAI does not seek income from the general public, these costs comprise mainly preparation of proposals and investment in prospective projects.

### **Management & Administration Costs**

The costs of management and administration include the costs related to internal control and administration, which cannot reasonably be allocated directly to one of the objectives and/or projects.

### **Result**

The result is determined as the difference between the revenue allocated to the year under review and the expenditures allocated to the year under review, with due observance of the above-mentioned valuation principles.

## EXPLANATORY NOTES TO THE BALANCE SHEET

### A. FIXED ASSETS

	Actual 2021					
	€					
	Tangible fixed assets			Total tangible fixed assets	Intangible fixed assets	
Computers and peripherals	Software	Office furniture	Corporate identity		Total intangible fixed assets	
<b>Balance as of 1 January</b>						
Aquisition value	44,723	8,341	16,914	<b>69,978</b>	11,447	<b>11,447</b>
Accumulated depreciation	(40,091)	(8,341)	(14,953)	<b>(63,385)</b>	(11,436)	<b>(11,436)</b>
<b>Carrying value as of 1 January</b>	<b>4,632</b>	-	<b>1,961</b>	<b>6,593</b>	<b>11</b>	<b>11</b>
<b>Movements</b>						
Aquisitions	-	-	1,951	<b>1,951</b>	-	-
Disposals	(1,829)	-	-	<b>(1,829)</b>	-	-
Depreciation	(3,514)	-	(1,961)	<b>(5,475)</b>	(11)	<b>(11)</b>
Depreciation on disposals	1,829	-	-	<b>1,829</b>	-	-
<b>Total movements</b>	<b>(3,514)</b>	-	<b>(10)</b>	<b>(3,524)</b>	<b>(11)</b>	<b>(11)</b>
<b>Balance as of 31 December</b>						
Aquisition value	42,894	8,341	18,865	<b>70,100</b>	11,447	<b>11,447</b>
Accumulated depreciation	(41,776)	(8,341)	(16,914)	<b>(67,031)</b>	(11,447)	<b>(11,447)</b>
<b>Carrying value as of 31 December</b>	<b>1,118</b>	-	<b>1,951</b>	<b>3,069</b>	-	-
Depreciation percentages per year	33%	33%	20%		33%	

We had one acquisition in 2021, a refurbished multifunctional printer/scanner. All fixed assets are used for HAI's operations. One laptop computer was damaged beyond repair and disposed of.

### B. GRANTS TO RECEIVE

	31 December 2021	31 December 2020
	€	€
<b>Government grants</b>		
Dutch Ministry of Foreign Affairs - HSA	50,356	53,466
European Commission/HADEA	63,628	-
<b>Carrying value as of 31 December</b>	<b>113,984</b>	<b>53,466</b>

## C. OTHER RECEIVABLES

	31 December 2021	31 December 2019
	€	€
Other receivables	5,578	-
Deposits	3,360	3,360
Advances	257	-
<b>Carrying value as of 31 December</b>	<b>9,195</b>	<b>3,360</b>

## D. CASH & CASH EQUIVALENTS

	31 December 2021	31 December 2020
	€	€
ING current USD-account	1,038,535	1,337,695
ASN savings Euro-account	295,672	8,000
Triodos current Euro-account	100,424	56,247
ING current Euro-account	99,971	236,445
Cash foreign currencies	755	418
Cash Euro	21	15
<b>Carrying value as of 31 December</b>	<b>1,535,378</b>	<b>1,638,820</b>

All bank balances are at free disposal with exception of a bank guarantee of €11,442 issued by ASN Bank to the landlord of the rented office in Amsterdam.

## E. RESERVES AND FUNDS

	31 December 2021	Additions 2021	Deductions 2021	31 December 2020
	€	€	€	€
<b>Reserves</b>				
Continuity reserve	194,634	49,993	-	144,641
<b>Carrying value as of 31 December</b>	<b>194,634</b>	<b>49,993</b>	<b>-</b>	<b>144,641</b>

The continuity reserve amounts to €194,634 as of 31 December, 2021. This is slightly above the optimum level of €110,000–€150,000 that the HAI Foundation Board established in 2017. Its purpose is to offer continuity to the organisation and its staff for a temporary decrease in income. The nature of HAI's discrete grants model doesn't allow the addition of significant amounts to the continuity reserve, but steps will be taken in order to maintain the reserve at desired level.

## F. GRANTS RECEIVED IN ADVANCE

	31 December 2021	31 December 2020
	€	€
<b>Foundations and charitable funds</b>		
IDA Charity Foundation	-	92,500
Helmsley Charitable Trust	545,502	450,000
Open Society Foundations	107,865	102,881
Perls Foundation	97,569	34,852
Hennecke Foundation	99,818	92,623
Lillian Lincoln Foundation	148,849	160,429
Unitaid	66,846	24,256
Waterloo Foundation	59,672	54,771
Other foundations	7,819	34,413
	<b>1,133,940</b>	<b>1,046,725</b>
<b>Government grants</b>		
Embassy of the Kingdom of the Netherlands in Burundi	187,560	-
European Commission/Chafea	-	90,498
	<b>187,560</b>	<b>90,498</b>
<b>Carrying value as of 31 December</b>	<b>1,321,500</b>	<b>1,137,223</b>

## G. TAXES AND SOCIAL SECURITY PREMIUMS

	31 December 2021	31 December 2020
	€	€
Wage tax and social security premiums	29,822	78,971
Value Added Tax	-	12,749
Pensions	(2,138)	-
<b>Carrying value as of 31 December</b>	<b>27,684</b>	<b>91,720</b>

## H. OTHER DEBTS

	31 December 2021	31 December 2020
	€	€
Outstanding payments to partners	24,314	102,138
Salaries and holiday pay	47,847	50,825
Provision for holidays not taken	28,299	26,584
Audit costs	16,129	20,855
Other debts	1,867	126,300
<b>Carrying value as of 31 December</b>	<b>118,456</b>	<b>326,702</b>

### Assets & Liabilities Not Recognised in Balance Sheet

HAI has provided a bank guarantee amounting to €11,442 to the landlord of the rented offices in Amsterdam. This guarantee has been issued by ASN Bank and, as long as the guarantee is in force, the amount of the guarantee will be blocked in the savings account. The initial lease, agreed in 2008, was extended in 2021 for an additional five years. The rental costs for 2021 amount to €46,505.

In August 2021 the rental agreement for our multifunctional printer/copier from Konica Minolta ended. We replaced it by a purchased refurbished machine with a service contract of €858 per year (including VAT). The duration of the service contract is 60 months.

# EXPLANATORY NOTES TO THE STATEMENT OF INCOME & EXPENDITURE 2021

## I. INCOME

	Actual 2021	Budget 2021	Actual 2020
	€	€	€
<b>Income from foundations and charitable funds</b>			
European Artificial Intelligence Fund	52,181	-	-
Helmsley Charitable Trust	930,712	1,101,941	849,769
Hennecke Foundation	98,762	98,762	107,643
IDA Charity Foundation	92,500	123,977	-
Lillian Lincoln Foundation	113,184	160,490	108,408
Open Society Foundations	64,016	93,878	55,319
Perls Foundation	34,852	34,567	28,428
Unitaid	99,828	48,553	46,157
The Waterloo Foundation	53,029	55,528	-
Other funds	2,887	-	6,637
	<b>1,541,951</b>	<b>1,717,696</b>	<b>1,202,361</b>
<b>Government grants</b>			
Dutch Ministry of Foreign Affairs	23,159	125,951	1,195,321
European Commission/Chafea	213,692	212,094	200,077
Embassy of the Kingdom of the Netherlands in Burundi	115,440	487,500	-
	<b>352,291</b>	<b>825,545</b>	<b>1,395,398</b>
<b>Income from own fundraising</b>			
Donations and gifts	1,177	-	3,472
	<b>1,177</b>	<b>-</b>	<b>3,472</b>
<b>Income from services/products</b>			
Consultancies	46,284	38,000	97,995
Publications	103	-	141
	<b>46,387</b>	<b>38,000</b>	<b>98,136</b>
<b>Other income</b>			
Membership fees	4,590	3,500	3,440
	<b>4,590</b>	<b>3,500</b>	<b>3,440</b>
<b>Total income</b>	<b>1,946,396</b>	<b>2,584,741</b>	<b>2,702,807</b>

## J. DISTRIBUTION OF EXPENDITURE

Projects	Expenditure						Total €
	Direct Project Ex- penditure	Publicity & Communica- tions	Staff Costs	Occupancy Costs	Office & Ge- neral Costs	Depreciation	
	€	€	€	€	€	€	
ACCISS (Insulin)	555,550	749	288,630	15,255	(7,878)	1,283	<b>853,589</b>
European projects	71,680	709	273,253	14,442	(7,459)	1,215	<b>353,840</b>
Snakebite	28,940	408	157,129	8,305	(4,289)	699	<b>191,192</b>
SRHR (Burundi)	14,945	250	96,369	5,093	(2,630)	428	<b>114,455</b>
Generic Pharmacy Chain	33,672	218	83,972	4,438	(2,292)	373	<b>120,381</b>
SRHR (Kenya)	37,797	26	10,152	537	(277)	45	<b>48,280</b>
Artificial Intelligence and Medicines Policy	1,827	121	46,469	2,456	(1,268)	207	<b>49,812</b>
Medicine Pricing & Global projects	1,927	1	233	12	(6)	1	<b>2,168</b>
Health Systems Advocacy	(128,218)	322	124,170	6,563	(3,389)	552	-
Consultancies	-	57	22,112	1,169	(604)	98	<b>22,832</b>
<b>All projects</b>	<b>618,120</b>	<b>2,861</b>	<b>1,102,489</b>	<b>58,270</b>	<b>(30,092)</b>	<b>4,901</b>	<b>1,756,549</b>
Income generation	3,929	98	37,571	1,986	(1,026)	167	<b>42,725</b>
Management & adminis- tration	-	244	94,064	4,971	(2,568)	418	<b>97,129</b>
<b>Actual 2021</b>	<b>622,049</b>	<b>3,204</b>	<b>1,234,125</b>	<b>65,225</b>	<b>(33,686)</b>	<b>5,486</b>	<b>1,896,404</b>
Budget 2021	1,125,115	2,300	1,302,740	66,343	64,219	4,721	<b>2,565,438</b>
Actual 2020	1,127,939	3,953	1,330,860	75,477	77,085	14,273	<b>2,629,587</b>

The amount of -€128,218 in the Health Systems Advocacy project concerns costs for compiling the final report, which was done in the first quarter of 2021. These costs consist of the staff and overhead costs as listed in the other columns. Because the end date of the grant was 31 December 2020, these costs were included in our 2020 project costs and reported in the annual report under 'Other debts'. This was done in accordance with the grant conditions as stipulated by the Ministry of Foreign Affairs. In 2021 the amount is reported under 'Direct project expenditure'.

## STAFF

	Actual 2021	Budget 2021	Actual 2020
	€	€	€
Gross salaries	962,205	997,214	1,057,655
Social security premiums	139,792	168,330	150,752
Pension costs	102,066	95,172	95,593
Other staff costs	30,062	42,024	26,860
	<b>1,234,125</b>	<b>1,302,740</b>	<b>1,330,860</b>

## EXPLANATORY NOTES TO THE CASH FLOW STATEMENT

The Cash Flow Statement is prepared according to the 'indirect method'. Cash flows in foreign currency have been converted into euros using the exchange rate valid on the date of transaction. Cash and cash equivalents decreased in 2021 from €1,638,820 at 1 January, 2021, to €1,535,378 at 31 December, 2021. The decrease of €103,442 in cash and cash equivalents is attributable in large part to a decrease in the short-term debts. The investments shown in the cash flow statement are in office equipment (see explanatory note on fixed assets). The disinvestment concerns a laptop computer.

### Executive Remuneration and Foundation Board Remuneration

On 1 January, 2013, the Dutch Law Executives' Remuneration Financed from Public Funds (Disclosure) Act (Wet normering bezoldiging topfunctionarissen publieke en semi publieke sector WNT) came into force. The WNT applies to HAI. This act aims to regulate remuneration of managers in the public or semi- public sector by establishing maximum amounts for remuneration. Disclosing the annual remuneration of the Executive Director and the Foundation Board is compulsory.

The report below is prepared in line with the applicable regulation. As of 2015, the WNT maximum for the development aid sector applies, which is €191,000 for 2021. The reported maximum amount per person and function is calculated based on the full-time equivalent in the labour agreement of the Executive Director. The full-time equivalent can never exceed 1.0. For members of the Foundation Board, an entitlement to a maximum of 15% (Chair) or 10% (other Members) of the maximum remuneration of €191,000 for executives applies. However, the Members of the Foundation Board are volunteers, and do not receive remuneration or allowances for their work, nor did they, as of 31 December, 2021, or during 2021, have outstanding loans, advances or guarantees.

No employees or temporary staff received remuneration above the WNT maximum in 2021, nor was remuneration paid that was, or had to be, disclosed based on the WNT in previous years. In 2021, HAI did not pay termination of employment payments to former employees that should be reported in these annual accounts based on the WNT.

REMUNERATION EXECUTIVE DIRECTOR		
	Actual 2021	Actual 2020
<b>EMPLOYMENT</b>		
Term	Indefinite	Indefinite
Hours (full-time)	36.00	36.00
Part-time percentage	100%	100%
Period	Jan-Dec 2021	Jan-Dec 2020
<b>REMUNERATION</b>		
	€	€
<b>Annual income</b>		
Gross salary	106,493	104,598
Holiday allowance	8,527	8,429
Year-end allowance	-	9,650
Variable annual income	-	-
Untaken leave (accrued in previous year)	-	3,244
<b>Total annual income</b>	<b>115,020</b>	<b>125,921</b>
Taxable allocations	-	-
Pension costs (employer share)	26,222	25,878
Provisions for future payments	-	-
End of service benefits	-	-
<b>Total salary and employer charges</b>	<b>141,242</b>	<b>151,799</b>
Applicable WNT-maximum	191,000	189,000

REMUNERATION FOUNDATION BOARD		
<b>CHAIR</b>		
	Actual 2021	Actual 2020
Period	1/1 - 31/12	1/1 - 31/12
	€	€
Remuneration	-	-
Provisions for future payments	-	-
<b>Total remuneration</b>	-	-
Applicable WNT-maximum	28,650	28,350
<b>TREASURER</b>		
	Actual 2021	Actual 2020
Period	1/1 - 31/12	1/1 - 31/12
	€	€
Remuneration	-	-
Provisions for future payments	-	-
<b>Total remuneration</b>	-	-
Applicable WNT-maximum	19,100	18,900

## KEY FIGURES

	objective	2021	2020	2019	2018	2017
<b>Spent on fund raising vs total income</b>	≤5%	2.2%	0.5%	1.5%	3.9%	3.4%
<b>Spent on objectives vs total income</b>	≥90%	90.2%	94.9%	95.1%	93.5%	97.3%
<b>Spent on objectives vs total expenditure</b>	≥91%	92.6%	97.5%	96.5%	93.1%	93.4%
<b>Spent on management &amp; administration vs total income</b>	≤5%	5.0%	1.8%	2.0%	3.1%	3.6%

## VARIANCE ANALYSIS

### Income

The income from Foundations and Charitable Funds in 2021 is €175,745 lower than the budgeted amount. This is mainly due to a new grant for the ACCISS project that was less than expected. Income from Government grants is €473,455 less than budgeted. The reason for most of this difference is a new project for the Embassy of the Kingdom of the Netherlands in Burundi started 8 months later than expected.

### Expenditure

The expenditure on objectives is €571,514 lower than budgeted. A few projects (ACCISS (Insulin), Snakebite) have spent less than budgeted, mostly due to Covid-19 restrictions that made travelling impossible. The SRHR (Burundi) project spent €325,347 less than budgeted because it started later than expected. The Artificial Intelligence and Medicines Policy project was not included in the 2021 budget, it was granted in the first quarter of 2021.

Expenditure for Management & Administration is €95,986 lower than budgeted. Most of the staff members that were (partly) budgeted in Management & Administration, like communications staff, worked almost exclusively on our projects in 2021. Their actual costs in 2021 are therefore included in the Expenditure on objective.



Lander van Ommen  
Chair Foundation Board

Date: 31 March 2022

On behalf of the Health Action International  
Foundation Board:

- Brieuç-Yves (Mellouki) Cadat Lampe
- Cecilia Sison
- Joel Lexchin
- Francisco Rossi



Tim Reed  
Executive Director

Date: 31 March 2022

- Marcus Vreeburg
- Patricia Porekuu
- Meri Koivusalo

Stichting Health Action International  
Overtoom 60 (2)  
1054 HK AMSTERDAM

## INDEPENDENT AUDITOR'S REPORT

To: the board and management of Stichting Health Action International

### Report on the audit of the financial statements 2021 included in the 2021 annual report

#### **Our opinion**

We have audited the financial statements 2021 (page 23-37) of Stichting Health Action International based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting Health Action International as at 31 December 2021 and of its result for 2021 in accordance with the RJ-Richtlijn 650 'Fondsenwervende organisaties' (RJ-directive 650, guideline for annual reporting for fundraising organisations) of the Dutch Accounting Standards Board.

The financial statements comprise:

1. the balance sheet as at 31 December 2021 (with a balance sheet total of € 1,663,577);
2. the statement of income & expenditure (with a total positive result of € 49,993); and
3. the notes comprising a summary of the accounting policies and other explanatory information.

#### **Basis for our opinion**

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

### Report on the other information included in the 2021 annual report

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

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the management report and the other information as required by the Guideline for annual reporting 650 'Fundraising Organizations'.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board is responsible for the preparation of the management report and other information in accordance with the Guideline for annual reporting 650 'Fundraising Organizations' of the Dutch Accounting Standards board.

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

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

The board and management are responsible for the preparation and fair presentation of the financial statements in accordance with Guideline for annual reporting 650 'Fundraising Organizations'. Furthermore, the board and management are responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

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

Was signed Sliedrecht, 31 March 2022

WITH accountants B.V.  
P. Alblas RA

Enclosure

**Enclosure to our auditor's report by the accompanying financial statements 2021 of Stichting Health Action International, based in Amsterdam**

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

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