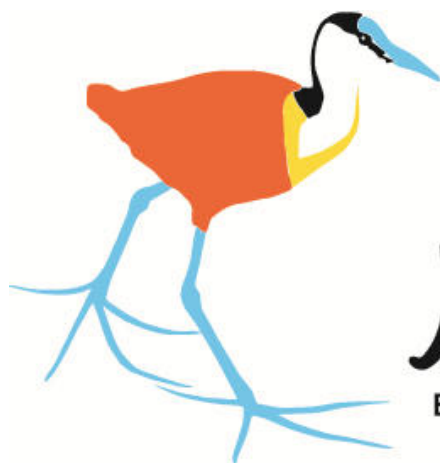




Annual report 2016



JACANA
Business Empowerment

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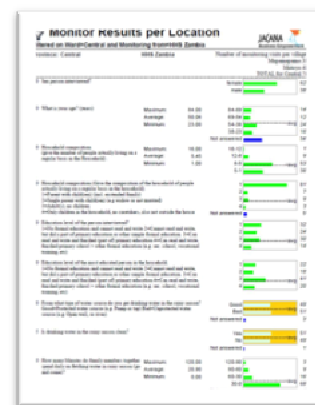


1 Foreword

2016 was a good year for Jacana. We proved that the training and guidance of entrepreneurs is successful and leads to better living conditions for the entrepreneurs and their families. Some outcomes are that revenue increased, more clients were attracted and in half of the cases more jobs were created. Jacana wishes all these entrepreneurs good luck in proceeding their expansion.

Beside the guidance of entrepreneurs, Jacana started with the SMART training centre. In this centre Jacana trains and guides entrepreneurs who produce pumps and ground water recharge systems and drill boreholes. A survey was done in five provinces to define the best location and Chipata in Eastern Province was chosen. In July 2016 the office shifted from Chisamba to Chipata. In Chipata three more people were employed.

With the establishment of the SMART training centre Jacana wants to support a water Self-supply network, meaning that a supply chain of affordable and locally made water technologies are produced by local entrepreneurs. How wonderful would it be if after a few years local entrepreneurs continue selling water solutions without any need for support?



On Jacana's demonstration plot a manually drilled borehole with rope pump is installed and many families in the neighbourhood use the water for household use. This is just an example that the locally produced rope pump is highly appreciated. A lot of people ask us when and where they can buy the pumps. Hopefully we can show them where to buy the pumps soon when the SMART centre is fully operational and producers of the SMARTechs are trained.

Jacana wants to thank all the individuals and organisations who made it possible to guide entrepreneurs in Zambia and start up the SMART centre. We are sure that the guidance will lead to a more sustainable income and access to water for more and more people in the future.

Dinie Nijssen
Director Jacana Foundation Zambia



2 History

Rik and Dinie worked in Africa for seven years before they started to think about establishing a foundation. Next to their jobs they guided small scale entrepreneurs who asked for help, not money but skills. Rik and Dinie experienced that with a small input a great impact could be reached. That is why they realised their dream, starting Jacana with the intention to guide and train small scale entrepreneurs.

In April 2015 Stichting Jacana in the Netherlands was a fact and the focus of the work is Zambia. In November 2015 Jacana Foundation was registered in Zambia. In the first year Jacana trained and guided all kind of entrepreneurs with various businesses in Chisamba and Lusaka. During that time it was proven that with a bit of guidance the entrepreneurs could expand their businesses. The content of the guidance differs. Many entrepreneurs want guidance in book keeping, marketing and management skills. Experts were found when Jacana could not deliver the expertise.

In October 2015 the first steps in the realisation of a SMART training centre were made. The concept of locally produced Simple, Market based, Affordable, Repairable Technologies (SMART), like rope pumps, manually drilled boreholes and ground water recharge systems fits perfectly in the strategy of Jacana. Jacana conducted a survey in five provinces and Eastern Province was found to be the best place to start. In July 2016 Jacana's office moved to Chipata and the preparations of the SMART Centre started.

The Republic of Zambia is a landlocked country in Southern Africa, neighbouring Congo, Tanzania, Malawi, Mozambique, Zimbabwe, Botswana, Namibia and Angola. The capital is Lusaka. Zambia's population is around 14 million people (2013) and the country is 752.618 km², which is more than 3 times the size of the Great Britain. Zambia, formerly known as Northern Rhodesia became independent on 24 October 1964 and has never been in war with other countries. The official language of Zambia is English, which is used to conduct official business and is the medium of instruction in schools. The main local language is Nyanja seconded by Bemba.

Jacana office is located in Chipata in the Eastern Province, one of the 10 provinces of Zambia. Chipata is close to the border with Malawi.



- Zambia is a political stable country but unfortunately sixty percent of people in Zambia live below the poverty line and 42 percent are considered to be extremely poor (WFP, March 2015).
- More than 350,000 people in the country are food insecure, i.e. they do not have access to a regular supply of healthy food (WFP, March 2015).
- More than 5 million people (35%) in Zambia have no access to an improved water source (rural areas 49%) and more than 6 million people (41%) have no access to improved sanitation (rural areas 56%) (JMP 2015).
- Although UN statistics (2015) show that 86.7% of the work force in Zambia has some kind of employment, 89% of that is **informal** employment. This means that people are employed or are self-employed without any kind of registration (like: Chamber of Commerce, Tax, Workers insurance or Pension scheme). In other words they depend on, or work for very **small entrepreneurs**. In rural areas the informal employment rate is 96% (zamstats.gov.zm 2008).
- The prevalence of human immunodeficiency virus (HIV) among adults is 14.3 percent (WFP, March 2015)
- The Zambian's population density is at a very low rate of 12 people per square kilometre.



3 Objectives, aim, vision and procedures

3.1 Goal

The goal of Jacana is to support small scale entrepreneurs in Zambia who want to expand their business, so that they can grow economically and create better living conditions for themselves and their environment.

- Poverty reduction: Strengthening and supporting of small scale entrepreneurs results in extra jobs and the development of the local economy. The guided entrepreneurs will be role models for other people in their neighbourhood.
- Sustainability: The Zambian entrepreneurs ask for support and that makes them owners of their own growth process. Jacana guides the entrepreneurs, but does not take over responsibilities and that is how Jacana guarantees the independency of Zambian entrepreneurs.
- Knowledge exchange: Besides training in writing a business, financial and marketing plan, Jacana also facilitates knowledge exchange between Zambian entrepreneurs and experts if necessary.

3.2 Vision

The reason for these goals is that many small entrepreneurs in development countries do not get the chance to expand their businesses. Many of them are lacking skills and knowledge. Jacana performs a role in providing this missing knowledge and skills. Through tailor-made guidance, Jacana helps them to analyse their financial situation, make plans, and links them to experts and organisations that can support them in their specific field of expertise.

Credit facilities are not always available and accessible in Zambia. Jacana helps small entrepreneurs in planning their expansion based on available cash flow and/or in the preparation of the loan application to existing finance institutions.

3.3 How we work

Not everybody is an entrepreneur to lead a growing business. Therefore, Jacana uses strict standards to select entrepreneurs who want to receive guidance of one year.

Selection procedure

- 1) Selection of small scale entrepreneurs who have ideas to expand their business. Entrepreneurs who run their business for two years or longer are invited to write a simple expansion plan and deliver it to Jacana office.
- 2) Jacana makes a selection and offers a three days business, financial and marketing training.
- 3) Out of the entrepreneurs who follow the three days training, Jacana selects the most promising entrepreneurs and offers them a tailored made guidance for one year.

Individual guiding of one year

This guiding is meant for those who emerged as most promising and resolute in the training and who are willing to be guided by Jacana in their growing process.

When funds are raised the individual guidance can start. Together with the entrepreneur the business plan is fine-tuned and a plan of action is made in which the current situation and future plans are described.

Every individual guiding trajectory is tailor-made according to the needs of the entrepreneur. When Jacana cannot deliver the guidance itself an expert is found who can guide the entrepreneur for a few weeks. After that Jacana follows up.

Jacana informs the expert and donors on the progress of the entrepreneur.

After the guidance period the African entrepreneur is available as an expert for others in the future.



4 Project results 2016

Next to the training and guidance of all kind of small scale entrepreneurs, Jacana started in 2016 with the preparations for “Water for Zambia” project. Jacana was able to do a survey in five provinces to select the best possible area to start the SMART training centre with the goal to provide water for the people in Zambia. Next to that some drilling equipment was made and the first boreholes were drilled and three rope pumps were installed. With the installation of the rope pumps on manually drilled boreholes many people are served with water and proof is delivered that this technique works in the Eastern part of Zambia. Many people show interest in this low-cost technology.

4.1 Establishment of cooperation with partner(s)

- Jacana signed a MoU with the SMART Centre Group, coordinated by Meta Meta and supported by Aqua for All and RWSN. The approach of the SMART Centre Group is to strengthen the local private sector to produce and sell SMARTechs. SMART stands for Simple, Market-based, Affordable, Repairable Technologies like manual drilling of tube wells, rope pumps and ground water recharge systems. It is expected that Jacana will benefit in sharing knowledge and co-writing of (multi-country) proposals.
- Jacana is a member of the monthly INGO meetings. Jacana presented the SMART Centre approach in this group and the idea was warmly welcomed by other organisations.
- Pump Aid and Jacana had a meeting in Chipata to explore if there are possibilities of working together in the future. Pump Aid is operating from Malawi. By the end of 2016 both parties are still looking for ways to work together.

- Jacana was asked to write a Partner Cooperation Agreement (PCA) with UNICEF. In this PCA Jacana proposes to establish two SMART training centres in Zambia (Chipata and Mansa). Three other parties are involved in this proposal: Trade institute in Mansa and Chipata and Varen in Mansa. There was a meeting with Ministry of Local Government and Housing, initiated by UNICEF and Jacana, where the idea was warmly welcomed and permission was given to start the SMART centres. This Ministry was responsible for water in 2016, but a new ministry will be established in 2017 only dealing with water.
- Jacana introduced itself to authorities in Chipata and was warmly welcomed by Permanent Secretary, District Council, Town Clerk and the Paramount Chief of Chipata District.
- The water program was presented to the council, district and provincial water authorities. All promised full cooperation.
- While planning to start the Jacana SMART training centre a lot of organisations were approached: Plan International, CFU (conservation farming unit), COMACO (community markets for conservation) and Cargill in Chipata, Water Aid Zambia & UK and CFU head office in Lusaka and Tikondane (a community program) in Katete.
COMACO will partner in the water program in the future and CFU will invite Jacana to demonstrate SMARTechs during its field days and it will share all data they have for the benefit of the farmers.
- Rik attended RWSN conference “Water for everyone” in Abidjan. Jacana represented the SMART Centre Group with two other SMART Centres (Tanzania and Malawi).
- Sally Sutton from UK offered to advice Jacana in establishing the SMART training centre. She worked in Zambia for a long time and has a lot of knowledge about the Self-supply approach in the water sector.

4.2 Development and testing of tools

4.2.1 Regular program

- The three manuals (business, financial and marketing) were reviewed, adjusted and combined in one manual.
- Not all the entrepreneurs speak English. For that reason, a Nyanja version has been written and is ready for use.
- A bookkeeping database system was developed, tested and is used by three entrepreneurs.

4.2.2 Water-related program

- Together with some enthusiastic welders and well diggers from Chipata the first tools were produced to drill boreholes manually (Mzuzu drill and soil punch). The set was tested and improved during the creation of two boreholes and deepening of two hand dug wells. Online video instructions were made and posted at www.jacana.help/resources/water.



- Three rope pumps were installed; one at Jacana demonstration plot, one at a farmer and one at well digger. The rope pumps are functioning well and many people use the pumps. The pump at Jacana's demonstration plot serves at least 7 or 8 families with water and many more when the town pipeline does not work for a few days.



- Our employee Reuben Chulu (general worker) attended a hygiene and toilet construction training provided by UNICEF. He gained knowledge regarding the construction of low cost latrines and he built several affordable hand wash facilities at the demonstration plot.

4.3 Development of training

Jacana developed a three-day training with a mix of theory and practice. The groups are small, because the focus must be on the entrepreneurs' specific business and not businesses in general.

- Day 1: Training on how to write the Lean Canvas Business Model. At the end of the day the trainees go home with a first version of their own business model to expand their business.
- Day 2: Training on financial planning. In this training the entrepreneurs learn theories concerning finances which are important for expanding their businesses. At the end of the day the trainees go home with a calculation of the cost price of their product and a simple financial plan for their business expansion.
- Day 3: The trainees finalize their financial training and receive marketing tips which they can immediately apply in their businesses.

In December 2016, a group of welders and a group of well diggers were trained. The training was slightly different because the focus for the welders was on production of pumps and the focus of the well diggers was on manual drilling of tube wells.

4.3.1 Local Trainer

Pious Nyirongo is trained, guided and now qualified to train all three subjects in English and Nyanja.



4.4 Training, guiding entrepreneurs, finding experts and raising funds.

4.4.1 Training

In 2016, 53 entrepreneurs registered for the business, financial and marketing training. 48 entrepreneurs successfully completed the training. Five entrepreneurs (three male and two female) did not manage to finish the three-day training for personal reasons.

Training results

Date	Place	Entrepreneurs certified	Male	Female	Trainer
March '16	Chisamba	11 (2 groups)	10	1	Pious under supervision of Rik and Dinie
March '16	Chisamba	6 (1 group)	5	1	Pious in local language
August '16	Chipata	16 (3 groups)	7	9	Pious assisted by Rik and Dinie
December '16	Chipata	15 (3 groups)	15	0	Pious assisted by Rik and Dinie Elias under supervision of Pious, Rik and Dinie
TOTAL		48	37	11	

Gender balance

Year	Total trained	Male		Female	
2015	18	12	67%	6	33%
2016	48	37	77%	11	23%
Total	66	49	74%	17	26%

4.4.2 Guiding of entrepreneurs and finding experts

From these trained entrepreneurs 12 were selected for further guidance of which 58% male and 42% are female entrepreneurs.

Name of entrepreneur	Status	Expert	Remark
Ireen Mutwale, wedding planner	Completed July 2016	Jeannette Biesbroeck (NL) came for three days to advise Ireen	Opened a new beauty salon, employed three more staff, started website
Miriam Munkanda, tailor	Completed July 2016	Not needed	Attracted more customers because of marketing strategy
Hilda Munkanda, lodge manager	Completed July 2016	Pious formal manager of guest house	Implemented a bookkeeping system, learned computer skills, started website, learned managerial skills. Created more revenue.
Wamunyima Simunji, cooking oil producer	Going on till Januari 2017	Le Tran (USA) designing of labels and logo	Started selling labelled bottles of cooking oil, started shop, started

			vegetable growing and selling. Hired more seasonable workers.
Joseph and Jona Zulu, welders	Going on till Januari 2017	Maren de Bruin (NL) designing of business cards and billboard	Implemented bookkeeping system, finishing bending machine and start a new branch and provided work for two more people.
Xavier Ndeketeya	Stopped	Jeroen Reith (NL) designed a freezit label and logo.	Found another job.
Joel Mpulibushi, solid waste manager	Going on till Januari 2017	Trashback (SA) supported him to start his recycling business	Garbage collection grow from 15 to 40 households because of marketing campaign, started recycling, employed a manager and another permanent worker and gives about 18 extra collectors a regular income.
Godfrey Siluchali	Going on till March 2017	Rik Haanen (NL), supports in ICT advice	Godfrey will launch his program in spring 2017. He had a break of a few months.
Catherine Banda, tailor and designer	Started in December 2016	Looking for an expert in designing baby clothes	Is looking for a second branch to open a baby shop.
Moses and Oswald, brick makers and well diggers	Still looking for funds December 2016	Henk Holtslag will train them in pump and borehole production	Drilled manually 3 boreholes in Chipata.

A total of more than 25 new jobs were created by the entrepreneurs.

Jacana's goal was to select and guide 20 entrepreneurs in total at the end of 2016. This goal is not reached. In one case an entrepreneur found another job and stopped his business. Another reason is that not enough entrepreneurs in the trainings qualified for the intensive guidance of one year. At last Jacana moved the office to Chipata and needed to start up the promotion activities to create brand awareness.

4.4.3 Fundraising

In 2016 three end reports were submitted to Stichting Haëlla, De Johanna Donk-Grote Stichting and Het Protestants Steunfonds.

Jacana is very pleased that Stichting Haëlla and De Johanna Donk-Grote Stichting want to sponsor it again for one year. New donors were found: De Kootje Fundatien, Stichting Leo Bijl, Hofstee Stichting, COMACO and Rabo Share4More foundation. Crowdfunding is an ongoing process.

Wild Geeze signed an agreement with Jacana to sponsor part of the Water for Zambia project. More proposals are written and waiting for confirmation.

4.5 Creating brand awareness

Jacana is active on the internet via social media and its website and tries to reach as many people as possible.

By attending the monthly INGO meetings, the RWSN conference in Abidjan and many meetings with organisations, like PLAN international, UNICEF, WaterAid, World Vision and CFU, Jacana presented itself and created good relationship.

Jacana's marketing strategy focuses on three different groups:

1. Small African entrepreneurs who will be supported by Jacana;
This was done through the website, flyers and visiting the entrepreneurs.
2. Passionate experts, who want to assist the entrepreneurs where needed.
3. Donors by crowd funding and charity organizations through personal contacts, flyers, newsletters, website and social media.

Number of donations	90
Number of donors who donated more than once	8
Number of returning monthly donations	7
Number of anonymous donations	2

Jacana provides information in different ways:

- Website, information about the aim of Jacana and its projects, www.jacana.help. Reaching 81.390 unique individuals visited in 2016. These people visited the site for an average duration of 34 seconds. Over 7% of these visitors are returning visitors.
- Social media, up-to-date information about Jacana
 - Facebook (www.facebook.com/jacana.help)
 - LinkedIn (www.linkedin.com/company/jacana-business-empowerment)
 - Google+ (<http://plus.google.com/+JacanaHelp>)
 - Twitter @Jacana_help
- Each month a newsletter was sent in English to 620 readers and in Dutch to 243 readers (89% more readers than in 2015, all opt-in).
- Flyers, a new SMART Centre flyer was designed and printed next to the existing general business expansion flyer.

Want to expand your business?





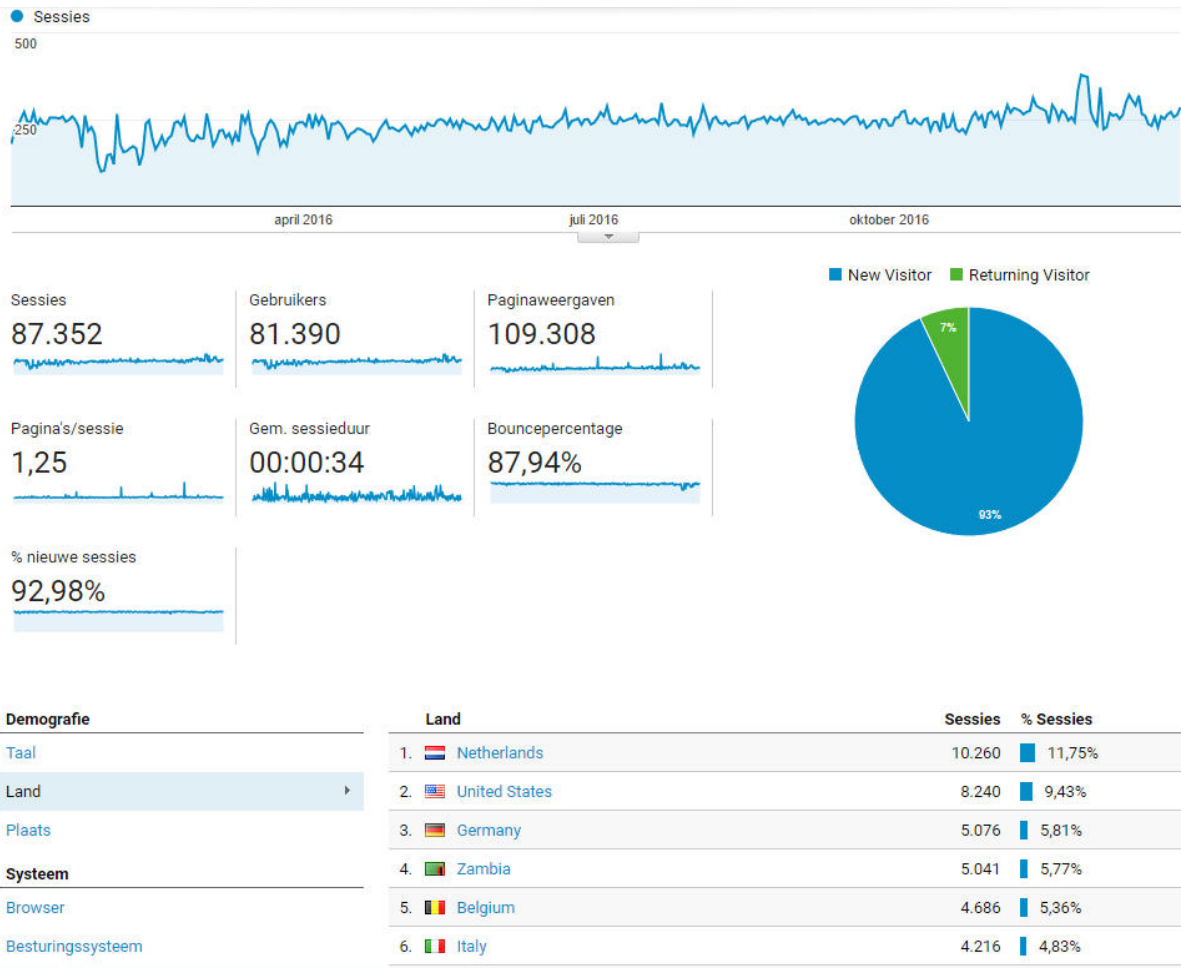
Have you been an entrepreneur for at least 2 years and do you have a plan to expand your business then Jacana Business Empowerment can help.



SMART Centre Zambia

Training the local private sector in Simple, Market based, Affordable and Repairable Technologies





In total Jacana spent 21 euro on online advertising in 2016. Advertising focuses on entrepreneurs in the Netherlands, Europe, USA and Zambia that operate in the same sectors as our own entrepreneurs. The website has more than 239 unique visitors every day.



5 Organisation

5.1 Board report Jacana Netherlands

On 31st March 2015 Foundation Jacana in the Netherlands has been notarially founded and registered at the chamber of commerce (Kamer van Koophandel) under number 63033747 on 2nd April 2015. Foundation Jacana is also recognized as Algemeen Nut Beogende Instelling (ANBI) under Dutch tax law.

Jacana Netherlands has a board of three members who meet every quarter. The board is responsible for funding, strategy, policy, budget and yearly planning. In 2016, four board meetings took place on 25 Jan 2016, 20 March, 4 June and 31 November. During these meetings finances, running businesses, policies, marketing and funding were discussed and minutes were made and signed.

Chairman
Rik Haanen

Secretary
Laura Kurth

Treasurer
John Vaessens

Board member
Rene van Dongen

More background about the board see: www.jacana.help/about/team

5.2 Jacana Zambia

On 1st of Oct 2015, Jacana Foundation was registered in Zambia as an international NGO (nr: DRNGO 10/0517/15). The Zambian board has five Board Members who also meet quarterly. In 2016 there were four board meetings on 15 Feb, 27 June, 13 October and 19 December. Minutes were made and signed.

The board is responsible for the oversight of:

- Execution of projects in Zambia according to donor requirements and realizing high quality for the benefit of small scale entrepreneurs.
- Planning, developing and implementing the projects in Zambia.
- Correct spending of donor money.
- Reporting every quarter to Jacana Netherlands.

Board members Zambia:

Philip Bailey:	chairman
Rik Haanen:	treasurer (co-founder Jacana)
Hilda Munkanda:	board member (lodge manager)
Lisa Sendwe:	board member (manager Conservation Farming Unit Agroforestry farm)
Lucky Mwanza:	board member (sales and construction manager)

Jacana moved its office from Chisamba to Chipata in 2016 which is about 9 hours drive apart from each other. Therefore it was decided in the meeting of 19 December that all "Chisamba" board members except Rik Haanen resigned and 5 new board members were appointed in Chipata.

Board members:

Benedicto Michael Phiri:	chairman (iNGO expert)
Anderson Zulu:	treasurer (bank director)
Josephine Matibini:	board member (agriculture)
Elizabeth Chipeta:	board member (law)
Brian Kalindi:	board member (water)
Rik Haanen:	board member (co-founder Jacana)

5.3 Staff Zambia

Rik Haanen and Dinie Nijssen went in June 2015 to Zambia and started the office in Chisamba and moved in July 2016 to Chipata. Dinie is the director and Rik is the finance and marketing manager.

On 1st of November 2015 Pious Nyirongo started working as a field officer and trainer.

On 1st of July 2016 Reuben Chulu and Patrick Maunda started working as general workers and guards and

Thressa Shumba started working as office attendant.



6 Way forward in 2017

Jacana strongly believes in its approach of training and guiding small scale entrepreneurs and will continue with those activities in 2017. The “Water for Zambia” program, whose preparations started in 2016, fits perfectly in the Jacana strategy and will result in a mobile SMART(*) training centre. The focus of this program is to establish a Self-supply(**) chain in the water sector. Entrepreneurs will be trained in manual bore hole drilling, pump production and ground water recharge systems. The entrepreneurs only use local material which guarantees that the SMART products will be low cost and that they will be easy to maintain. Jacana will partly sponsor the pumps in a few villages around Chipata to show that this new technology works (for Eastern Province), the so called Show case area.

Both Entrepreneurs for Water (E4W, who produce and sell pumps and boreholes) and Water for Entrepreneurs (W4E, entrepreneurs who use water for businesses like farming) receive a business training and guidance for one year. Trainers from other SMART training centres (Tanzania and/or Malawi) will be recruited for the technical training and guidance of the E4W.

(*) SMART: Simple, Market based, Affordable, Repairable Technologies, like rope pumps, manually drilled tube wells, ground water recharge systems.

(**) Self-supply is defined as improvements to household or community water supplies that are fully financed by the owners themselves. Neither governments nor NGOs provide subsidies for capital investment or for operation and maintenance. The products and services for the water source improvements are usually provided on a commercial basis by local private enterprises. (RWSN)

6.1 Activities planned for 2017

Activities for the organisation

- Write new strategic plan.
- Review HR manual.
- Write finance manual.
- Continue seeking valuable partnership with different organisations.
 - Finalise the PCA with UNICEF
 - Continue working relationship with COMACO and CFU
- Continue raising funds through crowd funding and writing proposals.

Activities for training and guidance of entrepreneurs:

- Continue with business training for small scale entrepreneurs who want to expand their businesses.
- Continue guiding entrepreneurs
- Find experts for the entrepreneurs if necessary

Activities for SMART training centre:

- Establish a mobile training centre with basic equipment for the first training.
- Implement a monitoring, evaluation system.
- Train and guide Entrepreneurs for Water in technical production of SMART solutions and provide them with (partly) sponsored equipment.
- Guide Entrepreneurs who use water and provide them with partly sponsored SMART solutions (early adopters and future champions).
- Create an online Show case area using real life examples.

7 Annual Accounts

7.1 Balance sheet at 31 December 2016

(All amounts are in Euro)

After allocation of results

<u>Assets</u>	31 December 2016	31 December 2015
- Tangible fixed assets		
Computer equipment	392	721
	392	721
- Current assets		
Receivables		
	0	0
- Cash and cash equivalents		
Bank account	10.040	3.975
Savings account	27.015	21.812
	37.055	25.787
	37.447	26.508

	31 December 2016	31 December 2015
<u>Liabilities</u>		
- Equity		
Reserves	32.160	24.451
Funds	3.768	2.057
	35.928	26.508
- Short term liabilities		
Insurances to be paid	1.519	0
	37.447	26.508

7.2 Income statement 2016

	2016	2015	Budget
- Income			
General donations	15.768	42.856	5.000
Specific project donations	<u>25.750</u>	<u>8.589</u>	<u>40.000</u>
	41.518	51.445	45.000
- Expenses			
Spent for projects			
General training	16.115	11.623	26.937
Support provided for partner organisations	33	7.336	7.850
Water for Zambia	<u>12.248</u>	<u>1.314</u>	<u>0</u>
	28.396	20.273	34.787
Cost of generating income	1.206	1.848	4.601
Management and administration	2.496	2.816	5.214
Total expenditure	32.098	24.937	44.602
Result current year	<u><u>9.420</u></u>	<u><u>26.508</u></u>	<u><u>398</u></u>

7.3 Accounting policies

7.3.1 General

Foundation Jacana is statutory located in Maastricht in the Netherlands. The activities of Jacana focus on combating poverty in the broadest sense of the word in the African continent by education of small business owners to enable them to expand their business and thus employ more people.

The financial statements have been prepared in accordance with the Dutch Accounting Standard for fundraising Institutions (RJ 650). This guideline requires that costs are allocated to costs of the organisations goals, costs of fundraising and cost of management and organisation

7.3.2 Accounting policies for the valuation of assets and liabilities

The financial statements are stated in euro's.

Tangible fixed assets are carried at historical costs less depreciation calculated over their estimated useful life

Equity is divided into reserves where the board has separated part of the equity for specific goals and funds where the goals are specified by third parties.

The other assets and liabilities are stated at face value after deduction of provisions for bad debts.

Income is recognized in the year to which the item of income relates. Non-recurring items of income are recognized in the year in which they are received.

Costs of projects are broken down into our main projects. The cost of our partner organisation in Zambia represents the donations made to our partner organization Jacana Zambia. The costs are further broken down in the notes to the income statement.

Costs of generating income include the cost of recruiting and maintaining relationships with sponsors and the cost of crowd-funding. The costs are measured at historical costs.

Costs of management and administration include the costs of the board of the foundation, the financial accounting function and all costs indirectly allocated thereto.

7.3.3 Notes to the balance sheet

Tangible fixed assets

	<u>2016</u>
Computer equipment	
Book value at the start of 2016	721
Investments	0
Depreciation	<u>-329</u>
Book value at the end of 2016	<u><u>392</u></u>
Total purchase price	987
Total depreciation	<u>-595</u>
Book value at the end of 2016	<u><u>392</u></u>

Equity

	<u>2016</u>
Reserves	
Opening balance	24.451
Added	<u>7.709</u>
Balance at the end of the year	<u><u>32.160</u></u>

	<u>2016</u>
Funds	
Opening balance	2.057
Added	<u>1.711</u>
Balance at the end of the year	<u><u>3.768</u></u>

7.3.4 Notes to the income statement

	Spent for projects			Other		Total
	General Training	Water for Zambia	Support partner organisations	Cost of generating income	Management and administration	
Project subsidies Zambia	10.042	10.925	33			21.000
Personnel costs	5.113	1.114			1.616	7.843
Promotion costs				1.206		1.206
Travel costs	959	209			303	1.471
General expenses	-				249	249
Depreciation					329	329
Totaal	16.114	12.248	33	1.206	2.497	32.098

Notes on distribution of costs

The share of cost of projects is 88% of the total costs. 8% of total costs is spent on management and administration and 4% on generating funds.

The share of cost of generating income is 2.9% of the income generated.

The share of costs of projects is 68% of the income generated. This is mainly due to the fact that 2016 in addition to the projects of general training of entrepreneurs a lot of effort has been spent to the preparation and financing of Water for Zambia. The start of the training of entrepreneurs for Water for Zambia has started and is at full swing in the first quarter of 2017.

Allocation of costs

Project subsidies Zambia	Subsidies earmarked for separate projects are allocated to these projects the balance is allocated to the general support of our partner organization
Personnel costs	Are allocated based on hour's spent
Promotion costs	Are allocated to costs of generating income
Travel costs	Are allocated in accordance with the personnel costs
General expenses	Are allocated to costs management and administration
Depreciation	Are allocated to costs management and administration

Project subsidies Zambia

The expenditures of our Zambia partner organization can be broken down in: (in EURO)

	2016	2015	Budget
Personnel costs	5.868	1.392	
Accommodation costs	4.772	1.488	
Promotion costs	1.125	576	
Travel costs	6.553	1.006	
Tools and materials	6.646		
General expenses	1.364	1.106	
Total expenditures	26.328	5.568	-
Allocated to projects	(5.328)	4.432	
	<u>21.000</u>	<u>10.000</u>	<u>22.970</u>

Notes on distribution of costs in Zambia

	Spend for projects		Other		Total	2015
	General projects	Water for Zambia	Cost of generating income	Management and administration		
Personnel costs (*)	3.757	1.673		438	5.868	1.392
Promotion costs	873	199	53		1.125	576
Accommodation costs	2.837	1.750		184	4.772	1.488
Transport	1.593	2.745	1.401	814	6.553	1.006
Tools and materials	1.924	3.156		1.565	6.646	-
General expenses	482	436		446	1.364	1.106
Totaal	11.466	9.961	1.453	3.448	26.328	5.568

Note: The Zambian Jacana partner has been initiated end of June 2015. A substantial part of work in 2015 has been put in establishing the organization in Zambia. The effort in 2016 was mostly concentrated on the projects and the preparation of the Water for Zambia project.

(*) Personnel cost mentioned above is for 4 employees in 2016 (2015 1 employee for two months)

Other personnel costs were paid by Jacana NL and mentioned in the next paragraph.

Personnel costs (NL)

	2016	2015	Budget
Salaries	4.215	8.430	
Insurances	3.628	2.056	
Other personnel costs	-	362	
	<u>7.843</u>	<u>10.848</u>	<u>18.900</u>

The number of staff is two volunteers. Both of them are working in Zambia.

The personal cost is low as the management in Zambia has refrain from its compensation for the months April until December 2016.

7.4 Other data

The part of the donations for specific purposes which has not been used in 2016 is added to the funds for an amount of EURO 1.711. The balance of the result (Euro 7.709) is added to the reserves.



8 With thanks

We want to thank everybody who supported Jacana in a financial or any other way. Without your generosity, professionalism and efforts our work would be impossible.

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