



HEALTHNET  TPO
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HEALTHNET TPO

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ACRONYMS AND ABBREVIATIONS

ARC	Audit and Risk Committee	SGBV	Sexual and Gender-Based Violence
ARTF	Afghan Rehabilitation Trust Fund	SRHR	Sexual and Reproductive Health Rights
BHW	Boma Health Worker	TB	Tuberculosis
BPHS	Basic Package of Health Services	TPO	Transcultural Psychosocial Organisation
CBF	Central Bureau of Fundraising	UNICEF	The United Nations International Children's Fund
CCM	Country Coordination Mechanism	UNSCR	United Nations Security Council Resolution
CODACOP	Corporación de Apoyo a Comunidades Populares	USAID	United States Agency for International Development
COVID-19	Coronavirus Disease 2019	WGFS	Women and Girls Friendly Spaces
DG ECHO	Directorate-General for European Civil Protection and Humanitarian Aid Operations		
DRA	Dutch Relief Alliance		
EC	European Commission		
ECB	European Central Bank		
ELN	The National Liberation Army (Colombia)		
EKN	Embassy of the Kingdom of the Netherlands		
EU	European Union		
EPHS	Essential Package of Hospital Services		
FPC	Family Protection Centre		
GBV	Gender-Based Violence		
GFATM	The Global Fund to Fight AIDS, Tuberculosis and Malaria		
HPF	Health Pooled Fund		
IASC	Inter-Agency Standing Committee		
ICCO	Interchurch Coordination Committee Development Aid		
LIMPAL	Liga Internacional de Mujeres por la Paz y la Libertad		
MHPSS	Mental Health and Psychosocial Support		
MoFA	Ministry of Foreign Affairs		
MoPH	Ministry of Public Health		
MSP	Minimum Service Package		
NGO	Non-Governmental Organisation		
PFP	Psychosocial Focal Point		
PMEAL	Planning, Monitoring, Evaluation, Accountability and Learning		
RMM	Resource Mapping and Mobilisation		



FOREWORD



Carin Beumer, Chair of the Board

The year 2021 was characterised by multiple crises affecting the world, the organisation, staff and the people that we support. Despite the challenges, by the close of 2021 we were able to look back on a year that saw the organisation positioned to expand programmes and grow in 2022.

The continuation of the COVID-19 pandemic caused further strain on fragile health systems as well as restrictions on travel and staff absences.

The crippling aftermath of the takeover of power in Afghanistan on the health and banking systems escalated poverty, hunger and unemployment. Our colleagues working within health facilities and in the country office, supported by the head office were the driving force to keep our programmes operational.

South Sudan saw ongoing armed conflict and intercommunal violence with disproportionate effects on women and girls who continue to be used as weapons of the conflict. Violence against women and girls in Colombia increased alongside violent protests of government reforms. Our continued support for women and girls in both countries under the Women, Peace and Security agenda provides access to psychosocial care, with opportunities to engage in conflict resolution and peacebuilding.

In Burundi, we continued to build resilience and strengthen the Burundian public health system to meet the physical and mental health needs of the population. Responding to and navigating through these crises to provide support for health and mental healthcare demonstrates the resilience of our organisation and our staff when faced with adversity.

Over the course of 2021, our dedicated colleagues in all our programme locations provided and improved access to and quality of integrated healthcare, despite enormous personal and organisational challenges. Thanks to the resilience of the individuals and communities, our mission of "restoring health, rebuilding communities" sustained. The Board acknowledges all staff who continue to work in very difficult circumstances. Without you, we would not have been able to deliver on our mission in this most difficult of years. Thank you!

The Board also expresses gratitude to our trusted donor organisations, individual donors and partners for their valued support and partnerships. Despite unprecedented funding challenges this year, particularly in Afghanistan, we have strengthened our partnerships. Together, we make an impact.

We are looking forward to a brighter 2022, continuing to deliver essential health services to people in need.

Carin Beumer
Chair of the Board



RESTORING HEALTH, REBUILDING COMMUNITIES

Our mission is to support and strengthen communities affected by conflict or disaster so they may regain control of their own health and wellbeing.

We are convinced that even the most vulnerable people have the inner strength to (re) build a better future for themselves and those around them.



OUR ACHIEVEMENTS



Our achievements, 2021



WHERE WE WORK



Programme countries and country offices in 2021

In 2021, staff within our three country offices in Afghanistan, Burundi and South Sudan, and in Colombia supported integrated programmes in healthcare services, mental health and psychosocial support (MHPSS), protection and resilience. Our operations globally were supported by the head office in Amsterdam.

We had 2,916 members of staff working within the communities, health facilities and in our offices where we strive to achieve our goals while working with national staff and a limited number of expatriates.

1 head office

3 country offices

2,916 members of staff



AFGHANISTAN



A woman carries out midwifery training, Afghanistan 2014.

The unprecedented humanitarian crisis in Afghanistan that followed the takeover of power by the Taliban in August 2021 exacerbated poverty, unemployment and food insecurity across the country. It is estimated that 90% of the population has fallen below the poverty level and more than 50% suffer extreme hunger.

Our team in Afghanistan worked tirelessly to mitigate the impact of the crisis and ensure that health services could continue in spite of the freezing of international funding to the country affecting the health systems and services. Our extensive experience in providing healthcare



18.4m

people in need of humanitarian assistance

28 projects

3.6m

people supported in 2021



services and strengthening health systems, and the trust earned over the years gave us leverage to maintain confidence of donors, the government (previous regime and the new de-facto authorities), and the community.

After months of lobbying with donors and governments, in early 2022 funding was secured from UNICEF and the World Health Organisation to continue the delivery of health services under the basic package of health services (BPHS) and essential package of hospital services (EPHS). Financial resources for the Afghan Japan Hospital in Kabul and other COVID-19 treatment and prevention projects in Nangarhar and Kunar, which lay outside of the BPHS/EPHS package, were also secured with support from UNICEF, Jhpiego under a USAID grant.

HealthNet TPO continued to deliver humanitarian and development programmes across the country, with a focus on:

- delivering basic and specialised healthcare services through six hospitals, 123 health centres, two mobile health teams, two prison health centres and two health posts;
- the treatment and prevention of COVID-19, through one regional COVID-19 hospital, two COVID-19 hospitals and rapid response teams;
- MHPSS services and training;
- nutrition services for women and children;
- SGBV prevention and protection;
- Sexual and reproductive health rights (SRHR);
- training of healthcare staff and community health workers;
- advocacy and research.

The changes in the political and social context of 2021 called for greater emphasis on humanitarian programming and addressing the most urgent needs of the community.

Key results:

2.3m

people received treatment through primary and secondary health centres

230k

people were treated for COVID-19

28,851

people received SGBV support in 14 FPCs and 8 WGFS

182

women trained to Health Social Counsellor expanding access to mental healthcare

66.6k

children under 5 were treated for severe acute malnutrition



A woman is treated for COVID-19 at the Afghan Japan Hospital in Kabul, 2021.



CASE STUDY

THE AFGHAN JAPAN HOSPITAL: STAYING OPEN DURING A CRISIS



Dr Azizi and her team assess the supply of stock during a ward round at the Afghan Japan Hospital, November 2021.

The Afghan Japan Hospital is one of only five hospitals offering treatment for COVID-19 in the country and the only COVID-19 hospital in Kabul. With 100 beds, the hospital is an essential referral hospital for the ongoing COVID-19 pandemic. Hit with compounding crises of, first, the COVID-19 crisis and then the loss of funding, the Afghan Japan Hospital and its hardworking and dedicated staff have persevered to ensure that the doors could stay open to continue treating patients.

The Afghan Japan Hospital received financial support to continue normal operations in early 2022, with support from UNICEF, Jhpiego and USAID.

Speaking to HealthNet TPO staff as part of a documentary on the crisis in November 2021, Dr. Freba Azizi, Programme Coordinator of the Afghan Japan Hospital said:

“

Since August, we have seen drastic changes. We could freely purchase medicines based on our need and patient load but now we face acute shortages of medicine and other medical supplies. We are even short on oxygen, which is vital for COVID-19 patients. Right now, the hospital can only cater to patients who need emergency care. Without financial support, we may close in the next few months, even for patients in need of emergency care.”



IMPACT STORIES

SUPPORTING MENTAL HEALTH



Atifa received mental health and psychosocial support from a health social counsellor. Kabul Province, 2021.

After losing her husband in the recent conflict and confronted with the burden of supporting her large family alone, Atifa began to experience anxiety and depression. Unable to cope with her loss and the pressure she now faced, she developed thoughts of suicide. She reached out to one of the doctors from the mobile health team who visit her village twice a week to provide healthcare services and mental health counselling. Together, with the psychosocial counsellor they could prescribe medication to Atifa and a series of individual counselling and follow-up sessions. After receiving these services, Atifa saw her mental health condition improve. She learned how to effectively cope with the stress.



I am more assertive and confident now to take care and support my family and children. I thank the health workers from the depth of my heart who provided healthcare services to hundreds of families who are underserved and cannot afford services financially."

Atifa, Paghman district of Kabul Province, 2021

MANAGING STRESS DURING COVID-19



I used to believe that COVID-19 is a deadly disease with no cure. I believed that patients were killed by doctors in the hospital to stop the spread of the disease to others. I was so scared for my family and how we would be able to continue to live. After the mobile health team came to our remote village, I learned a lot about COVID-19 and how I could protect myself and my family. The psychosocial workers provided counselling sessions which alleviated my fear and anxiety. They showed us practical exercises we can do such as breathing and meditation to reduce our stress."

Mohammad Ayoub. Karumul Khanabad village in Warapur district, Kunar province.



Men practice exercises to help reduce stress during a group psychosocial awareness session with counsellors. Kunar Province, 2021.



Children wave in Cibitoke, Burundi, 2021.



BURUNDI



A mother and her baby attend a workshop on family planning in Gahombo Commune, Burundi 2021.

The people of Burundi continue to live within fragile settings marked by economic hardship, extreme poverty and food insecurity. Whilst the violence has eased following decades of conflict and civil unrest, Burundi's social and economic growth remains slow. Inadequate investment in the health sector has left health facilities under-resourced and inaccessible for most of the population, with serious consequences particularly on the maternal and child mortality rates which are one of the highest in the world.

1.8m

people in need of humanitarian assistance

1 project

66,300

people supported in 2021



CASE STUDY

STRENGTHENING RESILIENCE IN THE BURUNDIAN POPULATION



A group of women with their children, Burundi, 2015.

Under the Twiteho Amagara (which means “Let’s Take Care of Our Health”) programme supported by the European Commission, HealthNet TPO leads a consortium of international partners to improve the resilience of the Burundian population and enhance access to and quality of healthcare services.

With the help of our partners WeWorld-GVC, medica mondiale and Pathfinder International, we support communities in Cibitoke, Kayanza and Ngozi provinces, focussing on sexual and reproductive health, MHPSS and responding to public health emergencies.

Key results:

1.7k community health workers trained to detect, refer and support mental health conditions

2.6k pregnant and breastfeeding women sensitised on infant and child nutrition

56.5k people sensitised on SGBV in their communities

5.5k youth sensitised on issues relating to SRHR



IMPACT STORIES

MENTAL HEALTH TRAINING FOR HEALTH PROFESSIONALS



Dr. Kwizera Richard, a general practitioner in Kayanza province, was one of 2,500 health workers who received training in mental health. Burundi, 2021.

The notion of mental health is still struggling to find its place in communities in Burundi. Mental health has long been relegated to the realm of taboo and superstition. People living with mental health issues are stigmatised, and often held responsible for their illness. For these reasons, people are marginalised, ignored and become invisible to society.

Since 2000, HealthNet TPO has been supporting the mental health and psychosocial wellbeing of people living in Burundi. Within the Twiteho Amagara programme, we are building the capacity of health professionals to integrate mental health and psychosocial support services within existing local health facilities.

We have been supporting the Ministry of Health to provide training to all healthcare providers and community health workers to recognise the signs of mental health conditions and the need for psychosocial support. More than 2,500 doctors, nurses and community health workers are now better equipped to deal with patients with symptoms of mental illness.



When I first met a patient with a mental health condition I wasn't prepared - I didn't know how I could help them. Thanks to HealthNet TPO, I completed a three-week training programme to improve my skills on recognising the signs of mental illness and providing psychosocial support. In the first month after my training, I was able to refer three patients to specialist care and I have supported four people myself. Now I feel proud!"

Dr. Kwizera Richard. General Practitioner in Kayanza province, 2021.



COLOMBIA



HealthNet TPO staff visit women in Meta to understand the needs of women in their community and existing support networks, Colombia, 2021.

In 2021, armed conflict escalated in rural areas of Colombia, with some communities reporting higher levels of violence or coercion than before the 2016 Peace Agreement.

Homicide across the country is on an upward trajectory. More than 158 killings of human rights defenders were reported in 2021 and outspoken female leaders are particularly vulnerable, receiving threats to themselves and their family members. The COVID-19 pandemic forged the disciplinary practices of armed groups such as the Gulf Clan, the Caparros, and the ELN. These groups also developed strategies for luring youth to their ranks, shattering social cohesion in some communities.

72,300

persons forcibly displaced due to conflict

239,000

people affected by violence in 2021

1 project



CASE STUDY

WOMEN ADVOCATE FOR PEACE



A woman paints a mural as part of the activities that aim to bringing women and girls together and promote collective healing. Meta, Colombia, 2020.

From 2016 to 2020, HealthNet TPO has been working in Colombia with the goal to enhance the protection of women and girls by increasing access to psychosocial care and creating an environment whereby women can feel safe and can realise their rights. Through our community engagement process we support the restoration of a damaged social fabric and help build the strength and resilience of women so they can feel more empowered to engage in decision-making processes for sustainable peace within their communities.

The creation of family networks through our Resource Mapping and Mobilisation (RMM) approach has not only been recognised within communities affected by the conflict as a protective mechanism for women and girls, particularly for survivors of SGBV, but also as a way to restore bonds of trust and social cohesion between community members. By bringing women and communities together we strengthen collective action and increase women's ability to address issues that affect their mental health and psychosocial wellbeing.

From 2021 to 2025, we will continue mobilising and working closely with community-based groups to ensure survivors of SGBV are able to

access quality services, opportunities and spaces where they can feel safe, protected, and participate in decision-making structures. We will make use of our technical expertise and evidence-based approaches in mental health and psychosocial support to care not only for survivors of SGBV, but also provide care for caregivers and support women leaders on self-care practices.

This five-year programme (2021-2025) is carried out under the framework of the Dutch National Action Plan for the implementation of the UNSCR 1325 on Women, Peace and Security, funded by the Dutch Ministry of Foreign Affairs. HealthNet TPO is part of a consortium of national and international NGOs, including CODACOP, ICCO/Cordaid, LIMPAL and Ruta Pacifica de las Mujeres. In 2021, we recruited two full-time national staff with research experience and technical expertise in the implementation of mental health and psychosocial interventions. Activities will begin in the second year of the programme.

Our aim will be to:

- Gather evidence and conduct operational research within targeted project locations on the intersection between MHPSS and peacebuilding with a gender approach;
- Advocate and call for attention on MHPSS problems, needs and resources at national and at international level;
- Strengthen existing capacities of community structures and institutions on mental healthcare and increase access to MHPSS services;
- Create safe support networks and spaces to allow women and communities to realise their rights and access services related to their own mental health;
- Engage with different stakeholders to participate and promote community-based psychosocial support mechanisms.

SOUTH SUDAN



A woman in Nyamlel, South Sudan, 2011.

On the 9th July 2021, South Sudan celebrated its 10th anniversary of independence from the Republic of Sudan. This was not a usual celebration as the country was in the midst of the global COVID-19 pandemic. President Salva Kiir Mayardit echoed hope for peace in his remarks on the 10th anniversary celebrations, and urged all parties to the national transitional government to embrace and sustain the current peace. However, communal conflicts, revenge attacks, cattle rustling, and targeted killings continue to challenge peace and security across the country. The effects of the economy also continue to pinch the population as market prices of common food and non-food items remain high.

8.9m

people in need of humanitarian assistance

7 projects

1.1m

people supported in 2021



Throughout 2021, HealthNet TPO continued to support and contribute to addressing the humanitarian needs of population through delivering essential healthcare services and MHPSS.

Our activities focused on strengthening health systems through capacity building of State and County authorities as well as community members.

We provided essential healthcare services through 91 health facilities, mobile clinics and community-based interventions, supporting people living in the most remote and inaccessible regions. Health services focused on maternal and child health, MHPSS, and care for survivors of SGBV.

HealthNet TPO secured funding to pilot a Minimum Service Package for MHPSS in two locations in South Sudan with an aim to integrate MHPSS in Emergency Settings.

In addition, we continued to support the Secretariat of the Country Coordination Mechanism (CCM) of the Global Fund to fight AIDS, Tuberculosis and Malaria (GFATM) in their coordination of support to the population of South Sudan.

Key results:

732.5k

people received medical consultation through 91 facilities

196.8k

women received maternal healthcare services

332k

parents learned how to keep their children healthy (BOMA education)

50

psychosocial focal points trained to provide emergency and follow-up psychosocial support in their communities



Women attend a community meeting on gender-based violence in Jonglei State, South Sudan, 2015.

CASE STUDY

ESTABLISHING MENTAL HEALTH SERVICES IN RAJA HOSPITAL



Community members take part in awareness-raising activity on common mental health conditions in Raja town, South Sudan, 2021.

Following major conflict in 2015, mental health issues are common in Raja County. However, with no mental health services provided in the county, people living with depression, anxiety, schizophrenia, post-traumatic stress disorder and more were either mismanaged or received no mental health and psychosocial care at all.

With the support of the Health Pooled Fund, a mental health clinic was established to improve access to MHPSS services in the county.

HealthNet TPO conducted a series of awareness sessions to address common mental health conditions, reduce stigma and improve knowledge of the availability of services. Within two months of the recruitment of the mental health team, more than 100 people received treatment and psychosocial support in Raja hospital.

BUILDING SUSTAINABLE PEACE AND GENDER EQUALITY

Women and girls in South Sudan do not fully contribute to local and national processes for sustainable peace and security due to high levels of insecurity and harmful gender norms.

Under the Leaders of Peace project, HealthNet TPO implements community-based mental health and psychosocial support services for women and girls. Understanding the important role of MHPSS for conflict resolution, and the inclusion of women and girls in peacebuilding processes, this project strives to create an empowering and inclusive environment, where women and girls feel safer, stronger and better able to realise their rights.

In 2021, 50 community members were trained to become psychosocial focal points (PFPs). Often the first point of call for women and girls affected by SGBV, they provide focused psychosocial support and referral pathways for medical and legal counsel.

PFPs strengthen community groups and family networks, engaging with men and youth, to lobby and advocate for MHPSS and the prevention of SGBV.

This project is carried out under the framework of the Dutch National Action Plan IV for Women, Peace and Security in partnership with Plan International, PAX, EVE and AMA.



IMPACT STORIES

PSYCHOSOCIAL FOCAL POINT (PFP)



Modong Ronah is a Psychosocial Focal Person for her community in Magwi County, South Sudan, 2021.

Modong Ronah is a PFP for her community in Magwi County, providing psychological first aid and psychosocial counselling to support the mental health of her community members.

She focusses on protecting and supporting women and girls who are affected by SGBV and allowing women and girls to realise their rights and their power.



Being a girl in my community has always felt like a burden. I want to take away this feeling from the girls living in my area. Training to become a PFP prepared me with the right knowledge to go back to my community and create awareness on the rights of girls. I want them to see life differently and pay attention to all the bad practices that have become normalised."

BOMA HEALTH WORKERS: ENDING CHILD MORTALITY



Lucia and her daughter Ladu visit the Boma Health Worker for treatment for malaria. Terekeka County, South Sudan, 2021.

Lucia is a single mother of four children. She set up a small business selling tea to support herself and her family. Two years ago, Lucia lost one of her children to suspected malaria because she could not get to a doctor in time. When her second child fell ill, she knew to take her straight to the Boma Health Worker (BHW).

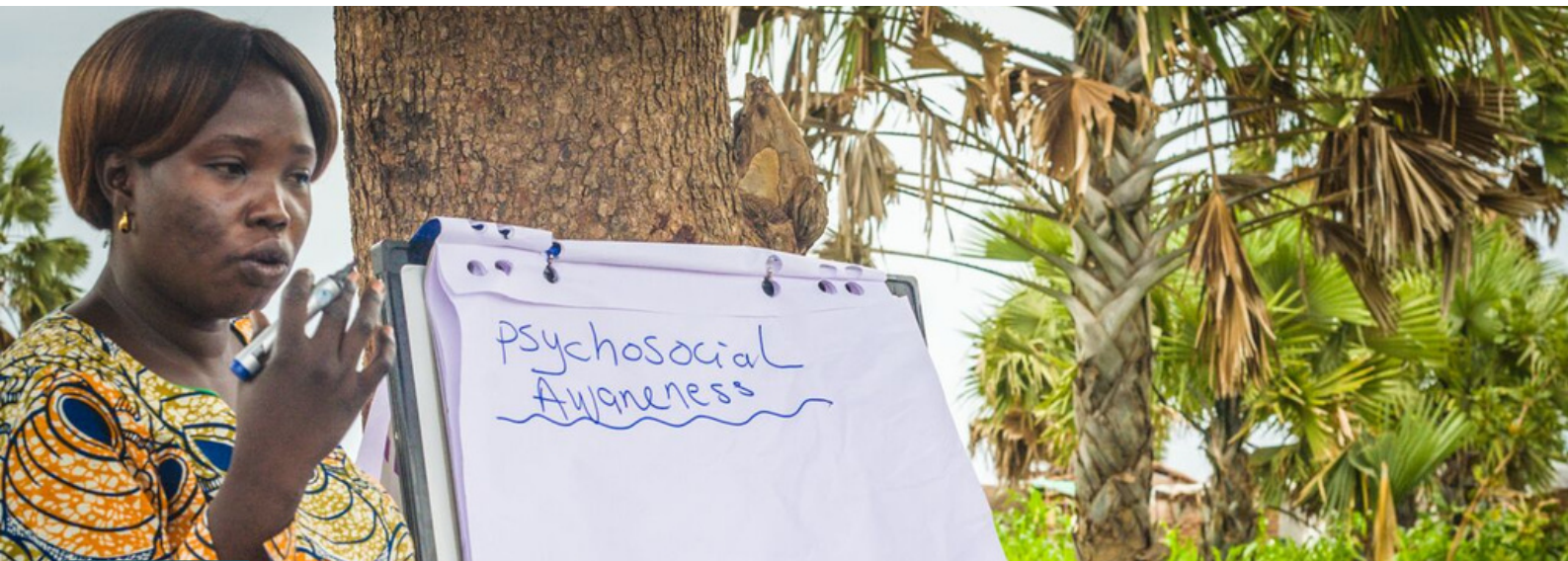
BHWs are members of the local community who are trained to identify and treat common childhood illnesses including malaria, pneumonia and diarrhoea, and refer seriously sick children and adults to health facilities. They play an important part in reducing childhood deaths in their bomas (villages).



We have very limited access to health services due to the long distance and insecurity from inter-communal conflicts. When my second child Ladu fell ill with a high fever and loss of appetite, I took her straight to the Boma Health Worker. He tested Ladu for malaria, which showed a positive result, and immediately started her on treatment. He also taught me about the causes of malaria and how I can prevent it by always sleeping under a mosquito net."



ADVOCATING FOR MHPSS



A coordinator delivers training on psychosocial awareness to community groups in South Sudan, 2015.

MHPSS services have received more global attention and recognition in recent years. Mental health is part of the Sustainable Development Goals and an integral component of Universal Health Coverage.

Mental health issues affect one out of four people during their lifetime and contribute to 10% of the global burden of disease. In high-income countries, five out of ten people that require MHPSS services cannot access the care they need. In low and middle-income countries, this number rises to as high as nine out of ten people. More than 90% of people with a mental health concern experience stigma and discrimination.

Affected communities need quality mental health services and this requires investments and commitment. By engaging in MHPSS forums nationally and worldwide, HealthNet TPO aims to ensure MHPSS is prioritised and lobbies for political commitment and the availability of resources under the emergency and development funding stream. HealthNet TPO is an active member of the Dutch MHPSS advocacy coalition, Inter Agency Standing Committee (IASC) reference group on MHPSS.

In 2021, HealthNet TPO also actively participated in the IASC MHPSS Country Working Group

meetings in Afghanistan and South Sudan, and we took part in the WHO Annual Mental Health Forum. Within these fora and working groups, we provide technical inputs to inform the development of advocacy guidelines.

We continued to engage in the provision of MHPSS services and develop local capacities in Afghanistan, South Sudan, Colombia and Burundi for the integration of MHPSS into national health systems. Our two-year Health Social Workers diploma programme in Afghanistan facilitates recent graduates to work within the health system and provide psychosocial support at a hospital and community level.

At the same time, our community-based interventions played a vital role for the prevention of mental health concerns, promotion of wellbeing, and for mapping existing resources and mobilising community groups and platforms to ensure a multi-sectoral approach to mental health.

HealthNet TPO continues to advocate for the urgent inclusion of mental health and psychosocial support as integral and cross-cutting components of public health interventions.



MENTAL HEALTH RESEARCH AND PROGRAMME DEVELOPMENT



Psychosocial support officer from outreach team speaks with a patient in Nangarhar Province, Afghanistan, 2020.

ESSENCE

ESSENCE (Enabling Translation of Science to Service to Enhance Depression Care) aims to bridge the science to service gap and strengthen an existing collaborative network of institutions in South Asia (India, Afghanistan, Nepal and Bangladesh) by building capacity in a range of key stakeholders to enhance the conduct of implementation research, the dissemination of its findings and the uptake of this evidence in policy and programmes, ultimately resulting in reduction of treatment gap for mental health conditions.

Project Period: 1st July 2017 to 31st May 2022.
Funder: National Institute of Mental Health (US).

Objectives

- 1) Establish a South Asian Mental Health Implementation Science Hub comprising the ESSENCE partners which include governmental, non-governmental, academic, and implementing agencies in the region.
- 2) Carry out implementation research to assess the comparative effectiveness of technology-enabled interventions to train non-specialist

health workers and provide support to address the key barriers to the coordinated delivery of evidence-based clinical treatments for depression (Healthy Activity Programme and Antidepressant Therapy) at the primary healthcare level.

CONTROL

CONTROL (Cognitive Therapy for Depression and Tuberculosis Treatment) is a multi-site research programme to improve outcomes for depression and tuberculosis (TB) in Pakistan and Afghanistan.

HealthNet TPO is the lead regarding the implementation of process evaluation, defining outcome measurements, developing interventions, building capacity for designing and conducting trials and data analyses.

Project period: December 2021 to December 2025.
Funder: NIHR Research and Innovation for Global Health (UK)



Objectives

Tuberculosis (TB) is the tenth leading cause of death globally. Pakistan is ranked fifth among TB high-burden countries. Afghanistan has an even worse TB situation due to ongoing conflicts. Presence of both TB and depression is a typical multi-morbidity in which each disease increases the risk of poorer outcomes for the other. Importantly, depression in TB increases risk of poor treatment adherence with anti-TB treatment that can lead to multidrug resistant TB which is considered a health security risk. No effective interventions are available to treat depression in people with TB. We aim to develop and test a psychosocial intervention for treating depression in TB and improve adherence with antidepressant treatment.

Read our research publications for 2021 [here](#).



Patient recovering from tuberculosis receives follow-up care from doctor in Farah Province, Afghanistan, 2021.

PROGRAMME QUALITY AND MONITORING



People waiting for a medical consultation at a health centre, Burundi, 2021.

At HealthNet TPO, we have an organisational commitment to demonstrate how we bring lasting change to the lives and wellbeing of people affected by conflict, and how we work towards restoring and strengthening communities and health systems. Having clear planning, monitoring, evaluation, accountability and learning (PMEAL) systems are essential to fulfil our strategic objectives, to build ownership and to ensure quality programming.

Working in complex and challenging contexts means that lasting social change does not follow a linear pathway. Multiple stakeholders interact and influence one another and the outcomes of our interventions. We are critically aware that political, social, cultural, economic, environmental or other factors can have a deep impact on our programmes. Our PMEAL systems and practices are therefore context-dependent, always adaptive and agile to changes in the operating environment.

PMEAL processes are managed internally within our country programmes, where the teams ensure that project activities are responsive to each operational context and are implemented on a background of quality benchmarks and indicators. Routine supervision of project activities and performance of staff in terms of quality and consistency is an integral part of the implementation process. Producing reliable data is a major focus of our programmatic efforts. However, the value of monitoring and evaluation goes far beyond recording our activities for the purpose of completing donor reports: it allows us to develop a culture of continuous improvement. This includes using data and observation to

- 1) drive decision-making and strategic planning for current or future programme development;
- 2) be responsive to the views and needs of our target groups;
- 3) learn from our work to inform internal and external stakeholders.

The objectives for carrying out systematic PMEAL are manifold and are not limited to:

- Measure and demonstrate our impact, generating evidence that we are contributing to change;
- Be accountable to ourselves, individuals, communities, donors and partners;
- Demonstrate that we are using our funds effectively and efficiently;
- Ensure that our plans and activities are progressing as expected;
- Inform programme review and revision according to best practices and lessons learned;
- Demonstrate how and why certain activities work best to achieve lasting impact;
- Grow our programmes and inform future programme development;
- Ensure and improve the quality of our work;
- Ensure transparency, access to and sharing of information.

In 2022, we will continue to promote and strengthen collaboration, learning and capacity-building with and between our countries of operation. For example, Afghanistan has developed a robust PMEAL system with a dedicated technical department and resources. They are currently administering the DHIS2 (District Health Information Software): an open-source health management platform aimed to efficiently collect data of health interventions. Efforts have been undertaken by our Afghanistan team to build the M&E capacity of our South Sudan team. In Colombia and South Sudan, a strong learning component is integrated in our Women, Peace and Security (WPS) programmes. Between 2021 and 2025, we will seek to collect evidence on the integration of MHPSS and peacebuilding sectors with a gender approach and foster cross-country learning, sharing of best practices and disseminate lessons learned.

Our country programmes respond to national M&E systems and in accordance with approved government and Ministry of Health strategies and indicators. Our general approach is that the collection and use of data is wherever possible integrated into existing and approved frameworks and systems, rather than establishing parallel systems.

IASC Common M&E Framework

In September 2021, the IASC released the [IASC Common Monitoring and Evaluation Framework for Mental Health and and Psychosocial Support Programmes in Emergency Settings – With Means of Verification \(2.0\)](#), to supplement the IASC guidelines (2007). As a member of the IASC Reference Group for Mental Health and Psychosocial Support in Emergency Settings, HealthNet TPO contributed to the development of the guidelines in collaboration with a wide group of international technical experts. The document is a valuable resource to guide practitioners in demonstrating their value or impact of their MHPSS programmes by providing guidance on the assessment, research, design, implementation and monitoring and evaluation of MHPSS programmes. In 2022, we will seek to integrate The Common Framework within our programmes and continue following internationally recognised standards and guidelines for quality implementation.

Meta-evaluation of Women, Peace and Security (2016-2020)

In 2021, an [end-term meta-evaluation of the Women, Peace and Security programmes \(2016 to 2020\)](#) was carried out by a team of external evaluators. Out of the eight-country consortia funded by the Dutch Ministry of Foreign Affairs, Colombia and South Sudan were selected as case studies. In both countries, HealthNet TPO established local-level psychosocial support mechanisms and networks especially for GBV survivors in target communities, based on locally-articulated needs and locally available resources. The report recognises HealthNet TPO's important contribution to the WPS framework and provides valuable lessons and best practices on the integration of MHPSS and peacebuilding with a gender approach.



GOVERNANCE



Doctors take part in training at the Afghan Japan Hospital in Kabul, Afghanistan, 2021.

To ensure HealthNet TPO fulfils its duties from a managerial and statutory perspective, our operations are continuously monitored by the Board. This entity is responsible for approving our organisational strategy, policies, Annual Plans and Reports.

The Board appoints and appraises the Managing Director. The Board undertakes these responsibilities during five annual meetings. All Board members work on a voluntary basis and lend significant expertise and experience. The Board has no managerial responsibility and is responsible for its assessment of the quality of its contribution. Board members are appointed for four years and can be reappointed for an additional four-year term. The Board Rules stipulate principles of governance and are available on HealthNet TPO's website.

HealthNet TPO's Board is composed as follows;



Carin Beumer

Chair of the Board
Member of the Remuneration/
Nomination Committee.

Term 2, 2019-2023

Co-founder and Chair of Zaluvida Group.
Member of the Board of Directors of Mercy Corps Netherlands.



Hans Moison

Treasurer and Secretary
Chair of the Audit and Risk Committee.

Term 1, 2018-2022

Former Public Accountant and Advisor at KPMG and EY.





Guus Eskens

Member
Member of the Audit and Risk Committee.

Term 1, 2017-2021

Former CEO at Memisa and CARE Netherlands.
Chair of VSO Supervisory Board.



Noelle Ahlberg Kleiterp

Member
Chair of the Ethics Committee and the Remuneration and Nomination Committee.

Term 1, 2021-2025

Non- executive Director of the Swiss School in Singapore and the Zürich International School.



Lander van Ommen

Member

Term 1, 2021-2025

Health advisor for the Dutch Development Cooperation.
Chair of the Board at Health Action International.

Rotation and Election Procedure

Board members are appointed for a maximum of two four-year terms. The Board’s rotation schedule is as follows;

Members	Appointed as of	End of first term	End of second term
Carin Beumer	2015 (Oct)	2019	2023
Hans Moison	2018 (July)	2022	2026
Guus Eskens	2017 (June)	2021	2025
Noelle Ahlberg Kleiterp	2021 (July)	2025	2029
Lander van Ommen	2021 (July)	2025	2029

Recent Developments

- Hans-Georg van Liempd left the Board on the 13th April 2021.
- Koos van der Velden left the Board on the 29th June 2021.
- Guus Eskens was reappointed for a second term in June 2021.

Compensation

The remuneration policy for the Board remains unchanged. Members of the Board do not receive any form of compensation. Actual expenses can be reimbursed.

Board Meetings in 2021

The Board convened five times in 2021. Due to COVID-19, three of these meetings were held via video conferencing.

The agenda items for the Board meetings was as follows:

- The annual plan and budget
- The annual report
- Programme implementation
- Formal audits, evaluations and risk assessments
- Self-evaluation
- Risk management and fraud prevention
- Progress on professionalising the organisation
- The evaluation of the Managing Director
- Approval of organisational policies

In addition to the standard agenda the Board also discussed the following items this year;

- The realisation of the strategy 2019-2023, discussed during a two-day off-site meeting in September 2021
- Strategic partnerships and alliances
- Two video conferences on the developments in Afghanistan



Self-evaluation of the Board

Following the standards of the qualification system of the CBF, the Board has evaluated its performance over 2021.

The Audit and Risk Committee

The Audit and Risk Committee (ARC) convened twice in 2021. The agenda of the ARC consists of financial results and financial position, risk management and external audit.

During the course of the year the members of the ARC are informed on (security) incidents and management thereof.

The Remuneration Committee

The Remuneration Committee convened twice in 2021.

The Ethics Committee

This committee oversees and safeguards the organisation's integrity and complaints policies and procedures, and consists of one member of the Board and an independent external person. The Ethics Committee convened once in 2021. [See our website for more details.](#)

Evaluation and Remuneration of the Managing Director

Each year the Board, through the remuneration committee, reviews the Managing Director's performance and key performance indicators for the coming year. The Board is satisfied with the Managing Director and has expressed its confidence. The Board determines the remuneration policy, the level of executive remuneration and other fixed remuneration components. HealthNet TPO follows the guidelines of Goede Doelen Nederland. The BSD-score is determined by the remuneration committee of the Board. The resulting BSD-score is 450 points, indicating a maximum full-time gross salary of €140,780 (excluding remuneration payable in future). In 2021, the Managing Director, Johannes H. Grootendorst, received a gross salary, including holiday allowance, of €91,934. This is well within the remuneration guideline of Goede Doelen Nederland. The Managing Director did not receive any bonuses, loans, advance payments or guarantees. The 2021 employer's contribution to the pension scheme of the director amounted to €21,386.



Women and men engage in a workshop on the SASA (start, awareness, support, action) approach for the prevention of violence against women. Cibitoke, Burundi, 2021.

FINANCIAL POLICY AND RESULTS



Community members take part in a training on mental health awareness in Burundi, 2021.

HealthNet TPO strives to perform programmes and projects cost-effectively and to maintain sufficient reserves to absorb potential financial setbacks. Projects are mainly carried out on the basis of project-related income. The funds from sponsors and donors that become available for this purpose are specifically intended for these projects. These are one-off incomes although the projects can have a duration of several years. Some project contracts in Afghanistan are linked to a bonus payment for employees, which depends on the level of performance. HealthNet TPO does not specifically focus on obtaining unearmarked public donations. There is only limited publicity and related fundraising through announcements on the website and social media.

In 2021, the Taliban took over power in Afghanistan. The situation in Afghanistan in 2021 has had important consequences for the financial position of HealthNet TPO. In the second half of the year of 2021, instalments for Afghanistan were (temporarily) suspended, including payments for the projects in which HealthNet TPO was not the leading partner. This resulted in increased receivables at the end

of 2021. Subsequently, the World Bank committed to take care of these payments. Instalments resumed in 2022.

On balance, a claim of €1.6 million remains on August 10, 2022, for which a provision of €600K was formed in 2021 for the sake of prudence. We estimate that we will retrieve at least 60% of €1.6 million, rounded up to €1.0 million at the time. The Board is confident, partly in view of the efforts and diplomacy by the donors and authorities involved, that these claims will be collected in full. Unfortunately, these efforts are not reflected in formalised documents and the results will have to be awaited. The Board intends to wait for the outcome of this process and review at the latest when preparing the annual figures for 2022, whether the receivables should be provided for in full or whether the provision can be released because the payments have been received.

Although there was significant growth in income compared to the previous financial year, the result for 2021 is negative. This is mainly due to the provision for doubtful debtors, lower coverage for head office costs, lower margins

on fixed-fee contracts and exchange rate losses. Total income increased by 8.2% to €26,864,254 (2020: €24,830,627). The result for 2021 was €1,222,306 negative, a decrease of €1,187,870 (2020: €34,436 negative). As a result of these developments, the reserves decreased by 80.3% to €299,724 (2020: €1,522,030).

Revenues almost entirely consist of contributions from governments €26,814,177 (99.8%). Up until 2020, income from the Global Fund and United Nations was presented as income from non-profit organisations. In 2021, this income is presented as (subsidies from) government grants. Virtually all income is project dependent and therefore one-off. Due to growth in the acquisition of projects and the restatement mentioned above, government contributions increased by 11.9% to €26,814,177 (2020: €23,952,356). HealthNet TPO generates a small amount of income from gifts and contributions from individuals, namely €10,220 (2020: €4,649).

The development of the project costs is in line with that of income. These increased by 9.7% to €26,459,166 (2020: €24,121,127). An average lower coverage for general costs and margins in project budgets contributed to the decreased result. The direct costs of generating income increased by 32.8% to €140,506 (2020: €105,808). The operational and organisational costs of the Amsterdam office have slightly increased with 6.6% to €418,533 (2020: €392,619).

In 2021, HealthNet TPO spent 98.5% of its income on the organisation's direct objectives (budget: 97.5%, 2020: 97.1%). Expenditures on income generation amounted 0.5% and expenditures on management and administration amounted to 1.6% of total expenditures. Expenditures on income generation amounted 0.5% of income raised. The funds received from sponsors and donors that do not need to be used immediately are placed in bank accounts. HealthNet TPO has no (other) investments and does not use financial instruments other than currency swaps to reduce the currency risk.

HealthNet TPO closed the 2021 financial year with a negative result of €1,222,306. The reserve at the end of 2021, the strong increase in income in 2022 and the expected positive result for 2022 guarantee the continuity of the organisation. The Board determines the desired size of the continuity reserve on the basis of three stress scenarios: (i) 50% loss of income and loss of 5% head office expenses coverage for one year; (ii) upon verification, 5% of the contracted income for a year will be rejected; and (iii) 20% of the average balance sheet total must be pre-financed. The desired continuity reserve is at least the higher of (i + ii) and iii.

Based on the figures for 2021, the desired continuity reserve should be at least €2.2 million. The continuity reserve at the end of 2021 amounts to €0.3 million. The continuity reserve is not near the required level, particularly due to developments in Afghanistan. Furthermore, the result has lagged behind the growth in income and balance sheet total in recent years. This means that in the coming years, HealthNet TPO will use the profit that we are aiming for to increase the continuity reserve to the required level. The Board expects a positive result for 2022 of approximately €700,000.

If and insofar as positive results are not needed to maintain solvency at the required level, HealthNet TPO will use the funds to further strengthen the organisation to realise its strategy: restoring and strengthening healthcare systems in areas disrupted by war or disaster.

COMMUNICATING WITH OUR STAKEHOLDERS



Women, men and children dance during the celebrations of the 16 Days of Activism for the elimination of violence against women. Terekeka, South Sudan, 2021.

Throughout 2021, HealthNet TPO continued to build a strong relationship with our stakeholders. We maintain transparent and accessible output of information through different communication channels, including regular updates on our website, social media platforms and a quarterly newsletter. Additionally, we continue to build strong relations with our donors and partners.

HealthNet TPO ensures the opportunity for stakeholders to reach us with questions, suggestions or complaints, through the website or at info@hntpo.org. Our complaints procedure, which is published on the website, explains how and within what time frame complaints from stakeholders should be handled. In 2021 no complaints were received. HealthNet TPO will take action to make the complaints procedure clearer and easier for staff members to submit a report if required.

Communication to our stakeholders was paramount during the crisis in Afghanistan to raise awareness to the situation and the impact on the health system, our colleagues and the Afghan people. Throughout the crisis we maintained constant pressure by advocating to the Dutch government, institutions and our donors to act and began fundraising online through our 'Afghanistan Appeal' to provide security when our funding was put on hold.

The crisis and particularly the impact on the health system did not receive the international attention that it warranted. Through our efforts, HealthNet TPO featured in ten articles in the press including an international feature in CNN and in Dutch national newspapers including NPO, Trouw and Financieel Dagblad. We also featured on Dutch national television on 'Nieuwsuur' with NOS. The impact was successful, raising our profile and awareness leading to support for the crisis as it unfolded.

OUR DONORS



OUR PARTNERS



OUR NETWORKS

PLATFORMS

- Mental Health and Psychosocial Support Dutch Coalition
- IASC Reference Group on MHPSS
- Member of the IASC community-based approaches and MHPSS Technical Working Group
- Member of the IASC Peacebuilding and MHPSS Technical Working Group
- Member of the IASC Minimum Service Package Technical Working Group
- Member of IASC in country Technical Working Groups
- Afghanistan Platform of Ministry of Foreign Affairs
- Burundi Platform of Ministry of Foreign Affairs
- Dutch Security Network
- Mental Health forum WHO
- NAP 1325 Colombia Working Group and NAP 1325 South Sudan Working Group
- Colombia Platform

ACADEMIC AND SCIENTIFIC RESEARCH PARTNERS

- Department Cultural Anthropology, Utrecht University, The Netherlands
- ASSR, Faculty of Social and Behavioural Sciences, UvA, The Netherlands
- Department Psychological Methods, Faculty of Social and Behavioural Sciences, UvA, The Netherlands
- Department Clinical, Neuro- and Development Psychology, Vrije Universiteit, The Netherlands
- School of Community, Primary Care and Social Sciences, Keele University, UK
- Keele School of Medicine, Keele University, UK
- Institute of Psychological Sciences, University of Leeds, UK
- Department of Health Sciences, University of York, UK
- Institute of Psychiatry, Psychology and Neuroscience, King's College London, UK
- Centre for Global Mental Health, London School of Hygiene and Tropical Medicine, UK
- School of Nursing and Human Sciences, Dublin City University, Ireland
- Office of Research, Innovation and Commercialisation, Khyber Medical University, Peshawar, Pakistan
- Department of Psychiatry, Postgraduate Medical Institute, Lady Reading Hospital, Peshawar, Pakistan
- Department of Social Sciences, Peshawar University, Pakistan
- Department of Chest Medicine, Khyber Medical College Peshawar, Pakistan
- Pakistan Chest Society, Khyber Pakhtunkhwa, Pakistan
- Department Environmental and Occupational Health, Public Health Preparedness and Disaster Response
- Colorado School of Public Health, University of Colorado – Boulder, USA
- Centre for Addiction and Mental Health, University of Toronto, Canada
- Harvard Medical School, Boston, USA
- Harvard T.H. Chan School of Public Health, Boston, USA
- Department of Social and Behavioural Sciences, Harvard School of Public Health, USA
- Helene F. Health Trust National Institute for EBP in Nursing and Healthcare, Ohio State University, USA
- School of Public Health and Community Medicine, University of New South Wales, Sydney, Australia
- Médecins Sans Frontières, Amsterdam, The Netherlands
- IMPACT, Stichting ARQ, Amsterdam, The Netherlands



RISK AND SECURITY MANAGEMENT



Couple pose in front of their crops in Burundi, 2015.

Risk and security management are continuous processes where the identification of risk leads to improved and updated procedures. The countries where HealthNet TPO is operational are volatile and presented many potential risks for the organisation.

As part of the preparedness on operational risks, daily issues are monitored and recorded. Members of the head office Crisis Management Team received training on their individual functions, including one Board member of the Risk and Audit Committee.

In 2021, a total of 61 security incidents were reported:

Colombia experienced a violent period during April and May when a series of protests against higher taxes, corruption and healthcare reform ultimately turned violent resulting in dozens of deaths. Our activities during this time were reduced and movement restricted.

Burundi reported one incident involving a break-in at a provincial office where equipment belonging to two partner organisations was stolen.

South Sudan is politically unstable and the rule of law is absent in many areas. Ten security

incidents were reported involving potential threats. In one incident an attempt to ambush a vehicle took place and was shot at from a distance. Due to swift action no casualties incurred.

In Afghanistan, the six months leading up to the change of regime on the 15th of August presented wide-spread insecurity. Local level risks were mitigated by temporary closing projects and/or health facilities. After the regime change, a period of lawlessness ensued in which there were no responsible security forces. With no government in place, there was great insecurity on the future of the country and uncertainty on the regulations the new leadership would impose on the population. During 2021, fifty security reports were received. We lost three employees who were killed by direct attack, either by IS-K, unknown attackers or as a result of a personal dispute. One employee was killed by a road-side bomb. In addition, four employees reported injuries, of which one person was stabbed, one person was involved in a traffic accident and two suffered gunshot wounds in crossfire.

During several incidents staff have been detained by the new authorities to verify their background or presence in an area but were released due to swift, local mediation.

Due to rapid military successes and the departure of the president of Afghanistan and the majority of the government on the 15th of August, the Taliban became the new de-facto government of Afghanistan. This situation led to a chaotic period for the population and organisations working in Afghanistan. The Crisis Management Team was activated in the head office and daily meetings were held with the Afghanistan office team. It was unclear what the risk would be for the organisation. Some projects were halted for a short period, however projects involving the provision of healthcare services continued. Our staff in Afghanistan felt threatened especially female staff. Many current and previously employed staff members indicated that they wanted to leave Afghanistan and requested our support. One person in the head office was dedicated to guide this process and to coordinate with the crisis team of the Dutch Ministry of Foreign Affairs (MoFA). Very frequent contact was coordinated with other Dutch and international NGOs working in Afghanistan, the Afghanistan Platform and the Dutch MoFA. One Pakistani employee was evacuated on the 17th of August by road to Pakistan and the Country Director was evacuated via the MoFA and the airport in Kabul. Unclear procedures and regulations of the MoFA gave many employees and former employees hope for evacuation. However regulations became very strict and no more HealthNet TPO employees were able to qualify. Luckily our staff did not experience direct implications of being an employee of the organisation. Our female staff were also able to return to their duties.

Financial Risks

In the lead up to August, project contracts for three major healthcare projects (Sehatmandi) in Kunar, Laghman and Nangarhar provinces funded by the World Bank Afghan Rehabilitation Trust Fund (ARTF), were not renewed at the end of June by the Afghan Ministry of Public Health (MoPH).

On assurance of funding, health facilities within Sehatmandi remained open and costs incurred. When the new de-facto government took over,

the World Bank paused all funding, even for projects that were still ongoing. The final payment of projects until the end of June and any outstanding payments of other projects were not settled. This action posed a risk of the total collapse of the healthcare system. Incurred costs on projects were suddenly no longer covered by any donor funding.

Intense lobbying was undertaken with the Dutch MoFA, World Bank, Embassy of the Kingdom of the Netherlands (EKN) for Afghanistan, EU and USAID to come to solutions. In this process, engaging the press within the Netherlands was key to bring attention to the implications of the crisis and our vital work.

As of October, funding streams were diverted from the World Bank to the Global Fund and UN organisations. On the 25th of November the World Bank took the decision to deal with outstanding payments for projects that have been or were still under contract with the MoPH. This led to the recovery of around 75% of outstanding amounts and the process is still ongoing in 2022.

Regular contact was maintained with the EU delegation in Kabul and EKN Afghanistan on the issues with the World Bank as donors to the ARTF.

With the de-facto government in place, Afghan financial reserves were frozen abroad and the banking system collapsed. Cash withdrawals in Afghanistan were not possible. Several measures were taken including diverting funding streams to the Netherlands, alternative cash transfers directly into Afghanistan and donor funding from UN organisations to be paid in cash in Afghanistan.

Currently, deposited cash can be withdrawn from banks. Payments in-country, like salaries, are undertaken via Money Service Providers. Our handling of actual cash in hand did not increase.

HealthNet TPO is seen as a reliable partner by donors; as of November, we acquired even



more projects under the Sehatmandi programme with funding being provided directly in cash via UN organisations..

Having clear policies and procedures in place allowed the organisation to mitigate the risk we encountered in Afghanistan.

Donor diversification and a more balanced project portfolio within all project countries is a target to be achieved in 2022.

Quality Standards and Codes

The Central Bureau for Fundraising (CBF) conducted its regular annual review and concluded that we comply with the regulations and appendices for CBF recognition for charitable organisations, which also covers the CBF Good Governance Code for Charities and extended our official recognition. In addition to HealthNet TPO's own Code of Conduct, HealthNet TPO has committed itself to the Code of Conduct for the International Red Cross and Red Crescent Movement and NGOs in Disaster Relief, and the Humanitarian Principles: humanity, neutrality, impartiality and independence.

Cyber Risk

Cyber risk is a prevalent threat and cyber security is critical to our organisation. HealthNet TPO uses the Windows 365 cloud platform which provides flexibility and security. We continuously point out the importance of data security throughout the organisation.

Reputational Risks

The current climate of accountability coupled with the immediacy of reputational damage, carry risks for all organisations engaged in projects by institutional or government donors. This can include internal and external ethical and legal breaches, moral inconsistencies, fraud and corruption. The risk is loss of faith in HealthNet TPO as an effective organisation and concomitant loss of donor support. To mitigate reputational risk, transparent guidelines were developed and implemented. These policies and

guidelines provide a benchmark for our staff, contractors, sub-grantees and partners.

INTEGRITY

During 2021, a review on several policies took place and new policies were developed and subsequently disseminated in the project countries.

Due to the insecurity and addition of many new staff members in Afghanistan, the dissemination process is still ongoing and in some newly acquired provinces needs to be initiated in 2022.

The Ethics Committee of the Board held one meeting in 2021 in coordination with the management staff of the head office.

The Confidential Contact Person received no requests for support in 2021.

All integrity policies are published on the HealthNet TPO website and accessible for employees and external contact. No reports were received regarding integrity issues in 2021.

CORPORATE SOCIAL RESPONSIBILITY

Sustainability is an important aspect of the day-to-day management of the Amsterdam head office. Over the course of 2021, we have taken steps to reduce our environmental impacts with respect to the use of energy, water, paper, office supplies, and transportation. Our cleaning suppliers are [Happy Greener](#), an environmentally friendly company who uses ecological and 100% natural cleaning products.

Travel to our project countries is limited to only essential travel. Due to COVID-19 restrictions in place, no trips took place during 2021.



OUTLOOK 2022



Mbonihankuye Potamie, Community Health Worker in Muruta Commune, Burundi, 2021.

HealthNet TPO will remain committed to integrating MHPSS within its current and future programmes. In addition, it is increasingly being acknowledged that MHPSS also has a significant impact on peacebuilding. However, up until now, no consensus exists as to what constitutes the integration of MHPSS and peacebuilding, and how to achieve it. Being operational in conflict affected countries HealthNet TPO aims to play an active role in helping this discussion in our programme locations and on an international level.

The suspension of funds by the World Bank in Afghanistan in 2021 showed how unreliable and unpredictable donor behaviour can be. It also showed how dependent HealthNet TPO is on institutional donor income and how skewed the project portfolio is across the country teams. In the coming year acquisition efforts will be scaled up in South Sudan and Burundi to reduce overall organisational risks. HealthNet TPO has obtained the partnership agreement with the Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO) in 2021. This presents new opportunities for the organisation to obtain

emergency funding. The Humanitarian Implementation Plan (HIP) 2022 for South Sudan and Afghanistan have been published and HealthNet TPO will have the opportunity to submit an application for funding with means of the “single form” issued by DG ECHO. As the organisation has obtained a partnership agreement with DG ECHO, there may also be the possibility to join the Dutch Relief Alliance (DRA) which will allow another opportunity to access emergency funding. In addition, working towards establishing strategic partnerships with organisations including Health Action International, TPO Nepal and TPO Uganda, will equally present opportunities to increase the advocacy efforts of the organisation.

The situation in Afghanistan is marked by a deep humanitarian crisis. Due to HealthNet TPO’s long standing presence in the country, it has the opportunity to engage in direct discussions with donors and other stakeholders that will continue into the year 2022.

In Colombia, the addition of two new HealthNet TPO staff members provides the organisation with the opportunity to strategically position

itself in the country and explore the possibility to enlarge its presence in the country.

HealthNet TPO has recently been chosen to implement the Minimum Service Package (MSP) for MHPSS in South Sudan. This is an essential pilot project in the area of MHPSS which provides the organisation with the opportunity to connect more closely with UN organisations at a local level in South Sudan and in Geneva. It offers a welcome opportunity for the organisation to build on the lessons learnt from the MSP to further integrate MHPSS within a national system not only in South Sudan, but also in other countries.

The organisational strategy was adjusted in 2019 and runs until 2023. In 2022, a strategic review will begin to allow the development of a new strategy in 2023. Activities within operations; support to country offices, contract and programme management follow up, logistics and security will continue in 2022. Operations is linked and supports all departments within the head office.

Financial Outlook 2022

At the time of writing the Annual Plan 2022 the total budgeted turnover for 2022 was expected to be around €20 million, a decrease of approximately €4 million compared to the

projected 2021 turnover. The decrease was partly to be found in the ending of the EC supported project in Burundi and the fact that at that time the likelihood of continuation of both the Sehatmandi projects in Afghanistan after January 2022 and the HPF projects in South Sudan after March 2022 were rated at 80%. The “ambition” for 2022 is high; at the time of writing the Annual Plan 2022, “only” €1.3 million worth of contracts for Afghanistan were signed, and €14 million, to be signed. For South Sudan, €1.5 million was signed and €4.0 million to be signed. The administrative costs allowance (IC) in 2022 is 3,7% (€745,000) which is lower compared to the forecasted coverage of €1.1 million in 2021. The overall result for 2022 is budgeted at €300,000. At the time of publication of the Annual Report 2021 (October 2022) we have managed to secure, after a successful tender process, an additional contract value in Afghanistan of approximately €13 million. At the same time, the “to be” signed contract value in South Sudan has been fully secured. This will raise the expected project turnover well above €30 million. Due to this increase the expected administrative costs allowance will improve toward 4.6% and the adjusted overall result will increase to €700,000.



HealthNet TPO staff delivers a workshop for women on mental health awareness in Meta, Colombia, 2021.

FINANCIAL STATEMENTS 2021

STATEMENT OF INCOME AND EXPENDITURE

<i>(In euros)</i>	Actual 2021	Budget 2021	Actual 2020
Income			
Income from individuals	10,220	31,937	4,649
Subsidies from government grants	26,814,177	24,000,000	23,952,356
Income from non-profit organisations	39,857	660,000	873,622
Total income	26,864,254	24,691,937	24,830,627
Expenditure on objectives			
Reconstruction and development	26,390,910	24,000,000	24,038,779
Awareness raising and public information	68,256	79,000	82,348
	26,459,166	24,079,000	24,121,127
Expenditure income generation			
Own fundraising efforts	43,306	60,000	53,734
Securing government subsidies	97,200	55,519	52,074
	140,506	115,519	105,808
Expenditure management and administration			
Provision for doubtful debtors	418,533	450,000	392,619
	600,000	-	-
Total expenditures	27,618,205	24,644,519	24,619,554
Financial income and expenditures	-468,355	-	-245,509
Result	-1,222,306	47,418	-34,436
Allocation of the result			
Continuity reserve	-1,222,306	47,418	-34,436
	-1,222,306	47,418	-34,436
<i>Percentage expenditure on objectives vs total income</i>	98.5%	97.5%	97.1%
<i>Percentage expenditure on objectives vs total expenditure</i>	95.8%	97.7%	98.0%



STATEMENT OF FINANCIAL POSITION

<i>(In euros)</i>	December 31, 2021	December 31, 2020
Tangible fixed assets	5,854	3,474
Receivables and accrued income		
Work in progress	6,467,453	3,881,232
Receivables	2,149,498	1,036,794
Cash and banks	2,226,715	5,325,974
Total assets	10,849,520	10,247,474
Reserves	299,724	1,522,030
Provisions	468,575	438,790
Short-term liabilities		
Project balances	3,094,974	6,071,756
Other short-term liabilities	6,986,247	2,214,898
Total reserves and liabilities	10,849,520	10,247,474



STATEMENT OF CASH FLOW

(in euros)	2021	2020
Cash flow from operating activities		
Incoming resources	26,864,254	24,830,627
Resources expended	<u>27,618,205</u>	<u>24,619,554</u>
Operating result	(753,951)	211,073
Adjustments for:		
- Depreciation tangible fixed assets	2,345	3,508
- Interest	2,086	518
- Movement in provisions	<u>29,785</u>	<u>150,220</u>
	34,216	154,246
Movements in working capital:		
- Work in progress	(2,586,221)	(739,187)
- Receivables	(1,112,704)	308,046
- Project balances	(2,976,783)	1,075,711
- Other current liabilities	<u>4,771,349</u>	<u>444,220</u>
	(1,904,359)	1,088,790
Cash generated from operations		
- Received interest	<u>-</u>	<u>-</u>
	-	-
Cash flow from operating activities	(2,624,094)	1,454,109
Cash flow from investing activities		
Investments in tangible fixed assets	(4,725)	-
Receipts from divestments	<u>-</u>	<u>-</u>
Cash flow from investing activities	(4,725)	-
Cash flow from financing activities	(2,086)	(518)
Net cash flow	(2,630,905)	1,453,591
Realised exchange gains and losses	(468,354)	(245,509)
Change in cash and cash equivalents	<u>(3,099,259)</u>	<u>1,208,082</u>

(in euros)	2021	2020
Cash and cash equivalents	5,325,973	4,117,891
Change in cash and cash equivalents	(3,099,259)	1,208,082
Exchange rate differences		
Cash and cash equivalents as at 31 December	<u>2,226,715</u>	<u>5,325,973</u>



NOTES TO THE FINANCIAL STATEMENTS

ACCOUNTING PRINCIPLES

General

The activities of HealthNet TPO consist mainly of health, wellbeing, protection and resilience. With these four areas, HealthNet TPO supports people who are affected by conflict and disaster to regain control over their own lives. HealthNet TPO is a foundation. The Dutch Chamber of Commerce: 41211943

The annual report is prepared in accordance with 'Guideline 650 for Fundraising Institutions' of the Dutch Accounting Standard Board (RJ650). The purpose of this guideline is to provide users of the financial statements good insight into the activities of the entity and the results thereof, by means of a clear and transparent representation of the acquisition and the use of resources, reserves, and funds. The financial year coincides with the calendar year. Unless stated otherwise, items in the statement of financial position are shown at nominal value and income and expenditures are allocated to the relevant year. Purchase of assets or stock (e.g. vehicles or medicines) in the programme countries for projects are recognised on an accrual basis.

Assets and liabilities are generally measured at historical cost, production cost or at fair value at the time of acquisition. The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Going concern basis

The financial statements have been prepared on the basis of going concern.

Functional and presentation currency

The financial statements are presented in euros, which is HealthNet TPO's functional and presentation currency.

Foreign currencies

Transactions denominated in foreign currencies are translated into euros at the monthly exchange rate of the European Central Bank (ECB) prevailing on the transaction dates. At the end of the financial year, all assets and liabilities in foreign currencies are translated into euros at the exchange rate of the ECB on the reporting date. The resulting exchange rate gains and losses are included in the statement of income and expenditure.

Tangible fixed assets

The tangible fixed assets are stated at cost less accumulated depreciation and impairment losses. Depreciation is calculated at fixed percentages based upon the useful life. The following rates of depreciation are used:

- Office furniture 14.3% per annum
- Office equipment 20.0% per annum
- Computer hardware 33.3% per annum

Work in progress

The project balance is presented according to the work in progress method. The balance for each project is determined based on project expenditures and received or to be received instalments and reimbursements up to reporting date. In determining the realised project income, losses due to budget overruns, ineligible costs or unsecured co-funding obligations are considered. The fee for the project is, where applicable, allocated to the result in proportion to time or the services rendered. This considers the verification of the services provided by the donor and any issues under discussion. On this basis, the expected contributions not yet verified are recognised in the result. HealthNet TPO has concluded some multi-year performance contracts, partially at a fixed fee (lump sum) with a positive margin. A positive result on these projects can be realised if the realised costs are lower than the compen-



sation received and a negative result if the compensation turns out to be lower than the costs for the services to be provided. A positive result on a fixed fee (lump sum) type of contract is freely disposable and can be added to the reserves.

Receivables

Receivables are initially recognised at fair value and are subsequently recognised at amortised cost using the effective interest rate method. If necessary, a provision for bad and doubtful debts is recognised.

Cash and banks

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is carried at nominal value.

Provisions

Provisions are recognised when there is a present (legal or constructive) obligation as a result of a past event. In such event, it is probable that HealthNet TPO will be required to settle the obligation and a reliable estimate can be made of the amount. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Other short-term liabilities

On initial recognition other short-term liabilities are recognised at fair value. After initial recognition other short-term liabilities are recognised at the amortised cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the nominal value.

Allocation of organisational costs

The administrative cost of own fundraising efforts, securing government subsidies,

awareness raising and public information, and reconstruction and development are calculated based upon the cost of the fulltime employees at the head office directly employed for these activities. The other, non-direct staff costs are allocated in proportion to these direct costs. Depreciation cost and interest expenses have been included.

Expenditure management and administration

This represents expenditures on managing the organisation. These costs are calculated in accordance with RJ650. Included are the direct costs of the human resources and administration departments and 50% of the director's office. 20% of the operational department costs are considered to be administrative expenses. Other costs are allocated on a pro rata basis based on the allocation of direct costs.

Financial income and expenses

Interest income and expenses are recognised on a pro-rata basis, taking into account the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration. If a provision is measured at present value, any changes in the provision due to accrued interest are presented as interest expense.

Currency translation differences arising upon the settlement or conversion of monetary items are recognised in the income statement in the period that they are realised, unless hedge accounting is applied.

Statements of cash flow

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Interest paid and received are included in cash from operating activities.



NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE

Income fundraising

<i>(In euros)</i>	Actual 2021	Budget 2021	Actual 2020
Income from individuals			
Private donations	10,220	31,937	4,649
	10,220	31,937	4,649

The income of HealthNet TPO consist of subsidies from governments and non-governmental organisations. In general, this concerns one-off multi-year projects. Subsidies that the donor allocated depending on project costs are accounted for in the year that the subsidised expenditure was incurred.

In this context, the expenditures by alliance partners, where HealthNet TPO is lead agency, is equal to the amounts paid to these partners. Differences in allocated and actual income from subsidies are accounted for in the statement of income and expenditure in the year in which these differences can be reliably estimated.

Income institutional donors

<i>(In euros)</i>	Actual 2021	Budget 2021	Actual 2020
Subsidies from government grants			
Afghan Ministry of Health	10,184,693	11,000,000	11,351,953
Dutch Ministry of Foreign Affairs	192,730	200,000	288,061
European Commission	3,119,010	3,250,000	2,513,994
Health Pooled Fund	5,408,855	5,500,000	6,110,920
Global Fund to fight AIDS, Tuberculosis and Malaria	1,241,621	1,000,000	704,254
United Nations organisations	2,244,702	2,000,000	2,012,754
WHO	2,991,109	-	-
USAID	1,785	-	-
Other governments	166,638	150,000	72,724
Coverage for organisational cost	1,263,034	900,000	897,696
	26,814,177	24,000,000	23,952,356
Income from non-profit organisations			
Gavi	-	-	441,044
World Bank	39,857	500,000	-
Coverage for organisational cost	-	160,000	432,578
	39,857	660,000	873,622

Income from the Global Fund and UN organisations are presented as income from government grants.

Expenditure on objectives

Expenditures	Reconstruction and development	Awareness raising and public information	Total expenditure on objectives	Own fundraising efforts	Securing government subsidies	Management and administration	Actual 2021	Budget 2021	Actual 2020
Average number FTEs	3.3	0.4	3.7	0.1	0.7	3.6	8.2	7.4	7.8
Personnel costs	284,378	30,831	315,209	15,677	81,282	312,542	724,710	735,000	719,086
Accommodation costs	14,288	1,818	16,107	606	3,204	15,587	35,504	40,000	37,442
Office and general costs	18,544	5,232	23,776	3,420	19,504	127,526	174,227	180,000	156,136
Depreciation and interest	1,783	227	2,010	76	400	1,945	4,431	5,883	4,026
	318,993	38,109	357,102	19,779	104,390	457,601	938,872	960,883	916,690
Recovered organisational cost	(39,100)	(432)	(39,532)	(54)	(7,190)	(39,067)	(85,844)	(191,364)	(147,136)
	279,893	37,677	317,570	19,725	97,200	418,533	853,028	769,519	769,554
Subsidies and contribution	26,116,801	30,579	26,147,380	23,581	-	-	26,170,961	23,879,000	23,870,211
Local income	(5,784)	-	(5,784)	-	-	-	(5,784)	(4,000)	(20,212)
Total allocation	26,390,910	68,256	26,459,166	43,306	97,200	418,533	27,018,205	24,644,519	24,619,553
<i>percentage of expenditures on objectives</i>				0.16%	0.37%	1.58%			

Note: Coverage of indirect cost
In % of total organizational cost (incl. Subsidies and contribution for Management and Administration)

	1,263,034	1,037,666	1,330,274
	94%	144%	134%

The expenditures on objectives are divided into expenditure on reconstruction and development, and awareness raising and public information. The policy of HealthNet TPO is to spend at least 90% of the total expenditures directly on the objectives. In 2021, 97.9% (€26.4 million) of total expenditures (€27.0 million) was directly spent on the objectives.

The majority (97.7%) of these expenditures related to reconstruction and development. Furthermore, it is the policy of HealthNet TPO to work with their own staff in the field as often as possible. Therefore, salary costs are the main part of the reconstruction and development costs. Medical goods form another large part of the expenditures.

Expenditure on objectives per region

	Budget 2021	Actual 2021	Actual 2020
Asia	65%	68%	62%
Africa	33%	29%	37%
Other	2%	3%	1%
Total	100%	100%	100%

Expenditure reconstruction and development per country

(In euros)	Afghanistan		Burundi		South Sudan		Other Countries		Total 2021		Budget 2021		Actuals 2020	
Actuals 2020														
Expat staff	46,192	0%	68,776	3%	393,142	7%	-	0%	508,110	2%	507,999	2%	509,429	2%
Headquarter staff	35,865	0%	13,320	1%	9,990	0%	26,669	57%	85,844	0%	191,364	1%	147,136	1%
Local staff	8,842,798	50%	193,567	7%	3,176,985	56%	2,316	5%	12,215,665	47%	12,656,283	53%	12,190,483	51%
Field office cost	2,273,678	13%	40,080	2%	227,265	4%	441	1%	2,541,464	10%	2,333,295	10%	2,339,859	10%
Transportation	766,171	4%	97,169	4%	537,008	10%	-	0%	1,400,348	5%	1,909,917	8%	1,915,290	8%
Training and education	198,092	1%	584,191	22%	231,966	4%	-	0%	1,014,249	4%	969,095	4%	971,821	4%
Medical and other goods	5,650,987	32%	-	0%	535,001	10%	-	0%	6,185,987	24%	2,927,181	12%	3,436,823	14%
Consultancy	1,647	0%	6,820	0%	14,905	0%	10,222	22%	33,594	0%	90,367	0%	90,621	0%
Local partners	-	0%	1,605,018	62%	502,211	9%	7,166	15%	2,114,395	8%	2,113,951	9%	2,119,898	9%
	17,815,430		2,608,940		5,628,472		46,813		26,099,655		23,699,453		23,721,361	
Local income	(5,655)		-		(129)		-		(5,784)		-		(20,212)	
Total expenditures	17,809,775		2,608,940		5,628,343		46,813		26,093,871		23,699,453		23,701,150	
									Allocated organisational costs		279,893		271,827	
									Post project results		17,146		65,802	
											26,390,910		24,038,779	
											24,000,000			



Cost awareness raising and public information

<i>(In euro)</i>	Actuals 2021	Budget 2021	Actuals 2020
Website	30,579	35,000	60,213
Seminar	-	25,000	-
Other activities	-	19,000	-
	30,579	79,000	60,213
Allocated organisational costs	37,677		22,135
	68,256	79,000	82,348

Expenditure income generation

<i>(In euro)</i>	Actuals 2021	Budget 2021	Actuals 2020
Advertisement	-	20,000	7,479
Other fundraising cost	23,581	30,000	15,355
	23,581	50,000	22,834
Allocated organisational costs	19,725	10,000	30,900
	43,306	60,000	53,734

The costs for securing government subsidies consist entirely of allocated organisational costs. Within HealthNet TPO 0.5 FTE was engaged in securing government subsidies.

Expenditures management and administration

The expenditures for management and administration consist entirely of allocated organisational cost. Staff of the departments finance, operational support and technical support, as well as the managing director spend a percentage of their time on management and administration. The average number of 3.6 FTE's was assigned for management and administration.

The total of the Amsterdam head office costs (€938,872) is split up into the categories personnel costs, accommodation costs, office and general costs, and depreciation and interests. The table shows further details.

<i>(In euros)</i>	Actual 2021	Budget 2021	Actual 2020
Salary cost			
Gross salaries	542,852	545,000	522,003
Social security	81,042	82,000	92,293
Pension	94,722	96,000	93,744
Other personell cost	6,095	12,000	11,046
Total salary cost	724,710	735,000	719,086
Average number of FTE's	8.2	7.8	7.8
Accomodation cost			
Rent	26,718	30,000	28,627
Service charges and move	2,111	3,000	3,359
Office maintenance	6,675	7,000	5,456
Total accomodation cost	35,504	40,000	37,442
Office and general cost			
Automation and telecom	27,323	30,000	19,385
Office cost	6,271	6,000	8,056
Insurance	21,171	22,000	1,737
Bank charges	4,655	5,000	4,448
Consultancy	31,220	33,000	2,704
Audit fees	82,243	82,000	89,476
Other general cost	1,344	2,000	30,332
Total office and general cost	174,227	180,000	156,136
Depreciation and interest			
Depreciation	2,345	2,400	3,508
Interest expense	2,086	3,483	518
Total depreciation and interest	4,431	5,883	4,026
Total organisation cost head office	938,872	960,883	916,691

Most of the 2021 head office costs are in line with the budget and with 2020. Salary costs per FTE decreased slightly as two senior officers were replaced by new employees.

Board and Director remuneration

The Board members are not employed by the organisation. Board members and former Board members do not receive any remuneration during the financial year. No loans or advances were granted, and no guarantees were issued to the Board members. The Board has determined the remuneration policy, the height of the executive benefits and the amount of remuneration components. The remuneration policy is updated periodically. HealthNet TPO has no bonuses, year-end bonuses, or gratuities. Expenses are refunded on a claim basis.



<i>(In euros)</i>	2021	2020
Name	Hans Grootendorst	Hans Grootendorst
Function	Managing Director	Managing Director
Contract	indefinite	indefinite
Hours per week	40	40
Parttime percentage	100%	100%
Period	01/01-31/12	01/02-31/12
Gross wage/salary	85,073	85,764
Holiday allowance	6,861	6,779
Holidays	12,394	13,194
	104,328	105,737
Pension	21,386	21,065
Total	125,714	126,802

Staff overview

	Budget 2021	Actual 2021	Actual 2020
Staff at Amsterdam Head Office			
1 January	7.9	7.9	7.2
31 December	8.2	8.7	7.9
Number of volunteers during the year	-	-	2
Average number of staff at Head Office	8.0	8.2	7.8
Personnel cost per FTE at Head Office (euro)	91,875	88,379	92,043
Other cost per FTE at Head Office (euro)	28,235	26,117	25,293
Hourly rate staff Head Office (budget only, euro)	90	90	90
Field staff per 31 December			
Afghanistan - Local staff	2,520.0	2,806.0	2,518.0
Afghanistan - Expat staff	3.0	2.3	3.0
Burundi - Local staff	29.0	30.0	27.0
Burundi - Expat staff	2.0	1.3	2.0
South Sudan - Local staff	71.0	71.0	72.0
South Sudan - Expat staff	5.0	5.0	5.0
Total field staff	2,630.0	2,915.5	2,627.0

Financial income and expenditure

<i>(In euros)</i>	Actual 2021	Budget 2021	Actual 2020
Exchange rate gains/losses HQ Amsterdam	5,492	-	(85,118)
Exchange rate results project countries	(473,846)	-	(160,391)
Total financial income and expenditure	(468,355)	-	(245,509)



Budget 2022

<i>(In euros)</i>	Budget 2022	Actual 2021
Income		
Income from individuals	10,000	10,220
Subsidies from government grants	20,741,729	26,814,177
Income from non-profit organisations	40,000	39,857
Total income	20,791,729	26,864,254
Expenditure on objectives		
Reconstruction and development	20,450,000	26,390,910
Awareness raising and public information	59,921	68,256
	20,509,921	26,459,166
Expenditure income generation		
Own fundraising efforts	30,000	43,306
Securing government subsidies	90,000	97,200
	120,000	140,506
Expenditure management and administration	460,000	418,533
Total expenditures	21,089,921	27,018,205
Financial income and expenditures	-	-468,355
Result	-298,192	-622,306

<i>Percentage expenditure on objectives vs total income</i>	98.6%	98.5%
<i>Percentage expenditure on objectives vs total expenditure</i>	97.2%	97.9%



NOTES TO THE STATEMENT OF FINANCIAL POSITION

Tangible fixed assets

<i>(In euros)</i>	Furniture	Office machines	Computers	Total
Purchase value				
Balance on 1 January	18,771	164	40,533	59,468
Investments 2021	-	2,813	1,912	4,725
	18,771	2,977	42,445	64,193
Depreciation				
Balance on 1 January	18,771	148	37,074	55,993
Depreciation 2021	-	-	2,345	2,345
	18,771	148	39,419	58,338
Balance 31 December	-	2,829	3,026	5,854

Receivables

<i>(In euros)</i>	Actual 2021	Actual 2020
Debtors	5,411	7,456
Donor receivables	382,706	-
Prepaid expenses	47,435	48,798
Prepayments to subcontractors	1,690,801	909,488
Accrued assets	23,144	71,052
Total receivables	2,149,498	1,036,794

Receivables Afghanistan

In 2021, the Taliban took over power in Afghanistan. For that reason, all payments were (temporarily) suspended, including payments for the projects in which HealthNet TPO was not the leading partner. This has resulted in increased receivables at the end of 2021.

Pre-paid expenses include the deposits and pre-paid expenses at head office and in the field offices.

Prepayments to sub-contractors

For a number of projects HealthNet TPO cooperates with sub-contractors. Some of the sub-contractors are pre-financed by HealthNet TPO. Because no unconditional commitments have been made, we book and charge the expenses of sub-contractors only when the sub-contractor reports the actual expenses.

When HealthNet TPO is not pre-financing the sub-contractors, the sub-contractors are reimbursed afterwards. The commitment is presented as a short-term liability.

Accrued assets

This includes the balance of advances granted to HealthNet TPO staff to carry out activities in the field. HealthNet TPO carries out projects in areas where the (financial) infrastructure is sometimes lacking. To be able to perform all the activities in these areas, cash advances are occasionally given to HealthNet TPO staff. These advances are accounted for within one month.

Cash and bank

<i>(In euros)</i>	Actual 2021	Actual 2020
Cash at bank and in hand in Amsterdam	29	2,788,096
Cash at bank and in hand in project countries	2,226,686	2,537,878
Total cash and bank	2,226,715	5,325,974

Cash and bank per country

<i>(In euros)</i>	Actual 2021	Actual 2020
Afghanistan	1,992,411	2,489,980
Burundi	180,112	20,748
South Sudan	(324,916)	27,151
Total cash and bank in countries	1,847,607	2,537,878

The cash position at the end of 2021 has decreased as a result of the situation in Afghanistan.

In 2020, HealthNet TPO obtained a current account credit facility from the Rabobank up to an amount of €500,000 for short-term liquidity needs. The credit limit will be reduced to €250,000 on the 15th December, 2022. HealthNet TPO has pledged the business assets, inventories, rights and claims, including rights under insurance contracts, to the bank as security. In accordance with expectations, the credit facility was only used occasionally.

Reserves

<i>(In euros)</i>	Actual 2021	Actual 2020
Continuity reserve		
Balance 1 January	1,522,030	1,556,466
Result current year	<u>(1,222,306)</u>	<u>(34,436)</u>
Total continuity reserve	299,724	1,522,030
Total reserves		
Balance 1 January	1,522,030	1,556,466
Result current year	<u>(1,222,306)</u>	<u>(34,436)</u>
Total reserves	299,724	1,522,030

The reserves will be used for its objectives. The Board determines the desired size of the continuity reserve on the basis of three stress scenarios: (i) 50% loss of income and loss of 5% head office expenses coverage for one year; (ii) upon verification, 5% of the contracted income for a year will be rejected; and (iii) 20% of the average balance sheet must be pre-financed. The desired continuity reserve is at least the higher of (i+ ii) and iii. Based on the figures of 2021, the desired continuity reserve is at least €2.2 million. The continuity reserve at the end of 2021 amounts to €0.3 million.

The continuity reserve is not yet at the desired level. This is due to the fact that the result has lagged behind the growth in income and balance sheet total in recent years. This means that in the coming years, HealthNet TPO will use the profit that we are aiming for to increase the continuity reserve to the required level.

Provisions

<i>(In euros)</i>	Actual 2021	Actual 2020
Balance 1 January	438,790	288,570
Allocation	254,127	364,598
Withdrawal	(224,342)	(164,029)
Release	-	(50,349)
Total provisions	468,575	438,790
post project provision	139,824	148,519
social securities	308,751	270,271
court cases Burundi	20,000	20,000
Total provisions	468,575	438,790



<i>(In euros)</i>	post project provision	social securities	court cases
Balance 1 January 2021	148,519	270,271	20,000
Allocation	22,425	231,702	-
Withdrawal	(31,120)	(193,222)	-
Release	-	-	-
Balance 31 December 2021	139,824	308,751	20,000

HealthNet TPO's projects are regularly audited by donors after completion, and after the financial report has been submitted. These project audits can take place until five years after a project has been completed. Provisions are allocated based on expected outcome of the audits.

In some of our project countries, social security contributions are not paid to the government but directly to the employees at the end of their employment period. Because of the nature of these obligations, it was decided to record these long-term obligations as of 2016 as a provision instead of short-term liabilities.

The provision "court cases Burundi" relates to a long overdue labor dispute which has been in and out of the Court since 2017.

Work in progress and project balances

<i>(in euros)</i>	Actual 2021	Actual 2020
Balance on 1 January	(2,190,525)	(1,853,997)
Received subsidies	(20,092,384)	(25,179,089)
Subsidies spent	25,655,388	24,842,561
Total project balance	3,372,480	-2,190,525



<i>(In euros)</i>	2021		2020	
	To be received from donor	Unspent project subsidies	To be received from donor	Unspent project subsidies
Achmea	-	(3,366)	-	(3,366)
Afghan Ministry of Health	4,552,839	-	1,467,809	(363,207)
Dutch Ministry of Foreign Affairs	19,370	(135,857)	23,541	(51,304)
European Commission	85,508	(1,030,957)	-	(4,124,766)
GAVI	6,586	-	-	(1,429)
GFATM	639,356	(57,658)	540,804	(68,455)
United Nations organisations	76,401	(1,834,330)	948,291	(1,356,116)
USAID	1,963	-	-	-
World Bank	39,403	-	-	-
Health Pooled Fund	1,041,089	(2,211)	900,022	-
Other donors	4,937	(30,593)	765	(103,112)
	6,467,453	(3,094,974)	3,881,232	(6,071,756)
Total project balance	3,372,479		-2,190,525	

In 2021, the Taliban took over power in Afghanistan. The situation in Afghanistan in 2021 has had important consequences for the financial position of HealthNet TPO. In the second half of the year of 2021, instalments for Afghanistan were (temporarily) suspended, including payments for the projects in which HealthNet TPO was not the leading partner. This resulted in increased receivables at the end of 2021. Subsequently, the World Bank committed to take care of these payments. Instalments resumed in 2022.

On balance, a claim of €1.6 million remains on August 10, 2022, for which a provision of €600K has been formed in 2021 for the sake of prudence. We estimate that we will retrieve at least 60% of €1.6 million, rounded to €1.0 million at the time. The Board is confident, partly in view of the efforts and diplomacy by the donors and authorities involved, that these claims will be collected in full. Unfortunately, these efforts are not reflected in formalised documents and the results will have to be awaited. The Board intends to wait for the outcome of this process and review at the latest when preparing the annual figures for 2022 whether the receivables should be provided for in full or whether the provision can be released because the payments have been received.

The table above includes the balance of all projects in progress. This balance is determined based on project expenditures and received instalments and reimbursements up to the reporting date and realised income, based on the progress of projects. In determining the realised project income, losses due to budget overruns, ineligible costs or unsecured co-funding obligations are considered.

Based on the progress of the project and instalments received, HealthNet TPO can have a receivable from or a payable to a donor. In the specification project balance per donor the individual position for each donor is explained.



Other short-term liabilities

<i>(In euros)</i>	Actual 2021	Actual 2020
Creditors	14,477	10,455
Payable to project partners	50,620	145,326
Invoices to be received	11,262	411,619
Provision holiday allowance and holiday hours	95,147	78,759
Accrued personnel costs head office	14,785	9,291
Accrued tax and social security head office	18,861	18,537
Accrued personnel costs in project countries	1,611,237	169,005
Accrued social security project countries	286,261	46,114
Accrued subcontractors	1,769,318	510,342
Accrued other cost in project countries	3,114,279	815,449
Total short-term liabilities	6,986,247	2,214,897

Accrued personnel costs head office includes the salary and insurance commitments for staff at head office per the 31st December, 2021. Accrued tax and social security head office includes the tax and social security payables per the 31st December, 2021, for the staff at head office. Accrued personnel costs in project countries includes the salary and tax commitments for staff at field offices per the 31st December, 2021, in Afghanistan, Burundi and South Sudan. Accrued social security project countries includes reservations for paying social security and 'end of contract payments' in Burundi. Accrued sub-contractors are commitments to local partners for services they have provided, mainly in Afghanistan. Accrued other costs in project countries includes all, non-salary related, project commitments in the project countries. These commitments include received invoices and commitments for medicine, constructions of health facilities, fuel and other contracts. The accrued other costs in project countries is mostly caused by the situation in Afghanistan. Since no instalments were received, the liabilities increased accordingly.

Off-balance sheet rights and obligations

In October 2019, the head office moved to the Czaar Peterstraat in Amsterdam. The rental agreement for this office runs from the 15th October 2019, until October 14th, 2024. The

yearly rental cost amounts to €26,800.

For the EC project in Burundi, HealthNet TPO is the lead organisation and contract holder in a consortium with four partners. HealthNet TPO is responsible for the implementation and management of the programme. Therefore, partner contracts have been signed with the partners in which the roles and responsibilities have been defined, based on the contract with the EC. Out of the total amount of €9,325,425, 95% will be funded and 5% will be contributed by the lead organisation and its partners as contractually agreed. Funds to partners are disbursed under the condition of approval of quarterly reporting and provided six monthly forecasts, and only in case the EC has made the funds available to the lead organisation. Annual audits will include all partner and eventual subcontracted organisations. The project started in June 2019 and has a duration of three years.

Subsequent events

In October 2021, institutional donors were looking for alternative funding mechanisms in order to maintain healthcare services in Afghanistan. In December 2021, the World Bank agreed to channel funding through UN organisations towards implementing (I)NGOs.

As a result, contracts were awarded in January



2022 to organisations who took part in a tender process. For HealthNet TPO this resulted in the following additional contracts:

Contracts for provision of primary healthcare (01-02-2022 till 30-06-2022):

- Kunar province: USD 1,671,815
- Laghman province: USD 1,571,928
- Nangarhar province: USD 3,452,413
- Khost province: USD 1,405,507

Contracts for provision of secondary healthcare (01-02-2022 till 30-06-2022):

- Kunar province: USD 943,452
- Laghman province: USD 1,089,093
- Nangarhar province: USD 2,840,461
- Khost province: USD 815,130

The total signed contractual value is USD 13,789,799.

This report is approved by the Board on the 10th October 2022.

Carin Beumer, Chair of the Board
Hans Moison, Treasurer
Guus Eskens, Member
Noelle Ahlberg Kleiterp, Member
Lander van Ommen, Member



Independent auditor's report

To: the Board of HealthNet TPO

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

Our opinion

We have audited the financial statements 2021 of Stichting HealthNet Transcultural Psychosocial Organization (hereafter: HealthNet TPO), based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of HealthNet TPO as at 31 December 2021 and of its result for 2021 in accordance with the 'RJ-Richtlijn 650 Fondsenwervende instellingen' (Guideline for annual reporting 650 'Fundraising institutions' of the Dutch Accounting Standards Board.

The financial statements comprise:

1. the balance sheet as at 31 December 2021;
2. the profit and loss account for 2021; and
3. the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our opinion

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

We are independent of HealthNet TPO in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis on effects of the Taliban take over

We draw attention to the explanation on page 56 which describes the effects of the Taliban take over in Afghanistan during 2021 and the effect on the donor receivables from Afghanistan. Our opinion is not modified in respect of this matter.

B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information, that consists of:
the management board report.

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

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

C. Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the 'RJ-Richtlijn 650 Fondsenwervende instellingen' (Guideline for annual reporting 650 'Fundraising institutions' of the Dutch Accounting Standards Board). Furthermore management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the entity's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the entity's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

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

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

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

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

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

Utrecht, 10 October 2022

For and on behalf of
BDO Audit & Assurance B.V.,

sgd.

drs. J.S. Terlingen RA
