


WAWCAS Program

Denmark and Nepal

2021/22 Report on Finance and Activities

December 10 2022

Approved and signed by the Board of
WAWCAS International



Torben Bjerre-Madsen
Chair at the meeting

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The Independent Organization

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Torben Bjerre-Madsen, Chairman
Lone Møller
Sangeeta Shrestha
Nina Billenstein Schriver
Sirish Shrestha

Treasurer and Accounting Officer

Per Kristian Møller Andersen

International Program Director

Nina Schriver

Financial Institutions

Danske Bank A/S, Denmark
Nabil Bank, Nepal
NMB Bank, Nepal

Today, we have presented the fourth Annual Report on Finance and Activities for the whole WAWCAS Program covering July 1, 2021 to June 30, 2022.

This report presents the combined activities for the WAWCAS Program including an aggregated finance reporting on the combined activities.

The program is a partnership between the independent organization WAWCAS International and the Nepalese NGO SLISHA.

Aarhus, _____ / _____, 2022

Board of Directors

Torben Bjerre-Madsen
Chairman

Sangeeta Shrestha

Sirish Shrestha

Lone Møller

Nina Billenstein Schriver

To the members of the independent organization WAWCAS International

Based on the WAWCAS International's and the Nepalese NGO SLISHA's internal financial reportings and other information provided by the management, we have compiled the aggregated finance reporting on the combined activities of WAWCAS International and the Nepalese NGO SLISHA for the financial year 1 July 2021 to 30 June 2022.

The aggregated finance reporting on the combined activities comprises the income statement, balance sheet and statement on changes in equity presented on page 11 - 12 in this report.

We have performed our compilation engagement in accordance with the ISRS 4410 standard on Engagements to Compile Financial Statements.

We have applied our professional expertise to assist the management with the preparation and presentation of the aggregated finance reporting on the combined activities of the two independent parties. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms (*Revisorloven*) and the code of ethics of FSR – Danish Auditors, including principles concerning integrity, objectivity, professional competence and due care.

Management retains responsibility for the aggregated finance reporting on the combined activities and for the accuracy and completeness of the financial information on the basis of which the aggregated finance reporting on the combined activities are prepared and presented.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by management for the compilation of the financial statements. Accordingly, we will not express an audit opinion or a review conclusion on whether the financial statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, December 2022

Beierholm

State Authorized Public Accountants, LLP

Jan Molin

State Authorized Public Accountant

The Independent Organizations purpose

This report covers the combined activities of WAWCAS in Nepal and Denmark. Thus the financial figures are the consolidated figures of WAWCAS International and the WAWCAS activities in Nepal performed through our partner SLISHA.

The audited Annual Financial Report 2021/22 of WAWCAS International can be found on our webpage.

We also recommend our Annual Program Progress Report 2021/22 which in details describes and analyses the progress, results, challenges and goals during the past year.

Both reports can be found on our homepage www.wawcas.com.

WAWCAS International's purpose is to support women in Nepal in the form of entrepreneurship training, social mobilization and the opportunity for seed money, so that through the establishment of their own businesses and cooperatives, they can support themselves and provide schooling for their children.

Originally the WAWCAS Program was focused on the above mentioned 16 Month Program. The Program has during the last year(s) been expanded with formation of LINGO's and an initiative towards the children of the WAWCAS women. This is further described below.

The WAWCAS Program in Nepal is implemented and executed by the partner of WAWCAS International - Nepalese NGO SLISHA - and supported by WAWCAS International through regular visits, managerial support and funding.

The Period's activities

2021/22 is the 15th year since the launch of the WAWCAS Program (Women at Work – Children at School).

The year of 2021/2022 was like the year before very different than a regular WAWCAS fiscal year since the COVID-19 pandemic continued to affect the WAWCAS Community on many levels. Even though most lockdowns were lifted in the fall of 2021, WAWCAS still experienced consequences of the pandemic. This can also be seen from the key numbers on page 7.

559 new women entered the Program in 2021/2022 and 44 women who started in 2020/2021 finalized the WAWCAS Program. As mentioned in last year's Annual Financial Report these numbers are substantially lower than a regular year average of approximately 750 new women entering and finalizing the WAWCAS Program and this has only one reason – Covid 19.

In total WAWCAS has per end June 2022 helped lifting 5.000 women and their approximately 10.000 children out of poverty. All these women are now part of the WAWCAS Community.

During 2020 and 2021 it was a substantial priority to support the women in the WAWCAS Community to help them *keep* their businesses running throughout lockdown and its side effects. A significant result from 2020/2021 was the ability to plan, fundraise and implement the Rebuilding Package aimed at re-establishing the women's businesses. A Package that we in the end of 2021 saw the finalisation of. By January 1st, 2022, 2.005 women had exited the Rebuilding Package and maintained a running business.

Overall, the Rebuilding Package was very helpful and fruitful to the women and their children. The WAWCAS team has established a tighter bond than ever before, and the women's life took a U-turn when joining the Package.

S.no.	Key numbers	2021/2022	2020/2021	2019/2020
1	Number of women finishing the Rebuilding Package	1.665	340	N/A
2	Number of children whose mothers have received the Rebuilding Package	0	1497	N/A
3	Number of New Women	559	44	557
4	Number of Exited ¹	44	270	470
5	Number of New Children ²	529	79	860
6	Number of women in the WAWCAS Community ³	4.951	4.907	4.637
7	Number of children influenced by WAWCAS	10,126	9.597	9.500
8	Number of businesses established this year	538	44	540
9	Number of new saving members ⁴	21	0	17
10	Number of WAWCAS Team Members implementing WAWCAS in Nepal	25	22	19
11	Number of Districts where WAWCAS is operating	5	4	4
12	Local NGO members ⁵	934	0	0

¹ Exited women are those, who finished the program in the relevant fiscal year,

² When talking about children, we mean school going children

³ WAWCAS Community is a concept describing all women who are currently or have been a part of WAWCAS Program, normally the number refers to all women exited and enrolled, in the table these are split into two groups to increase transparency.

⁴ Saving members are women who participate in the training, but who has not received the Seed Money and thus not started a business. They might start a business during the 16 months training, but then it is from their own savings and/or loan from the group.

⁵ For a detailed description of the LNGO see chapter 4 about Community

By January 1st, 2022, 2,005 women and 1,497 children had exited the Rebuilding Package and re-established their business. 1,665 of these women finished the 6-month Rebuilding Package in 2021/2022. The figures below include a consolidated analysis of all 2,005 women and more details can be found in the Annual Program Progress Report 2021/22.

A separate analysis tool was made to measure the impact of the Rebuilding Package. The analysis shows that the women were able to increase their income from NPR. 1,200 to NPR 15,000. a month while being in the Rebuilding Package, and partly under lockdown. Taking into consideration, that the Nepali society in general has experienced large financial consequences of COVID-19, this is viewed as a substantial result. Review data collected during the Rebuilding Package showed that 97 pct. of the WAWCAS children are still going to school on a regular basis even after their mothers finish the WAWCAS-Program. This indicates a long-term effect of the individual empowerment and rights trainings with the mothers, and the conversations with the fathers of the family.

A key result during 2021/2022 was the initialisation of WAWCAS in Rautahat, Terai, in the southern part of Nepal. In cooperation with a strong local NGO, several meetings with local authorities have been held, resulting in a SWC approval and local support. 3 new LPLs have been hired, and women groups are started in three different areas.

Another key result of this year was the establishment of the Local NGO in Lamjung. A significant mobilisation of WAWCAS women has resulted in the identification of a large interest in running a women-NGO in Lamjung. As of now (September 2022) the LNGO is registered and approved by the SWC, 6 workshops have been held to identify needs and challenges to work with in the LNGO, 7 regional committees and 1 central committee have been elected, three management trainings have been conducted on different topics. The LNGO has per June 2022 900 members and is already integrated into the WAWCAS-Program as a natural continuation after finalising the 16-month phase.

The LNGO women left the first stage of the Local Changemaker Intervention workshops feeling supported and with hope for a new way to strengthen the WAWCAS Community. It is crucial, that we follow up on this and continue to support the establishment of the LNGO in Lamjung. We have received further funding for the next 2 years to implement the LNGO in cooperation with the women.

During 2021/22 9 new LPLs have been hired and trained for the districts of Lamjung, Rautahat and Tanahu, which means that the team in Nepal now consists of 25 people. This time we hired 2 LPLs more than required to mitigate the risk if trainers resign with short notice.

Continued training has been conducted to the team by the management team in Nepal and Denmark. In 2020/21 the Finance Officer was trained in the Data System, and this year the entire team has been trained in data analysis, data verification, and business management and development.

A continued focus on child rights and WAWCAS children was made, both in relation to research, context understanding and planning of how then to support the children of WAWCAS even better. Our opinion is still that one of the main reasons for the success of the Program, is the long-lasting support that the women receive, in the form of training and supervision over the 16 months that the WAWCAS-program lasts. The result of this is the very limited loss on seed money to the women, the success the women

achieve with their businesses, their savings, the children's stable school attendance and the big decrease in domestic violence.

The process of identifying potentially relevant partners for the WAWCAS Program in a new country has been reactivated. We are increasingly prioritising to systematize all learnings and collect and revise all our material for it to be possible to hand over to a potential partner in a new country. This not only increases the overview of all the material WAWCAS has and uses, but also gives us a chance to ensure that all working methods and tools are implemented in accordance with current needs and values. We have had several meetings with international organisations and resource persons for inspiration, advice, potential partners and networking/linking to relevant NGOs or persons. Monitoring of changes made by the state government and regular meetings with local authorities are crucial to ensure that WAWCAS lives up to the new rules and regulations. The coordination between WAWCAS groups and the government institutions must be continued because resources from the governmental institutions are a big help for the women, to develop business and the community.

As mentioned previously it is crucial that we follow closely up with the production and usage of Child Protection Policies when including the implementation of the Child Groups as part of the general WAWCAS Program. This has already been decided but is yet to be developed.

We refer to the website www.wawcas.com where we continuously update the WAWCAS-activities in pictures, words and numbers.

In the financial period five board meetings have taken place in WAWCAS International, and furthermore a big number of meetings in groups and committees concerning funding, communication, finance and not the least issues in relation to Covid-19. There has been one visit by the Danish team to Nepal but no visit from the Nepalese team to Denmark. But as the year before more virtual meetings than ever has taken place. Again this is further described in the Annual Program Progress Report.

The Financial Development

During 2021/22 WAWCAS received DKK 1.328.654 in the form of donations and sponsorships from companies, foundations and individuals' primarily from Denmark. The total revenue is substantially below last year (DKK 3.077.910) where the successful Covid-19 funding campaign for Rebuilding Package took place but also because of one very big donation in 2020/21.

The revenue is split between a few large donors and a big number of donations from companies and private individuals. We have permission from Indsamplingsnævnet and in the fiscal year we received DKK 30.650 (2020/21 DKK 20.540) from donors which can be referred to their permission. In total around 50-75 individuals, companies and funds supported WAWCAS financially in 2021/22 compared to about 150 in 2020/21. The lower number is due to periodization as we in any normal year have between 100-150 active donors.

The cost of operating the WAWCAS Program was DKK 1.710.805 (2020/21 DKK 1.241.868). Whereas 2019/20 and 2020/21 due to Covid had operating costs substantial below normal, we are now getting back to a more normal cost level. The direct costs to the Rebuilding Package are included in this amount.

The costs of Program Development were DKK 68.826 (2020/21 DKK 2.687) and include costs to the development of LNGO project in Lamjung.

Administration costs were DKK 126.481 (2020/21 DKK 106.241). Administration includes all costs for renting of offices and training facilities in Nepal.

Financial Income was DKK 23.411 (2020/21 DKK 44.393), which consists of interest from our Nepalese bank accounts and a small amount of interest from the seed money to the women.

Finance costs were DKK 14.129 (2020/21 DKK 14.644) due to negative interest on our Danish bank accounts.

Net income for the year was a loss of DKK 568.176 compared to a surplus of DKK 1.750.238 last year due to the reasons described above.

In the Balance sheet the combined amount of seed money and loans to women has decreased to DKK 737.852 (2021/22 DKK 1.247.034) due to successful repayment of loans from the Rebuilding Package.

With bank deposits in Danish and Nepalese banks of DKK 3.290.551 - a small increase compared to 2020/21 (3.178.938) - we have a strong financial foundation for the coming years. On top of this we have a number of financial commitments from important donors securing a revenue stream the next couple of years.

This year we have a positive currency impact as the Nepalese currency (NPR) resulted in an unrealized currency gain of DKK 112.159. In 2020/21 the currency adjustment was negative with DKK 12.506.

The combined equity of the two entities in the WAWCAS Program as of 30 June 2022 is DKK 3.968.619.

During 2021/22 NPR 14,490,000 (DKK 823.295) has been invested as seed money in the WAWCAS Training program to 538 women and the total outstanding amount of seed money end of June 2022 was NPR 12,353,045 (DKK 701.878). End of June 2021 the outstanding amount was DKK 244.000 due to the low number of new women entering the Program.

Similarly, NPR 633,145 (DKK 35.974) was outstanding as loan for the Rebuilding Package 30 June 2022. End of June 2021 the loan amount was DKK 1.000.000 as the Rebuilding Package was at its peak. So all loans are almost paid back during the fiscal year.

The repayment rate for the combined loan portfolio is 98% which is considered very satisfactory.

Events after the end of the Financial Year

No events have occurred after the financial period that could change the financial position.

DKK	2021/2022 DKK	2020/2021 DKK
Donations and Sponsorships from Foundations and Companies	1.249.953	2.938.900
Donations private and closed events	48.051	116.470
Other Donations	30.650	22.540
Total Income	1.328.654	3.077.910
Operation of the WAWCAS program	1.710.805	1.241.868
Program development	68.826	2.687
Administrative costs, etc.	126.481	112.866
Total Operating Costs	1.906.112	1.357.421
Result of Primary Activities	-577.458	1.720.489
Financial Income	19.016	23.408
Financial Expenses	-14.129	-14.644
Interest Income from loans to women	4.395	20.985
Total Financial Items	9.282	29.749
Net Income	-568.176	1.750.238

ASSETS

DKK	30.06.2022 DKK	30.06.2021 DKK
Deposits in Danske Bank	1.998.030	2.315.707
Deposits in Nepalese banks	1.292.521	863.231
Seed money and loans to women	737.852	1.247.034
Vehicles, furniture and IT	12.744	83.811
Cash	536	713
Receivables and other assets	6.579	14.947
Total Assets	4.048.262	4.525.443

EQUITY AND LIABILITIES

	30.06.2022 DKK	30.06.2021 DKK
Equity at WAWCAS International	1.963.150	2.248.898
Equity at SLISHA	2.005.469	2.175.738
Total Equity	3.968.619	4.424.636
Other Debt/Payables	79.643	100.807
Total Debt	79.643	100.807
Total Liabilities	4.048.262	4.525.443

STATEMENT OF CHANGES IN EQUITY

	Total Equity DKK
Balance as at 01.07.2021	4.424.636
Surplus/loss for the year	-568.176
Currency adjustment equity in SLISHA, Nepal	112.159
Balance as at 30.06.2022	3.968.619