

The board of  
**Stichting Re-course International**  
Kraijenhoffstraat 137A  
1018 RG AMSTERDAM

## INDEPENDENT AUDITOR'S REPORT

### 1 Report on the audit of the financial statements 2021

#### Our opinion

We have audited the financial statements 2021 of Stichting Re-course International, based in Amsterdam. In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting Re-course International as at 31 December 2021, and of its result for 2021 in accordance with the 'RJ-640 Richtlijn Organisaties zonder winststreven' (Guideline for annual reporting 640 'Not-for-profit organisations' 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 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 of 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 Stichting Re-course International 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.

#### EEN WAARDEVOL ACCENT

## **2 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. 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 in accordance with the 'RJ-640 Richtlijn Organisaties zonder winststreven' (Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board).

## **3 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-640 Richtlijn Organisaties zonder winststreven' (Guideline for annual reporting 640 'Not-for-profit organisations' 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 company'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 company 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 company'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.

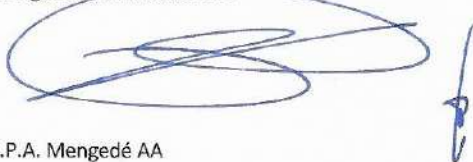
We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

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

Nijmegen, February 8<sup>th</sup>, 2022

Mengedé Accountants B.V.



R.P.A. Mengedé AA

Stichting  
Re-course  
International

Financial Report 2021

A handwritten signature in blue ink, located in the bottom right corner of the page. The signature is stylized and appears to be a single word or a short phrase.

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**Financial Statements 2021**

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# 1 Balance sheet as at December 31, 2021

## 1.1 Assets

(after appropriation of result)		December 31,	December 31,
		2021	2020
	€	€	€
<b>Current assets</b>			
<b>Receivables</b>			
Other receivables	33,179	56,552	
		33,179	56,552
Cash and cash equivalents		375,770	207,133
<b>Total</b>		<b>408,949</b>	<b>263,685</b>

## 1.2 Equity and liabilities

(after appropriation of result)		December 31,	December 31,
		2021	2020
	€	€	€
<b>Equity</b>			
Project reserves	241,753	225,569	
Other reserves	71,258	17,787	
		313,011	243,356
<b>Accounts payable</b>			
Grants received in advance	66,546	-	
Taxes payable and social security contributions payable	6,423	5,632	
Other accounts payable	22,969	14,697	
		95,938	20,329
<b>Total</b>		<b>408,949</b>	<b>263,685</b>

## 2 Statement of income and expenditure for 2021

	2021 €	2020 €
Grants	504,412	320,391
Other income	6,118	4,521
<b>Operating income</b>	<b>510,530</b>	<b>324,912</b>
<b>Employee benefits</b>		
Staff costs	239,452	229,635
<b>Other operating expenses</b>		
Consultancy fees	136,588	36,250
Partner subcontracts	15,000	-
Travel, meeting & training	8,229	17,603
Conference & workshops	44	3,378
Printing, editing, design & translation	10,900	7,337
Grant audits	6,000	6,801
Overheads	37,567	19,581
<b>Operating expenses</b>	<b>453,780</b>	<b>320,585</b>
<b>Operating result</b>	<b>56,750</b>	<b>4,327</b>
<b>Financial income and expense</b>		
Interest expenses and related expenses	-3,280	-1,990
<b>Result</b>	<b>53,470</b>	<b>2,337</b>
<b>Result allocation</b>		
<b>Allocated result</b>	<b>53,470</b>	<b>2,337</b>



### 3 General notes

#### **Most important activities**

The activities of Stichting Re-course International, having its legal seat at Amsterdam primarily consist of achieving environmental and social justice by ensuring that development finance helps people and the natural resources on which they depend for their sustenance, protects and does not harm.

#### **Location actual activities**

Stichting Re-course International is located in Amsterdam and is registered at the chamber of commerce under number 64363635.

## **4 Accounting policies**

### **4.1 General**

#### **General policies**

The financial statements have been prepared in accordance with RJ 640 'Organisaties zonder winststreven' (Organizations without profit intent) as issued by the Dutch Accounting Standards Board. In general, if not specifically stated otherwise, assets and liabilities they are recognised at the amounts at which they were acquired or incurred. Income is allocated to the period in which it is realized. Losses are accounted for in the period in which they are foreseeable. The balance sheet and statement of income and expenditure include references to the notes.

#### **Accounting policies for the valuation of assets and equity and liabilities**

The valuation of assets and liabilities and the determination of the result are based on historical costs, unless stated otherwise.

#### **Accounting policies for the income statement**

The result is determined based upon the difference between income and expenditures taking into account the accounting principles mentioned before. Income and expenses are accounted for on accruals basis. Results are realised in the year the corresponding services are performed. Losses originating before the end of the financial year are taken into account if they are foreseeable.

The income is accounted for proportionally to the period in which the underlying services are performed. The costs of these services are accounted for in the same period. General costs and activity costs are allocated to the year to which they relate.

#### **Foreign currency translation**

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the income statement. Translation differences on nonmonetary assets held at cost are recognised using the exchange rates prevailing at the dates of the transactions.

### **4.2 Accounting policies for assets**

#### **Receivables**

Upon initial recognition receivables are recognised at fair value and subsequently measured at amortised cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues using the effective interest method. Interest gains are recognized. Any provision for doubtful accounts deemed necessary is deducted. These provisions are determined by individual assessment of the receivables. When a trade receivable is uncollectable, it is written off against the provision for trade receivables. The receivables are due within one year.

#### **Cash and cash equivalents**

Cash and cash equivalents represent cash in hand, bank balances and deposits with terms of less than one year. Overdrafts at banks are recognized as part of current liabilities. Cash and cash equivalents are carried at nominal value. If cash equivalents are not freely disposable, then this has been considered upon valuation.

#### **4.3 Accounting policies for the income statement**

##### **Other operating expenses**

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

## 5 Notes to balance sheet

### 5.1 Receivables

	December 31, 2021 €	December 31, 2020 €
<b>Other receivables</b>		
European Climate Foundation (ECF1)	-	6,965
European Climate Foundation (ECF2)	-	6,709
European Climate Foundation (ECF3)	6,247	-
European Climate Foundation (ECF4)	10,301	-
European Climate Foundation (PIE1)	16,543	-
KR Fund (KRF1)	-	40,302
Staff reimbursement	88	2,576
<b>Total</b>	<b>33,179</b>	<b>56,552</b>

### 5.2 Cash and cash equivalents

	December 31, 2021 €	December 31, 2020 €
<b>Bank credits</b>		
Soldo prepaid expense cards	5,070	1,660
Triodos Bank current account	370,700	205,473
<b>Total</b>	<b>375,770</b>	<b>207,133</b>

### 5.3 Equity

	December 31, 2021 €	December 31, 2020 €
<b>Project reserves</b>		
European Climate Foundation (ECF3)	-	35,674
European Climate Foundation (PIE1)	-	71,445
European Climate Foundation (PIE2)	90,443	-
European Climate Foundation (TARA)	121,245	-
KR Fund (KRF1)	-	26,301
Oxfam Hong Kong (OHK4)	-	30,197
Oxfam Hong Kong (OHK5)	19,990	-
Swedish Society for Nature Conservation	-	31,993
Trust for Mutual Understanding (TMU1)	-	10,580
Trust for Mutual Understanding (TMU4)	10,075	19,379
<b>Total</b>	<b>313,011</b>	<b>243,356</b>

	December 31, 2021 €	December 31, 2020 €
<b>General reserves</b>		
Balance as at January 1	17,787	15,450
Result for the year	53,470	2,337
<b>Balance as at December 31</b>	<b>71,257</b>	<b>17,787</b>

#### Disclosure

Equity that is freely available will be categorised in the balance sheet under retained earnings. Equity that is allocated by the board or external donors (remaining grants) to specific purposes and projects will be categorised under project reserves. The project reserves are further disclosed in the Balance Sheet Notes. A policy for spending of freely available reserves was updated in the course of 2020 and approved in January 2021 by the Board.

#### 5.4 Accounts payable

	December 31, 2021 €	December 31, 2020 €
<b>Grants received in advance</b>		
KR Fund (KRF3)	66,546	-
<b>Taxes payable and social security contributions payable</b>		
<b>Wage tax and social security</b>		
Dutch Tax	-	1,915
HMRC	6,423	3,717
	6,423	5,632
<b>Other accounts payable</b>		
Accountancy fees	1,400	500
Audit fees	8,924	4,155
Bank charges	117	9
Legal fees	1,175	-
Online communications	4,127	-
Partner subcontracts	5,000	-
Payroll services	968	702
Staff pension premiums	415	9,199
Travel	842	-
Other accounts payable	1	132
	22,969	14,697
<b>Total</b>	<b>95,938</b>	<b>20,329</b>



## 6 Notes to income statement

### 6.1 Revenue and gross margin

	2021 €	2020 €
<b>Grants</b>		
Christian Aid	-	1,691
Climate Works Foundation (CWF3)	-	899
European Climate Foundation (ECF1)	-	49,210
European Climate Foundation (ECF2)	-	48,166
European Climate Foundation (ECF3)	60,000	71
European Climate Foundation (ECF4)	80,870	-
European Climate Foundation (PIE1)	103,758	-
European Climate Foundation (PIE2)	4,789	-
European Climate Foundation (TARA)	5,000	-
Heinrich Boell Foundation (HBF1)	9,000	-
Hivos	-	25,435
KR Fund (KRF1)	26,301	79,562
Oxfam Hong Kong (OHK ICE1)	9,974	7,375
Oxfam Hong Kong (OHK3)	-	23,566
Oxfam Hong Kong (OHK4)	41,278	40,204
Oxfam Hong Kong (OHK5)	50,774	-
Oxfam United States (OUS)	16,735	-
Swedish Society for Nature Conservation	75,993	33,661
Trust for Mutual Understanding (TMU1)	10,580	10,498
Trust for Mutual Understanding (TMU4)	9,304	-
Other donation	56	53
	<b>504,412</b>	<b>320,391</b>
<b>Other income</b>		
General income	1,408	1
UK Employment Allowance	4,710	4,520
	<b>6,118</b>	<b>4,521</b>
<b>Operating income</b>	<b>510,530</b>	<b>324,912</b>
<b>Total income</b>	<b>510,530</b>	<b>324,912</b>

### 6.2 Employee benefits

	2021 €	2020 €
<b>Staff costs</b>		
Salaries, benefits & employer taxes	239,452	229,635
<b>Total</b>	<b>239,452</b>	<b>229,635</b>

#### Disclosure

In 2021 on average of 3 staff members (2020: 3) were employed on a full time basis. A further 4 people were employed on a consultancy or intern basis.



### 6.3 Other operating expenses

	2021 €	2020 €
<b>Consultancy fees</b>		
Consultant fees	136,588	36,250
<b>Partner subcontracts</b>		
Partner subcontracts	15,000	-
<b>Travel, meeting &amp; training</b>		
Travel, meetings & training	8,229	17,603
<b>Conference &amp; workshops</b>		
Conferences & workshops	44	3,378
<b>Printing, editing, design &amp; translation</b>		
Printing, editing, design & translation	10,900	7,337
<b>Grant audits</b>		
KR Fund	-	303
Swedish Society for Nature Conservation	6,000	6,498
	6,000	6,801
<b>Overheads</b>		
Overheads	37,567	19,581
<b>Total</b>	<b>214,328</b>	<b>90,950</b>

### 6.4 Financial income and expense

	2021 €	2020 €
<b>Financial gain &amp; losses</b>		
Bank charges	-3,280	-1,990
<b>Financial income and expense</b>	<b>-3,280</b>	<b>-1,990</b>

## 7 Other notes

### 7.1 Vision

A world where people and planet are at the heart of development. Recourse targets development finance as a means of influencing the wider investment community, financial flows and governments, to ensure inclusive, environmentally sustainable, socially just and pro-poor development.

### 7.2 Mission

**Recourse** has three meanings which define our mission:

1. **Recourse** (*verb: Change of course or direction*) Recourse campaigns to redirect international financial flows away from dirty, harmful investments, towards greener and more inclusive development
2. **Recourse** (*noun: A source of help in a difficult situation*) Recourse works in partnership with others to support communities in their struggle for their rights to be respected and their voices to be heard
3. **Recourse** (*noun: The legal right to demand compensation or payment*) Recourse holds financial institutions to account for harms to people and the environment

### 7.3 Other

**Our work focuses on two themes**

#### 1. Rights and accountability

Recourse supports communities in their struggle for their rights to be respected and their voices to be heard, so that they benefit from, rather than bear the costs of, development, and gain their rights to information, justice and redress. We hold investors to account for harms and campaign to stop discriminatory investment.

In 2021 our work included:

- A new campaign on the International Monetary Fund (IMF) that helped to ensure that it included climate change systematically into its surveillance work for the first time. See our IMF reports on surveillance and capacity building: [Missing Links](#) and [Out of the Shadows](#)
- Playing a crucial role in influencing the re-channelling to the global south of rich countries' portion of the \$650 billion Special Drawing Rights by the IMF, by ensuring climate change issues are reflected in [civil society advocacy](#)
- Analysing the World Bank's Country Programme Framework for Indonesia 2021 - 2024, developing a [joint statement](#) with Trend Asia questioning bank policies on gas transition, exposure to coal and delayed action on climate change.
- Supporting Pakistan and Indonesia civil society to analyse the impacts of [development policy finance](#). This included partner-led work around the Pakistan energy plan and the role DPF conditionalities play in weakening renewable energy targets.
- Successfully influencing the new Environmental and Social Framework of the Asian Infrastructure Investment Bank (AIIB), published in May 2021, achieving crucial reforms on transparency and accountability in financial intermediary (FI) lending. See; and a study of [AIIB's fossil fuels investments in Bangladesh](#)
- Extending our reach to other international financial institutions, campaigning to improve FI lending standards at the [European Investment Bank](#), the Dutch bilateral [FMO](#), and the UK bilateral [CDC](#).
- Producing [critical analysis](#) of the Asian Infrastructure Investment Bank's accountability mechanism, calling into question barriers to effective accountability.

## 2. Ecological justice

The climate crisis demands urgent action from IFIs: Recourse campaigns to stop financial institutions bankrolling fossil fuels and causing environmental destruction, and to instead promote renewable energy, energy access and secure rights to natural resources for local communities. We advocate that this must happen in a way that supports and does not undermine the livelihoods of local communities but rather puts them at the centre of development decision-making. In 2021 Recourse's work included:

- Campaigning with Indonesian groups to hold the International Finance Corporation (IFC) accountable over its [investment in the Java 9 and 10 coal plants](#) via FI client, Hana Bank.
- [Publishing](#) a new analysis on World Bank Group's performance in top 5 energy poor countries in the world, which concluded that it is falling short in aligning its priorities with those of borrowing countries on energy access.
- Coordinating civil society organisations [to advocate with the World Bank](#) to improve its energy access policy and practice.
- Expanding our campaigning to cover the Asian Development Bank (ADB), focusing on shifting investments out of fossil fuels. See our [first ADB publication](#) focused on the Energy Policy review and formal [submissions](#) to the [Energy Policy review](#).
- Sustaining pressure on the AIIB to become Paris aligned and shift its portfolio out of fossil fuels. This resulted in AIIB finally officially committing to review its [Energy Sector Strategy](#) (ESS) in 2022.

## 7.4 Employees

The average number of employees during the year, converted to full-time equivalents, was as follows:

Average number of employees during the period	2021 fte	2020 fte
Active outside the Netherlands	3.0	3.0

## 7.5 Signature

Amsterdam, February 8<sup>th</sup>, 2022

Name	Signature
S. Breitskopf, Chair	
Th. Chronopoulos, Treasurer	
J. Athalya, Board member	
M. Lekalakala, Board member	
R. Brightwell, Board member	
K. Geary, Co-director	
N. Sinani, Co-director	

