

**SPANDA FOUNDATION
THE HAGUE, NETHERLANDS**

FINANCIAL REPORT 2015

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DIRECTOR'S REPORT 2015

Foundations' Profile

Spanda Foundation (Spanda) was established in The Hague, The Netherlands, in 2005 under the Dutch law as a legally independent non-profit transnational NGO for sustainable development and cooperation.

Spanda aims to promote creative solutions and strategic resources to foster individual and collective development and pursue initiatives that may serve the common good, advance human progress and enrich communities towards a more just and peaceful world.

The Foundation is committed to reach its aims by creating and implementing projects and initiatives that empower transformation, add social value and serve as catalyst for long-term systemic change. At the heart of this mission is an aspiration to contribute to the achievement of a higher degree of consciousness. Spanda major programme areas of action are culture, education, health & environment, economics and research.

Spanda is a resource for innovative people and institutions worldwide; its core values embody some basic themes in all of its programmes:

- Respect and appreciation for diversity of ideas and people;
- The pursuit of social justice with understanding of and compassion for disenfranchised communities;
- Support to initiatives that nurture and strengthen the capacities of current and future generations, regardless of race, beliefs, income, gender, family circumstances or ability;
- Promotion of international development and cooperation to advance human achievement;
- The pursuit of ethical and spiritual concerns to stimulate ongoing dialogue to gain increased awareness of ethical perspectives;
- Protection and enhancement of a just and equitable quality of life for all species within the means of nature.

The Foundation work is carried out on a voluntary basis by people with personal mastery and from different professional backgrounds.

To reach its goals, Spanda is supported by donations from individuals, foundations, corporations and public institutions.

Projects

Spanda current initiatives are:

The Jubilo Project. *Conflict prevention and transformation, ethnic integration and peace building through intercultural and interfaith dialogue.*

We updated the estimate for the production of the first documentary for the *Abraham's Legacy* television series and started the fundraising phase.

Within the framework of the *Tea of Peace* operative programme, we redesigned the strategies, published the research papers and drafted the survey material for the forthcoming rounds of the open forum dialogues on *Food, War, Death and Afterlife* in Judaism Christianity and Islam. We adapted the overall plan of action to match the community needs.

We drafted and defined the new proprietary *Middle Council* methodology to be applied in diverse problematic and, specifically, to the European migration crises.

The Mantra Project. *Green microfinance, renewable energy and sustainable agriculture for the empowerment of women.*

Since its inception in 2009, research and studies in the fields of renewable energies and microfinance have led to the structuring of a pro-development innovative project to be implemented in small community villages of around 100/200 people in the districts of Bo and Pujehun in Sierra Leone. If successful, it would be replicated in other communities.

So far, we have made a great wealth of research and published papers on the current situation of the Country (*Sierra Leone Report 2009*), on the effectiveness of microfinance in post-conflict areas (*Post-Conflict Action and Microfinance in Sierra Leone*) and, to gain insights on possible threats and advantages in implementing the Project, a comparative analysis of similar ventures in West Africa (*Compare, Practices and Results of a Selection of Solar Power/Microfinance Projects in Sierra Leone*). Furthermore, we analysed the human rights situation in the Country in relation with the international policy environment (*Human Rights, microfinance & Going Green in Sierra Leone*), the role of microfinance in political and economic marginalisation (*Social & Political Perspectives on Microfinance in Sierra Leone*), and the impact of sustainable agro-green- micro- finance (*Green Microfinance and Sustainable Agriculture*) – all publications are available both at our website and through the Microfinance Gateway library of the Consultative Group to Assist the Poor (CGAP).

We started to assess the expected economic, social and environmental impact of the Project in selected communities, developed contact with Sierra Leone individuals and institutions, identified the implementing partners, selected the prospected beneficiaries, devised the financial flow and the funding scheme, prepared the budget and, thanks to the provision of pro-bono legal services by an international law Firm, drafted the loan agreement between the parties.

With the advent of the ebola infection we had to put on hold all activities and started to research for other possible post-conflict communities where to continue implementing the Mantra vision and methodology. To this aim, the Mapuche indigenous community of Southern Chile were identified, and we started to investigate on the best possible ways to bring forth the project. We established partnership with the Universidad de la Frontera, with the local Parlamento Koz-koz, set up a dedicated website and a blog, and launched a crowdfunding campaign to collect funding for a first in local visit.

The Musiké Project. *Research, recovery, documentation, conservation and dissemination of the world's ethnomusical heritage.*

We brought forward the preparation for the *Charmed Flutes* live concert on the blowhole instruments. Due to the length of preparation, the date of the premiere was postponed to the 2017 musical season. In the concert, expert musicians from different cultures will present their specific instruments and perform a selection of their repertoire.

The event proposes an itinerary of research on a comparative methodology throughout the connections between the physical features of the instrument, the peculiarities of its sound and musicality, the diverse repertoires and playing techniques and their distinct cultural backgrounds.

The performance will be recorded and filmed for the subsequent production of an educational DVD published by Spanda, in which, in addition to the interviews with the performers, the technical, educational, symbolic and anthropological aspects related to the historical and geographical use of each instrument will be uncovered.

We concluded the fifth section on the mythology of the flute and produced the relevant material for forthcoming issue "*Charmed Flutes*" of the Journal that will complement the concert.

Moreover, we started getting in contact with possible producer in US and Europe.

The Akarma - Clean Code Project. *Fostering a clean sustainable systemic change and ensuring 'clean' processes, products and complex devices for future generations.*

The Akarma - Clean Code Project aims to design, develop, implement, monitor, promote and enforce in the practice of business activities and in legal entities a global Clean Code standard that takes into account sustainability, respect for human and social rights, the environment and social justice, so to grant that along the whole supply chain only 'clean' actions, products or complex devices or process have been performed.

The *Akarma - Clean Code* standard integrates, builds on and further advances the concepts of social responsibility, circular and green economy, cradle-to-cradle, resource efficiency, smart design and many more demands surfaced lately at collective consciousness level.

The Project started in late September 2012 and is currently in its projectual phase. So far, we have drafted the conceptual framework, defined the rules and principles, and identified the initial research lines.

The Lila Project. *A virtual community-driven think-thank platform to co-create and implement transdisciplinary cultural and development policies.*

The project started at the beginning of 2013 and is currently in advanced state of conceptualization. We started official contact with several international development organizations (Oxfam Int. and Oxfam Mexico) and adjusted the overall Concept Note to the feasibility. We started investigating possible partnership with IT and VR platform developer and research department of universities.

Spanda supports its mission with long-term projects requiring multi-year commitments of funding and technical assistance.

Publications

The Spanda Website, the printed *Spanda Journal* and the online *Spanda Monitor* are the official publications of the Foundation.

Even though Spanda is not a publishing house, it publishes – under its own imprint Spanda Publishing – occasional and working papers such as final reports of its projects, results and reflections from ongoing research, discussion and topical papers, conference proceedings and the like to stimulate and disseminate new insight in current issues or disclose new directions of thought.

This English-language series, targeted at international policymakers, diplomats, academics, social entrepreneurs, civil society representatives, journalists and the broad general public, is available both in printed format and online at the Spanda website.

Commercially published books, as the multimedia/printed series of the *Jubilo* and *Musiké* projects, are co-published with international commercial publishing houses or counterparts.

This year we published two monographic issues of the *Spanda Journal*: "Collective Intelligence" and "Systemic Change".

Board of Trustees & Staff

The Spanda Foundation is currently governed by a board of trustees, consisting of:

Sahlan L. Momo – Chair

Johannes H. Witteveen – Treasurer

Simona C. Sapienza – Secretary

Jan P. Pronk – Advisor

Oscar van Dierendonck – Counsellor

Deployment of volunteers and interns

For the FY 2015, the volunteer service is capitalized on the basis of an average Eurostat provided European wage of 18euros/hour. The volunteer total cost for 2015 is 23.238 euro and is registered both in expenses and cost. The interns' deployment, together with the deployment of Mr Chairman, is based on the daily registry log for the above-mentioned average of 18euros/hour.

The capitalization of the deployment of interns has from 2012 been taken into consideration in the drafting of the Financial Statements. Six Spanda's projects are included in the Financial Statements and they are, by percentage, the following, starting from 2015 life-spanned until 2030:

<i>The Jubilo Project</i>	18%
<i>The Mantra Project</i>	26%
<i>The Musike' Project</i>	23%
<i>The Akarma – Clean Code Project</i>	12%
<i>The Lila Project</i>	10%
<i>Spanda Journal</i>	11%

Strategic Plan 2015-2017

In 2014 Spanda launched a strategic plan for the period 2015-2017, which aims to continue the implementation of above-mentioned projects, including the new *Middle Council* project, a recent spin-off from the *Tea for Peace* programme of the *Jubilo Project*.

The activities include research, editorial activities, fundraising, web presence, promoting events/networking; continuing the Consultative relationship with UN Compact Council; the EUROPEAID granting facilities; fundraising with the Globalgiving programme; take more practical advantage of Spanda Consultative status with the United Nations ECOSOC to actively participate in the UN sessions for the new launched Sustainable Development Agenda.

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BUDGET 2016

For 2016 the budget can be summarized as follows:

In Euro's

Income

Donations	25.000
Grants	
Fundraising, events, other	30.000
Volunteers	25.000
	80.000

Expenses

Staff cost	30.000
Project and other costs	50.000
	80.000

Result

0

The Hague , 31th March 2016

Chairman of the Board
S.L. Momo

SPANDA FOUNDATION

Currency: EUR

		BALANCE 2015	BALANCE 2014	BALANCE 2013
ASSETS				
Equipment	Office Equipment	15.485	15.485	15.485
	Equipment Depreciation	-14.135	-13.935	-13.705
Total Equipment		1.350	1.550	1.780
Supplies:	Inventory	22.552	22.552	22.237
Current Assets:	Accounts Receivable	1.023	1.700	1.723
	Cash	2.201	7.467	7.735
Total Current Assets		25.776	25.537	31.427
Total Projects		3.069.862	0	0
Project Accumulated Amortization		219.278	0	0
Total Assets		<u>3.096.988</u>	<u>27.087</u>	<u>33.207</u>
LIABILITIES				
Owner's Equity:	Unrestricted use	3.091.638	20.597	31.295
Total Owners Equity		3.091.638	20.597	31.295
Long term Liabilities:	Total Equipment	1.350	1.550	1.780
Current Liabilities:	Accounts/Notes Payable	4.000	4.940	132
Total Liabilities		5.350	6.490	1.912
Total Liabilities and Owner's Equity		<u>3.096.988</u>	<u>27.087</u>	<u>33.207</u>

SPANDA FOUNDATION	2015	2014	2013
Currency: Euro €	P&L 2015	P&L 2014	P&L 2013
Donations	29.505	25.033	10.094
Sales	0	0	0
Volunteer Service	23.238	125.065	107.160
Bank Interest	0	0	23
R/C Semar	0	650	302
Other	14.561	9822	8.546
Total Revenues	67.304	150.748	126.125
Volunteer Service	23.238	125.065	107.160
Postage	315	360	283
Tel./Fax/Email	1.273	892	1.084
Office Supplies	914	345	528
Various	7.968	3.803	869
Travel	633	789	70
Bank charges	5.085	4.901	1.021
Rent	20.390	7.813	7.763
Publ. & Subscriptions	9.145	21.910	0
Eventcosts	0	0	0
Accountantfee	0	0	0
Total Expenses	68.961	165.878	118.778
Total Result	-1.657	-15.130	7.347

GENERAL NOTES

GENERAL PRINCIPLES OF ACCOUNTING

General

With effect from its year of establishment (2005), the Foundation implements the Dutch Guidelines for Small Organizations – Richtlijnen voor de kleine organisatie (RJK) – namely, the standard for international non-profit organizations C1.

Principles for the valuation of assets and liabilities and for the determination of results

General. The valuation of assets and liabilities and the determination of the balance results are made on the basis of historical cost, except when otherwise specified in the following notes.

Income and expenses are allocated to the year to which they relate. Profits are registered at the Balance sheet date.

Losses incurred before the end of the financial year (FY) are registered at the date of the drafting of financial statements.

Principles for the valuation of assets and liabilities

Tangible fixed assets

Equipment

Tangible fixed assets are registered at acquisition value less the accumulated depreciation based on their estimated life span.

Inventory/Stock Books, CDs etc.

Inventories are valued at 15% of the retail price at the year of publication from 01-01-2012.

Receivables

Upon initial recognition the receivables are included at fair value and then valued at amortized cost. The fair value and amortized cost equal the face value. Any provision for doubtful accounts deemed necessary is deducted. These provisions are determined by individual assessment of the receivables.

Intangibles unidentified assets (Projects)

Intangible unidentified assets are included on the basis of the cost of the volunteering hours consumed on them, calculated for an estimated life span of fifteen years (2015-2030) for the projects and amortized annually with no diminishing value (according to IFRS for the evaluation of intangible unidentified assets- cultural assets). Increase/decrease in the number of interns employed on the projects will be annually added/subtracted to the initial depreciation estimation and will be considered project investment/de-investment respectively. It falls in the responsibilities of Spanda Foundation board to announce the time of a project termination if earlier than 2030 and amortize the above-mentioned to the year of termination for the total amount until a zero diminishing value.

Liabilities

Upon initial recognition the liabilities are included in fair value and then valued at amortized costs. The fair value and amortized costs equal the face value.

Principles for the determination of results Benefit

The benefits include the revenues net of discounts.

Among the benefits are revenues from donations, gifts, bank interest, fundraising and publication.

Depreciation

Depreciation/Amortization is capitalized on the basis of the acquisition values, the diminishing value and the estimated life span of the related assets.

Office equipment (5 years)	20%
Hardware (5 years)	20%
Projects (15 years)	6.7%

Taxes

The Foundation is exempt from any tax.

NOTES TO THE BALANCE SHEET	2015	2014	2013
ASSETS			
Equipment			
Balance January 1st			
Investments	14.780	14.780	14.780
Accumulated depreciation	-13.230	-13.000	-12.576
Total Equipment	1.550	1.780	2.204
Investments/Years	0	0	0
Depreciation/Year	-200	-230	-424
Balance December 31st			
Investments	15.485	15.485	15.485
Accumulated depreciation	-14.135	-13.935	-13.705
Total Equipment	1.350	1.550	1.780
Inventory	22.552	22.552	22.237
Projects			
Akarma	394.696		
Jubilo	592.045		
Mantra	855.176		
Musiké	756.502		
Lila	328.914		
Spanda Journal	361.805		
Total Projects	3.289.140		
Amortization Projects	-219.278		
Receivables			
Bank interest	0	0	23
E-on	1.023	0	0
VSB fund	0	1.700	1.700
Total receivables	1.023	1.700	1.723
Cash			
Bank No. 46.82.65.236	2200	1.285	7.467
Bank No. 41.45.86.565	1	0	0
Total cash	2.201	1.285	7.467
TOTAL ASSETS	3.096.988	27.087	33.207

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	2015	2014	2013
EQUITY			
Equity Janaury 1st	20.597	31.295	22.031
Year result	-1.637	-15.130	7.347
Equity December 31st	3.091.638	20.597	31.295
Total Equipment	1.350	1.550	1.780
ACCOUNTS/NOTES PAYABLE			
Rent	4000	0	0
Telephone	0	0	75
Credit Card	0	4.940	57
	4.000	4.940	132
Current liabilities	5.350	6.490	1.912
TOTAL LIABILITIES AND EQUITIES	3.096.988	27.087	33.207

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The equity is unrestricted and will be used by the Foundation for accomplishing the goals according to the strategic plan.

Contingent Assets and Liabilities

Rental agreement

By 1st May 2015 a new rental agreement with Mr Raoul S. A. Ashruf was signed for a residence/office on Fredrik Hendriklaan 200 for a yearly rent of EUR 24.000.

NOTES TO THE PROFIT AND LOSS ACCOUNT

Personnel cost

In the years 2013, 2014 and 2015 the Foundation did not employ any staff. All work has been done by volunteers and interns. The volunteer capital cost was calculated based on the 'Eurostat' valuation of hourly average wage. Various costs comprises miscellaneous costs, printing costs, electricity and energy costs, supplies other, etc. ICS ABN credit card costs were included in the 'bank cost' account.