

ANNUAL REPORT

2017

TABLE OF CONTENTS

MANAGEMENT REPORT	3
BUDGET 2018	10
BALANCE	11
STATEMENT OF INCOME AND EXPENDITURES	12
VALUATION STANDARDS.....	13
EXPLANATORY NOTES FOR THE BALANCE SHEET	14
EXPLANATORY NOTES FOR THE STATEMENT OF INCOME AND EXPENDITURES	18
REMUNERATION OF SENIOR OFFICIALS	20
EXPLANATORY NOTES EXPENDITURES	22
AUDIT REPORT	



MANAGEMENT REPORT

WEMOS ADVOCATES ACCESS TO HEALTH FOR EVERYONE WORLDWIDE

VISION, MISSION AND STRATEGY

VISION

Health is a universal human right. Governments are required to safeguard the health conditions of all citizens: access to health care and protection against health threats.

MISSION

Wemos is an independent civil society organization that aims to improve public health worldwide. We call governments, and by extension, multilateral organizations to account on their responsibility to provide the right to health. We analyze Dutch, European and global policy concerning health, and denounce practices that undermine health or health systems.

STRATEGY

We advocate a comprehensive approach to health: it involves all areas of policy. Public health prevails over political and economic interests. We are critical, yet constructive. Our advocacy is evidence-based.

RISK PREVENTION

Our risk analysis is mentioned in our strategy plan 2016-2020, which (at the time of writing) is being revised. Continuity in financial and human resources and reputation management remains the most important focal point.

CONTINUITY IN FINANCIAL RESOURCES

In 2017, 83.8% of Wemos' income was financed by the Dutch Ministry of Foreign Affairs. This subsidy framework will continue until the end of the year 2020. It is our aim to diversify our funding base from the year 2021 onwards: no more than 50%-60% of our income should come from one donor. We are putting a great deal of effort into achieving our aim of diversifying our funding base. In 2017, we took the first successful steps in this direction with new project funding from the Open Society Foundations for two projects for the period November 1 2017 until May 1 2019. In addition, we have reserved a fund of € 50,000 for the year 2018 to strengthen our fundraising.

CONTINUITY IN HUMAN RESOURCES

The Wemos staff is driven and fully involved. Everyone's individual motivation is closely aligned with the Wemos mission. In 2017, there were two team-days, a staff meeting during which we extensively discussed the terms of employment and performance assessment cycle, and a staff outing. The performance assessment cycle has been redesigned (at the time of writing). All employees have carried out a performance agreements meeting. Performance assessment meetings will be held prior to the summer of 2018. We will also hire extra external support to reduce the team's workload (at the time of writing, several vacancies have already been posted –the aim is to fill them by May 1 2018 at the latest).

REPUTATION

Our value lies in our evidence-based advocacy. Wemos meticulously checks all its reports, articles, press releases and other corporate communications in terms of accuracy and completeness. Inaccurate or unverifiable communications can lead to significant reputation damage. Staff members are aware that the 'Wemos message' is not always well-received by everyone and that there should always be room for dialogue. In 2017, there were no situations that necessitated reputation damage control.

ACHIEVEMENT OF OUR OBJECTIVES

In 2017, Wemos worked on the themes 'Harmful substances', 'Fair Medicines' and, within the Health Systems Advocacy Partnership, on 'Sustainable health workforce', and 'Financing for health'.

In the objectives category, Wemos recognizes the funds that were spent on the objective in the year concerned.

Each quarter, we monitor our progress in realizing our objectives through 'Outcome Mapping' for planning, monitoring and evaluation. Each quarter, we also file reports according to the IATI standard (International Aid Transparency Initiative) for the Health Systems Advocacy Partnership, which is funded by the Ministry of Foreign Affairs.

In 2017, several significant results of our work last year were:

Global Health Cafés

In a new series of public debates, we bring global health to the attention of the Dutch public. The first debate (held in KIT) focused on global healthcare workers. Wemos is a partner in the Cafés, coordinated by Vice Versa.

Ethical clinical trials

In spring, we published our report 'Clinical Trials in Africa', a compilation of four of our earlier reports about unethical practices in clinical trials. Partly as a result of the Wemos lobby in the European Parliament, the European Medicines Agency now reports annually on its monitoring of clinical trials in low and middle-income countries.

Analyses of five African countries

As part of the Health Systems Advocacy Partnership, we strengthened our collaboration with civil society organizations in the partner countries Uganda, Kenya, Zambia, Malawi and Tanzania. The analyses of healthcare in these countries reinforce our advocacy for more effective investments in the sector: healthcare for all, and better access to high-quality sexual and reproductive health care.

Events in the Dutch Parliament

Wemos organized two events for Dutch Members of Parliament and their staff members on endocrine-disrupting chemicals and conditions for public investment in medicines. Both events contributed to the political discussion on these topics.

Global health workforce shortages

At the Fourth Global Forum on Human Resources for Health, held in Dublin in November 2017, Wemos organized a session on the increasing shortage and unequal distribution of the global health workforce. We also formed a coalition of civil society organizations with partners. The session built on the action plans adopted this year by the World Health Organization and its Member States.

For a detailed overview of our activities in 2017, please read the report 'Wemos in 2017: an overview of our activities'.

FINANCIAL POLICY AND RESULTS

The balance of income and expenditures shows a positive result of € 51,395. Of this amount, € 50,000 has been reserved in an appropriated reserve for fundraising. The remaining amount will be added to the continuity reserve. Wemos aims to have a continuity reserve of between 50-75% of average operational costs. In 2017, the operational costs were € 982,683, which means that the continuity reserve (€ 529,538) meets the criterion (54%) as of December 31 2017.

INCOME

The revised budget did not include the enforced change in funding distribution in the HSAP alliance. In July 2017, our budget 2017-2020 was reduced by € 330,000. Because Wemos did not fully start in 2017 with the HSAP program due to the uncertainty of this discount (vacancies in particular were only posted after the final discount), by July it was already clear that the 2017 budget would not be met. Therefore it was decided to allocate the budget cut of € 30,000 for 2017 and the cut of €100,000 for 2018 to the operational year 2017. This largely explains why income from the Ministry is much lower than budgeted.

EXPENDITURES

It has already been explained above in the section on income that certain activities were not initiated because of uncertainty regarding government funding. This also largely explains why the expenditure on our objectives was lower than budgeted.

In addition, the budget included an accommodation reserve of € 45,000 which would be financed from the appropriated relocation reserve. But after discussions with the staff and supervisory board, Wemos decided to postpone relocation plans for the time being and to first focus fully on the strategic policy plan and fundraising strategy.

KEY FIGURES

	objective	fundraising	management & admin
Ratio total expenditure	83.4%	11.2%	5.4%
Wemos target (minimum / maximum)	80.0%	12.0%	8.0%
Ratio income	80.2%	10.7%	5.2%
CBF-norm	-	25.0%	-

As shown in the table above, 83.4% of total expenditure was spent on our objectives. We have therefore achieved both our target (>80%) and the CBF-norm. The section Statement of Income and Expenditures includes a comparison of the revised budget and the actual 2016 budget.

INCOME STREAM

In 2017, funding from the Dutch Ministry of Foreign Affairs accounted for 83.8% of our income. 15.6% of our income came from other not-for-profit organizations, and 0.6% from individual donations.

The Health Systems Advocacy Partnership, funded by the Ministry of Foreign Affairs, runs until 2020. The funding granted for the period 2018-2020, is € 2.9 million, after deduction of the subsidy cut of July 2017. For 2018, Wemos has been granted € 100,000 from IDA Charity Foundation, and US\$ 185,000 from the Open Society Foundations for the period November 1 2017-May 1 2019. For the period January 1 2019-May 1 2019, we have been granted € 78,000 from Dioraphte. In 2015, Adessium granted us € 300,000 for the period 2016-2018.

Wemos has a dedicated group of individual donors.

STAFF

In 2017, we appointed a new director and expanded our team with a communications and fundraising officer and a programmes manager. Two fixed-term contracts were not extended, and one staff member left the organization on her own initiative.

On December 31 2017, the Wemos team consisted of 13 staff members (as in 2016). Compared to 2016, the number of FTEs increased slightly, from 10.45 to 11.23.

Absenteeism – in particular long-term absenteeism – poses a great risk for Wemos due to the small size of the team. This means prevention and absence supervision are a priority for the director. In 2017, we invested in an ergonomic examination for all staff members, new ergonomic office chairs, and adjustable standing desks.

Two staff members were able to resume work in the summer of 2017 after a long period of sick leave that started in 2016. Due to the absenteeism of these two staff members, the absenteeism rate for 2017 was relatively high at 5.51% (in 2016: 3.02%).

CORPORATE SOCIAL RESPONSIBILITY

Sustainability is an important aspect of our everyday management; we prefer to use environmentally friendly, sustainable products. Our sustainability policy includes the following:

- Wemos has bank accounts registered at Triodos and ASN Bank;
- Staff is registered at the pension fund PFZW ('Pensioenfonds voor Zorg en Welzijn'), which for the eleventh time, has been declared the most sustainable pension fund by the Dutch Association of Investors for Sustainable Development (VBDO);
- Preferred method of travelling abroad is by train. We compensate for CO2 emission from air travel at Trees for All;
- To minimize travel distance and costs, conference calls are preferred (e.g. via Skype);
- Staff commutes and visits relations by public transportation or bicycle;
- Efficient energy use. When we leave the office, we switch off lights and computers;
- We hold paperless Management and Supervisory Board meetings;
- Our cleaning company uses ecological products;
- We use organic and fair trade coffee, tea and milk as much as possible;
- We use two-sided printing.

CBF RECOGNITION

In 2017, Wemos was in the possession of a quality certificate from the Central Bureau for Fundraising (CBF). We have been certified since 2010, but in 2016 CBF changed its certification policy. Therefore we were awarded a new quality certificate in 2016, which also applied for the year 2017.

GOVERNANCE

Wemos is a Foundation with a Managing Director and a Supervisory Board. The distinction between their roles is stated in the organization's statutes. The Managing Director's role is to govern the organization, which entails drafting, adopting and executing a policy plan, which gives insight into:

- What activities the organization pursues to achieve its objectives;
- What method the organization uses to generate income;
- How the organization manages and spends its capital.

The role of the Supervisory Board is to supervise the Managing Director's policy and the organization's general state of affairs, as well as to provide advisory guidance.

The Supervisory Board's specific tasks are:

- Appointment, suspension and dismissal of the Managing Director;
- Annual performance evaluation of the Managing Director;
- Appointment and dismissal of the Auditor.

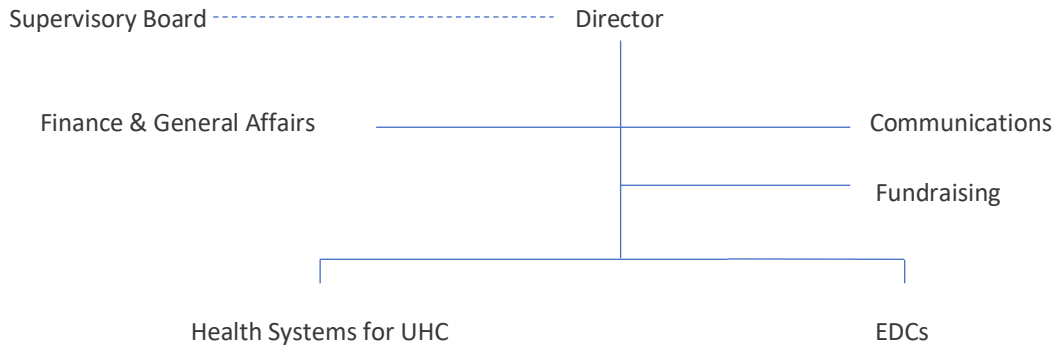
Supervisory Board approval is required for:

- Long-term policy plan and framework;
- Annual plan and annual budget;
- Annual financial statements and annual report;
- Sustainable strategic partnerships.

The accounting firm Dubois & Co. performs interim and annual checks on our financial statements.

The Managing Director's salary is stated in the section 'Remuneration of Senior Officials'. This section also states that the Supervisory Board works on a pro bono basis and that no staff member of the organization earns more than the Managing Director.

ORGANOGRAM



On April 1 2017 Mariëlle Bemelmans was appointed as Managing Director. Up till then, Nelke Manders served as Interim Director for an average of 2 days a week.

Wemos has a Supervisory Board consisting of five members. The members are:

- A.T.C. (Bart) Bosveld, Director Bart Bosveld B.V. and Executive Director SETAC Europe;
- L.J. (Lejo) van der Heiden, Management team member, Management Nature and Biodiversity, Ministry of Economic Affairs;
- J.A. (Jannie) Riteco (Secretary/Vice-chairwoman), Director Revalidatie Nederland (until 31-12-2017), Chairwoman Board of Directors De Waerden, Supervisory Board member Liliane Foundation, SWZ and Responz;
- E.J. (Ed) Rütters (Chairman), Chairman Supervisory Board Lumens, Board of Directors (ad interim) Klimmendaal Revalidatie (as of 1-6-2017);
- J.H.P.M. (Joep) Verboeket, Director/general Director Het Vergeten Kind, Chairman Parents Council St. Vitus College and Board Member Theater Draad.

In 2017, the Supervisory Board and the audit committee held three meetings. In addition to this, the remuneration committee met several times in late 2016 and early 2017 in relation to the vacancy for a new director. Mariëlle Bemelmans was appointed as director commencing April 1 2017.

The Board's agenda items in 2017 were (amongst others): annual report and annual financial statements 2016 / financial semi-annual report / fundraising strategy / communications plan / revised budget 2017 / work plans / HSAP governance / (multi-year) strategic policy plan / budget 2018.

In the Supervisory Board's last meeting of 2017, the chairman and the secretary agreed to plan and start with the evaluation of the Board's performance in early 2018.

Likewise, an evaluation of the managing director's performance took place in January. Based on the outcome of this evaluation it was decided to convert the managing director's fixed-term contract into a permanent contract per January 1 2018.

Wemos has a code of conduct and also endorses the code of conduct of the sector association Partos. Both have been included in our terms of employment regulations that are part of the employment contracts of all Wemos employees.

COMMUNICATION WITH STAKEHOLDERS

In our role as global health advocate, we work with partner organizations and networks in the Netherlands, Europe and worldwide. We are member of Medicus Mundi International (MMI), People's Health Movement (PHM), Geneva Global Health Hub, Health and Environment Alliance (HEAL) and EDC-Free Europe. We also work closely with HSAP partner organizations ACHEST, Amref and Health Action International, as well as the Centre for Research on Multinational Corporations (SOMO). In 2017, we received financial support from Dioraphte, Adessium, Open Society Foundations, IDA Charity Foundation, ASN Foundation, and the Dutch Ministry of Foreign Affairs. Wemos fulfils the role of global health advocate in these collaborations. All project staff members communicate with relations and organizations by email, phone, Skype meetings, and face-to-face meetings. (see www.wemos.nl for a complete list of our partners and donors)

The Wemos complaints procedure can be found on our website. It explains how and within what time frame complaints from stakeholders must be processed. In 2017 we did not receive any complaints.

THE FUTURE

In the period ahead Wemos will remain fully focused on strengthening and revising our core themes and on diversifying our financial income sources.

BUDGET 2018

The budget below was approved by the Supervisory Board in its meeting on January 17 2018.

	Health Systems	EDCs	medicines	innovation	total
FTE	10.22	1.00	1.41	0.21	12.84
INCOME					
Income individual donors	5,259	517	724		6,500
Income governments	1,117,622				1,117,622
Income foundations	161,600	81,000	100,500		343,100
Total income	1,284,481	81,517	101,224	0	1,467,222
EXPENDITURES					
Project costs	250,975	7,800	8,890		267,665
Personnel costs	940,287	86,964	98,889	17,540	1,143,680
Accommodation	51,662	5,076	7,112		63,850
Office & general costs	50,812	4,993	6,995		62,800
Costs communication & fundraising	27,348	2,687	3,765		33,800
Depreciation	2,832	278	390		3,500
Total expenditures	1,323,916	107,798	126,041	17,540	1,575,295
<i>Result for financial profit and losses</i>	<i>-39,435</i>	<i>-26,281</i>	<i>-24,817</i>	<i>-17,540</i>	<i>-108,073</i>
Balance of financial profit and losses	243	24	33	0	300
BALANCE OF INCOME AND EXPENDITURES	-39,192	-26,257	-24,784	-17,540	-107,773

The Supervisory Board has approved the budget shown above on condition that significant efforts are made to secure new funding to negate programmes' budgeted cuts. This concerns a total amount of € 90,233. The budgeted deficit for innovation of €17,540 can be allocated to the designated fund for innovation.

BALANCE

All amounts are in Euro

	31-12-2017	31-12-2016
ASSETS		
Fixed assets		
Tangible fixed assets	3,201	8,076
Current assets		
Receivables	49,950	41,300
Liquidities	1,474,165	1,128,394
TOTAL ASSETS	1,527,317	1,177,771
	31-12-2017	31-12-2016
LIABILITIES		
Reserves		
Continuity reserve	529,538	528,143
Designated funds	127,994	77,994
Total reserves	657,532	606,137
Short-term liabilities	869,784	571,634
TOTAL LIABILITIES	1,527,317	1,177,771

STATEMENT OF INCOME AND EXPENDITURES

All amounts are in Euro

	Actuals 2017	Revised budget 2017	Actuals 2016
INCOME			
Income individual donors	7,440	4,000	7,753
Income governments	1,075,853	1,294,630	813,228
Income foundations	201,309	202,813	242,687
Total income	1,284,602	1,501,443	1,063,668
Other income	0		2,796
Total income	1,284,602	1,501,443	1,066,464
EXPENDITURES			
<i>Expenditures for objectives</i>			
<i>To strengthen national health systems that contribute to the structural improvement of people's health through advocacy</i>	1,029,980	1,316,466	891,237
Total expenditure for objectives	1,029,980	1,316,466	891,237
Income acquisitions costs	137,719	125,101	79,695
Costs management and administration	67,020	105,295	54,019
Total expenditures	1,234,719	1,546,862	1,024,951
<i>Result for financial profit and losses</i>	<i>49,883</i>	<i>-45,419</i>	<i>41,513</i>
Balance of financial profit and losses	1,512	906	4,500
BALANCE OF INCOME AND EXPENDITURES	51,395	-44,513	46,013
<i>Result allocation</i>			
Addition / withdrawal:			
Continuity reserve	1,395	487	0
Designated funds	50,000	-45,000	46,013
TOTAL	51,395	-44,513	46,013
<i>Key figures</i>			
Expenditures for objectives / total income	80.2%	87.7%	83.6%
Expenditure for objectives / total expenditures	83.4%	85.1%	87.0%
Income acquisitions costs/total income	10.7%	8.3%	7.5%
Management and administration/total expenditures	5.4%	6.8%	5.3%

VALUATION STANDARDS

This report has been drawn up in accordance with Directive 650 for Fundraising Institutions.

ACCOUNTING PRINCIPLES

TANGIBLE FIXED ASSETS

The tangible fixed assets are valued at purchasing price, after deduction of depreciations (based on estimated economic lifetime). The depreciation period of office equipment is 5 years (20%). Computers and other hard- and software are depreciated within 3 years (33.3%).

RECEIVABLES AND ACCRUALS

Receivables and accruals are valued at nominal worth after deduction of depreciations.

GRANTS RECEIVED IN ADVANCE/GRANTS TO BE RECEIVED

Some grant terms exceed the term of one fiscal year. The received prepayment is the difference between the prepayment that the grant giver made in one fiscal year and the project costs of that same year.

RESERVES AND FUNDS

Reserves and designated funds are allocated to the foundation's objectives.

SHORT-TERM LIABILITIES

Short-term liabilities are valued at nominal value.

RESULTS PRINCIPLES

GRANT INCOME

Grants are allocated on the basis of the realized execution costs of a project, within the frameworks fixed in the grant decision.

DONATIONS AND GIFTS

Donations and gifts are recognized as income in the year of receipt.

COST DISTRIBUTION

Costs for management and administration, fundraising and the various objectives are calculated based on the basis of a distribution key in accordance with the Directive 650 for Fundraising Institutions.

BALANCE OF INCOME AND EXPENDITURES

The balance of income and expenditures is calculated based on the difference between the income attributable to the financial year and the expenditures required to realize it.

EXPLANATORY NOTES FOR THE BALANCE SHEET

All amounts are in Euro

ASSETS		
Tangible fixed assets	31-12-2017	31-12-2016
Balance as of January 1	108,648	181,373
Purchases	0	3,923
Divestments 2017	-7,638	-76,648
	101,010	108,648
Depreciations until 31.12.2016	100,573	171,203
Depreciation on divestment	-7,639	-76,647
Depreciation 2017	4,875	6,017
	97,809	100,573
Balance as of 31 December	3,201	8,075

All material fixed assets are designated to the organization. This includes office equipment (€ 814) and computers (€ 2,387).

Receivables	31-12-2017	31-12-2016
Grants to be received		
Foundations	27,500	23,369
	27,500	23,369
Prepayments		
Prepaid costs	20,888	4,459
PFZW pension		6,400
	20,888	10,859
Other receivables		
Interest to be received	1,512	4,421
Debtors		381
Other receivables		2,138
Guarantees	50	50
Disbursed advances		82
	1,562	7,073
Total receivables	49,950	41,300

	31-12-2017	31-12-2016
Liquidities		
ASN savings account	1,033,104	998,949
Triodos savings account	317,474	243
ING savings account	16,006	15,970
Current accounts (ING and Triodos)	107,401	112,756
Cash Euros	130	302
Cash foreign currencies	51	175
	1,474,165	1,128,394

LIABILITIES

Reserves	Designated funds			
	continuity reserve	relocation	innovation	fundraising
Balance as of January 1	528,143	45,000	32,994	
Mutation	1,395			
Additions out of continuity reserve				50,000
Balance as of December 31	529,538	45,000	32,994	50,000

Wemos strives to have a continuity reserve that equals 50-75% of the average operational costs. The average operational costs for the year 2017 are € 982,683, therefore the continuity reserve as of December 31 2017 meets the criterion (54%).

In 2016, Wemos decided to search for new premises. For this reason an *relocation reserve* was retained to (partly) cover related costs. However, in 2017 we decided to postpone re-accommodation plans and instead to give priority to the development of the strategic policy plan. In addition, more certainty and diversification of income must first be guaranteed before the relocation can be planned. The designated reserve for relocation has therefore not been used in 2017..

The *innovation reserve* was created in 2013 for the purpose of providing the financial possibility of developing innovative concepts. In late 2017, Wemos a collaboration process with universities was decided, for which one staff member has been made available for one day per week. Costs related to this will be allocated to the designated reserve.

In 2017, almost 84% of our total income was funded by one source (Dutch Ministry of Foreign Affairs, programme Dialogue and Dissent, within the consortium Health Systems Advocacy Partnership). Wemos strives by the year 2021 (2020 will be the last year we will receive funding for the partnership), to have at least 40% of its income coming from multiple donors. For this reason, a reserve of € 50,000 was made in 2017 to (occasionally) hire extra manpower to tighten up and execute our fundraising policy.

SHORT-TERM LIABILITIES	31-12-2017	31-12-2016
Tax and premiums		
Tax and social security premiums	40,300	28,983
	40,300	28,983
Funds received in advance		
Ministry of Foreign Affairs Netherlands (HSAP)	414,120	357,037
Foundations	283,444	50,882
	697,565	407,919
Other short-term liabilities		
Contracting parties	22,456	22,456
Other creditors	54,234	45,890
Other liabilities	793	21,137
Salaries and holiday allowance	26,314	19,085
Audit costs	7,744	9,075
Leave day entitlements	20,378	17,089
	131,919	134,732
Total short-term liabilities	869,784	571,634

OBLIGATIONS NOT INCLUDED IN THE BALANCE

PROJECTS/PROGRAMMES

Wemos is an alliance partner in the project 'Health Systems Advocacy Partnership'. Amref is the secretary, for this grant, provided by the Ministry of Foreign Affairs for the period 2016-2020. The Wemos budget for the entire period of the partnership is € 5,346.500. However, in 2017, on the initiative of the secretary, a redistribution of funds between the alliance partners took place. This resulted in a budget cut of € 330,000 for Wemos. Because Wemos had carried over the undercut amount (as compared to the 2016 budget) to 2017, and because it became clear over the course of the year that (yet again) we would not be able to spend the budget, Wemos decided to apply a discount of € 130,000 to the 2017 budget. The remaining €200,000 has been evenly deducted from the budgets for 2019 (€100,000) and 2020 (€100,000).

The Open Society Foundations has awarded a grant to two programmes for the period November 1 2017-April 2019: for 'Medicines that matter' (US\$ 75,000) and for 'Aid-for-Trade: assessing the contribution to a healthy state' (US\$ 110,000).

In 2017, IDA Charity Foundation granted € 100,000 to the project 'Skilled Health Workers Needed: scaling up investments'. This project runs from January 1 2018 until December 31 2018.

ACCOMMODATION

Wemos has a rental contract with a tacit extension every two months. The notice period is also two months. The rental price is indexed each year in June. As of December 31 2017, the rental price is € 38,443 annually (not subject to VAT). The ING Bank has provided a bank guarantee of € 15,160 for the rental contract. This amount is included in the liquid assets.

PRINTER/COPYMACHINE

Wemos has signed a service agreement for consumables and maintenance costs for the printer/ copier. This agreement is valid until December 31 2019; the annual costs are €1,433 (VAT included).

EXPLANATORY NOTES FOR THE STATEMENT OF INCOME AND EXPENDITURES

All amounts are in Euro

INCOME	Actuals 2017	Revised budget 2017	Actuals 2016
Individual donors			
Donations and gifts	7,440	4,000	7,753
Government			
Ministry of Foreign Affairs (Netherlands), Alliance HSAP	1,075,853	1,294,630	804,834
European Commission			8.394
	1,075,853	1,294,630	813,228
Foundations			
Dioraphte (2 programmes)	58,022	72,931	23,369
Adessium (2 programmes)	95,488	99,394	119,606
Triodos Foundation			5,000
ASN	9,300		
IDA Charity Foundation	30,488	30,488	94,712
OSF (2 programmes)	8,011		
	201,309	202,813	242,687
Other income			
Activity support			2,796
GENERAL TOTAL	1,284,602	1,501,443	1,066,464

EXPENDITURES	Actuals 2017	Revised budget 2017	Actuals 2016
Expenditures on objectives			
Health System Advocacy Netherlands	85,318	145,261	67,012
Health System Advocacy International	150,311	162,410	64,669
Medicines	9,160	35,387	30,512
EDCs	2,517	17,194	23,439
Other	1,051	50	13,344
	248,357	360,302	198,976
Costs own organization	781,623	956,164	692,262
Total objectives	1,029,980	1,316,466	891,238
Expenditures related to income acquisitions	3,678	6,000	9,013
Costs own organization	134,041	119,101	70,683
Total income acquisitions	137,719	125,101	79,696
Expenditures related to management & admin		250	144
Costs management & admin	67,020	105,045	53,873
Total management & admin	67,020	105,295	54,017
GENERAL TOTAL	1,234,719	1,546,862	1,024,951
FINANCIAL PROFIT AND LOSSES	Actuals 2017	Revised budget 2017	Actuals 2016
Result for financial profit and losses	1,512	906	4,500
BALANCE OF INCOME AND EXPENDITURES	51,395	-44,513	46,013
Addition / withdrawal:			
Continuity reserve	1,395	487	
Designated funds fundraising	50,000		
Designated funds innovation			1,013
Designated funds re-accommodation		-45,000	45,000
BALANCE	51,395	-44,513	46,013

REMUNERATION OF SENIOR OFFICIALS

All amounts are in Euro

The remuneration policy complies with the norm in the context of the Standardization of Remuneration Act (WNT), for Senior Officials in the public and semi-public sector, established by the Ministry of Foreign Affairs.

Senior official with employment contract	
Name	Mariëlle Bemelmans
Function	Managing Director
Start of employment	April 1 2017
Number of FTEs	1.0
Former senior official	no
Implied contract	yes
Remuneration	
Remuneration plus reimbursement (subject to tax)	65,638
Employer's part pension contribution	6,912
Long-term payable remuneration	
<i>Subtotal</i>	72,550
Individual remuneration maximum	126,575
-/- Amount unduly paid	n/a
Total remuneration	72,550

Senior official without employment contract		
Name	Nelke Manders	
Function	Managing Director	
Calendar year	<u>2017</u>	<u>2016</u>
Period employment in calendar year	Jan. 1 – April 19	Aug. 15 – Dec. 31
Number of calendar months	4	5
Individual remuneration maximum		
Maximum hourly rate in calendar year	176	175
Maximum based on norm per month	80,000	120,000
Individual maximum entire period		98,968
Remuneration		
Actual hourly rate lower than (average) max hourly rate	yes	yes
Remuneration in related period	26,800	29,000
Total remuneration entire period		55,800
-/- Amount unduly paid	n/a	n/a
Total remuneration (VAT excluded)		55,800

The Supervisory Board consists of the following members:

Chairman: E.J. (Ed) Rütters

Secretary/Vice-chairwoman: J.A. (Jannie) Riteco

Chairman audit commission: A.T.C. (Bart) Bosveld

General members: L.J. (Lejo) van der Heiden / J.H.M. (Joep) Verboeket

The members of the Supervisory Board perform their duties unpaid; all members are entitled to a reimbursement of incurred expenses of € 75 for each attended meeting. In 2017, all five Board members attended all (three) meetings.

Staff members with employment contract shall not receive higher remuneration than the Wemos' director.

EXPLANATORY NOTES EXPENDITURES

All amounts are in Euro

	Objectives						Costs incurred to obtain income	Management and Administration	Total actuals 2017	Revised budget 2017	Total actuals 2016
	Health Systems Advocacy Netherlands	Health Systems Advocacy International	Medicines	EDCs	Miscellaneous *)	Total					
International lobby & advocacy	85,318	150,311	9,160	2,517	1,051	248,357			248,357	360,302	198,975
Other activity costs						0	3,678		3,678	6,250	9,157
Personnel costs	219,163	294,687	50,444	61,507	39,188	664,989	114,039	57,019	836,047	1,003,935	693,885
Premises costs	16,218	21,807	3,733	4,552	2,900	49,210	8,439	4,220	61,869	98,100	49,401
Office and general costs	20,943	28,160	4,820	5,878	3,745	63,546	10,898	5,449	79,893	74,275	67,515
Depreciation costs	1,278	1,718	294	359	229	3,878	665	332	4,875	4,000	6,018
Total	342,920	496,683	68,451	74,813	47,113	1,029,980	137,719	67,020	1,234,719	1,546,862	1,024,951

In accordance with Directive 650 for Fundraising Institutions, costs are allocated to the objectives, obtaining income, and management & administration. Allocation is based on the following principles:

- Directly attributable costs are allocated as such;
- Not directly attributable costs are allocated on the basis of a distribution key, based on the number of FTEs per category:

Strategy	9.33 FTE
Income acquisition costs	1.60 FTE
Management & Administration	0.80 FTE
	11.73 FTE incl. 0.5 FTE interim manager F&O

Specification of personnel costs:

	Actuals 2017	Revised budget 2017	Actuals 2016
Gross salaries	597,752	721,505	506,553
Employers' part social security costs	94,129	125,563	79,410
Employers' part pension contribution	53,517	82,513	44,318
Other personnel costs	90,648	74,354	63,604
	836,047	1,003,935	693,885

The number of FTEs with fixed-term or permanent contracts as of December 31 2017, is 11.23 FTE (13 persons).

*) The objective "Miscellaneous" includes:

- Completion of project 'Pesticides in Africa';
- Report on unethical clinical trials;
- Preliminary research Human Plastic;
- Initiation of the programme Aid for Trade.

INDEPENDENT AUDITOR'S REPORT

To: the Supervisory Board and the Board of Stichting Wemos based in Amsterdam, The Netherlands.

A. Report on the audit of the financial statements 2017 included in the annual report

Our opinion

We have audited the financial statements 2017 of Stichting Wemos based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting Wemos as at 31 December 2017 and of its result for 2017 in accordance with the Guidelines for annual reporting 650 "Fundraising Organisations" of the Dutch Accounting Standards Board, and the Policy rules implementation of the Public and Semi-public Sector Senior Officials (Standard Remuneration) Act (WNT).

The financial statements comprise:

1. the balance sheet as at 31 December 2017;
2. statement of income and expenditures for 2017; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing as well as the Policy rules implementation WNT, including the Audit Protocol WNT. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting Wemos 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.

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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 Board's report (Introduction up to and including Internal organisation). Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

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

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements. Management is responsible for the preparation of the other information, including the Board's report, in accordance with the Guidelines for annual reporting 650 "Fundraising Organisations" of the Dutch Accounting Standards Board.

C. Description of responsibilities regarding the financial statements

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

The Board is responsible for the preparation and fair presentation of the financial statements, in accordance with the Guidelines for annual reporting 650 "Fundraising Organisations" of the Dutch Accounting Standards Board, and the Policy rules implementation of the Public and Semi-public Sector Senior Officials (Standard Remuneration) Act (WNT). Furthermore, the Board is responsible for such internal control as the Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

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

The Supervisory Board is responsible for monitoring the financial reporting process of the organisation.

Our responsibilities for the audit of the financial statements

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

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, as well as the Policy rules implementation WNT, including the Audit Protocol WNT, ethical requirements and independence requirements.

Our audit included e.g.:

- 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 organisation's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause an organisation to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Amsterdam, 15 May 2018

Dubois & Co. Registeraccountants

Signed on original by:
G. Visser RA