

WAWCAS International

CVR-nr. 35 95 79 60

Annual Financial Report 2021/22

December 10 2022

Approved and signed by the Board of
WAWCAS International



Torben Bjerre-Madsen
Chair at the meeting

Table of Contents

Information about the Independent Organization	3
Board of Directors statement	4
Independent auditor's report	5 - 7
Board of Directors Report	8 - 10
Income Statement	11
Balance Sheet	12
Accounting Policies	13 - 14

The Independent Organization

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CVR-nr.: 35 95 79 60

Board of Directors

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 Institution

Danske Bank A/S

Today, we have presented the Financial Statements for the financial period July 1, 2021 to June 30, 2022 for the Independent Organization WAWCAS International.

The Financial Statements are presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements gives a true and fair view of the independent organization's assets, liabilities and financial position as of 30. June 2022 as well as the result for the period.

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**Opinion**

We have audited the financial statements of WAWCAS International for the financial year 01.07.2021 - 30.06.2022, which comprise the income statement, balance sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion, the accompanying financial statements present fairly, in all material respects, the organization's assets, equity and liabilities and financial position as at 30 June 2022 and the organization's financial performance for the financial year 01.07.2021 - 30.06.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of the auditor's report. We are independent of the organization in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

The management is responsible for the preparation and fair presentation of the financial statements in accordance with the Danish Financial Statements Act and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. 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.

As part of an audit conducted in accordance with International Standards on Auditing and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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 organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting in its preparation of the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization'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 the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and 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 deficiencies in internal control that we identify during our audit.

Statement regarding the Board of Directors Report

The Board of Directors is responsible for the Board of Directors Report.

Our opinion on the financial statements does not include the Board of Directors Report, and we do not express any form of opinion on the Board of Directors Report.

In connection with our audit of the financial statements, it is our responsibility to read the Board of Directors Report and in this connection consider whether the Board of Directors Report is materially inconsistent with the financial statements or the knowledge we have obtained during our audit, or in any other way appears to be materially misstated.

Furthermore, it is our responsibility to consider whether the Board of Directors Report contains the information required under the Danish Financial Statements Act.

Based on the work performed, we believe that the Board of Directors Report is in accordance with the financial statements and has been prepared in accordance with the provisions of the Danish Financial Statements Act. We have not detected any material misstatement in the Board of Directors Report.

Copenhagen, December 2022

Beierholm

State Authorized Public Accountants, LLP

Jan Molin

State Authorized Public Accountant

The Independent Organizations purpose

This report covers the activities of WAWCAS International 2021/22.

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

We refer to the 2021/22 Report on Finance and Activities for the WAWCAS Program covering and describing the combined activities of WAWCAS in Nepal and Denmark and thus a more detailed report on the activities and results during the year in Nepal. 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.

The Period's activities

2021/22 is the 15th year since the launch of the WAWCAS Program (Women at Work – Children at School). Originally the WAWCAS Program was focused on a 16 Month program helping Nepalese women out of poverty through training, seed money and social mobilization. The Program has during the last year(s) been expanded with the formation of LINGO's and an initiative towards the women's children.

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.

559 new women entered, and 44 women finalized the WAWCAS Program in 2021/22. As mentioned in last year's Annual Report these numbers are substantially lower than a regular year average of around 750 new women entering and finalizing the WAWCAS Program and this has only one reason – Covid 19.

In total WAWCAS has 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.

The Rebuilding Package has had a large impact on the women, and once again showed the WAWCAS Community that WAWCAS is there when they need us, and that we will never leave the areas and communities we start working in, as we strive for continuation of the learnings and developments the women have started.

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.

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

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 normal 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.

For 2022/23 the goal is that 900 new women enters the WAWCAS Program and a further development of both the LNGO and the Children initiatives.

In the financial period five board meetings have taken place, and furthermore a big number of meetings in committees and groups concerning funding, communication, finance and not least issues in relation to Covid-19. Due to Covid there has only been one visits to Nepal from the Danish team members and no visits from Nepal to Denmark but as was the case last year, many virtual meetings have taken place.

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 significantly below last year (DKK 3,077,910) where the successful Covid-19 funding campaign for Rebuilding package took place but also explained by 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 a permission from Indsamplingsnævnet and in the fiscal year we received DKK 30,650 (2020/21 DKK 22,540) 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 1,572,562 (2020/21 DKK 2,318,141). Of this DKK 749,764 was transferred to Nepal (2020/21 DKK 1,801,414). The decline is mainly explained by the fact that we in 2020/21 transferred around DKK 1,000,000 as seed money to the Rebuilding Package where women trained by WAWCAS years ago were offered extra training and a loan.

Administration costs were DKK 27,711 (2020/21 DKK 18,356) and Finance costs (negative interest) were DKK 14,129 on level with last year (DKK 14,644).

The Net Income was negative with DKK 285,748 compared to a surplus of DKK 726,769 the year before and this means our cash position has decreased accordingly to DKK 1,998,030. On top of this we have a number of financial commitments from important donors securing a revenue stream the next couple of years.

Events after the end of the Financial Year

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

Income Statement

	2021/22 DKK	2020/21 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
Operating of WAWCAS	1,572,562	2,318,141
Administrative costs.	27,711	18,356
Total Other Operating Costs	1,600,273	2,336,497
Result of Primary Activities	-271,619	741,413
Financial Income including currency gains	0	0
Financial Expenses including currency losses	-14,129	-14,644
Total Financial Items	-14,129	-14,644
Net Income	-285,748	726,769

ASSETS

	30.06. 2022 DKK	30.06. 2021 DKK
Deposits in Danske Bank	1,998,030	2,315,707
Receivables and Other assets	0	0
Total Assets	1,998,030	2,315,707

LIABILITIES

	30.06. 2022 DKK	30.06. 2021 DKK
Equity:		
Equity beginning of the fiscal year	2,248,898	1,522,129
Result for the year	-285,748	726,769
Total Equity	1,963,150	2,248,898
Other Debt	34,880	66,809
Total Debt	34,880	66,809
Total Liabilities	1,998,030	2,315,707

GENERAL

The Financial Statements have been prepared in accordance with the Danish Financial Statements Act concerning businesses in accounting class A, The applied accounting policy remains unchanged from the previous year,

Recognized Revenue and Measurement

Revenue comprises payments of sponsorships and grants, The income is recognized in the income statement at the time of deposit to the independent organizations bank account, In circumstances where the grant or sponsorship is conditioned by, or allocated to a particular asset or cost recovery, a similar amount is accrued under liabilities in the balance sheet in order to cover these commitments,

Included in the Income Statement are both income based on time of payment and expenses, including depreciation and amortization of the amounts relating to the financial year,

Assets are recognized in the balance sheet when it is probable that the asset will be honored and the value can be measured reliably, Liabilities are included in the balance sheet when the independent organization has an obligation due to previous events, decisions etc., and when it is probable that future economic benefits will flow from the independent organization and can be measured reliably, On initial recognition, assets and obligations are measured at cost, Subsequently assets and liabilities are measured as described below for each item,

Foreseeable losses and risks are taken into account in the process of recognition and measurement when such occur before the annual report is submitted and when such confirm or disprove circumstances existing at the balance sheet date,

The Financial Statements is submitted in Danish kroner, Transactions in foreign currency are exchanged on initial recognition and at the exchange rate of the day in question, Differences in exchange rates that occur between the day of the transaction and the payment day are included in the Income Statement as a financial item, Transactions and cash in local currency deposited in bank accounts in Nepal are recognized at year-end rate, Other receivables and payables in foreign currency are recognized at 30,06,2017 rate,

INCOME STATEMENT**Revenue**

Revenue such as sponsorships and contributions are recognized by the time of payment,

Operating Costs

Operation costs includes grants and support to various WAWCAS projects in Nepal

Financial Items

The following is recognized under financial items: interest income, interest expenses, borrowing costs and adjustment of foreign currency changes,

Taxes

All the independent organizations activities are of acts of charity in compliance with regulations and WAWCAS International is therefore exempt from tax return duty and tax liability in accordance with SEL § 1 stk, 1, nr, 6,

BALANCE SHEET**Bank deposits**

Bank deposits in bank accounts is operating cash available for the independent organization,

Liabilities

Short-term liabilities are measured at amortized cost, which usually corresponds to the nominal value of the liability,