

Financial report 2010

dance4life International foundation

Amsterdam

*dance4life international foundation, Amsterdam*

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## Annual report of the Board and management

### 1.1 General

Young people are the single largest group infected and affected by the virus. It is often said that they are the biggest part of the problem. At dance4life we turn this around. We believe that a huge part of the potential solution lies with young people.

Through our programmes we therefore strengthen their voice, involve them and empower them to push back the spread of HIV and AIDS. The dance4life schools programme is effectively linking HIV prevention with sexual and reproductive health and rights for young people.

We believe that by involving youth, it's possible to change not only their behaviour but also to mobilise them to create social change in their communities so that others change their behaviour and perceptions as well. We strive to empower youth to unleash their leadership potential, including young people living with HIV.

Our mission is to power a movement that creates social change at global and community level by taking action to improve young people's sexual reproductive health and rights, and in particular: improving access to sexuality education and improving access to youth friendly services, and to challenge stigma and discrimination and break down taboos that surround sexuality, especially focusing on HIV and AIDS.

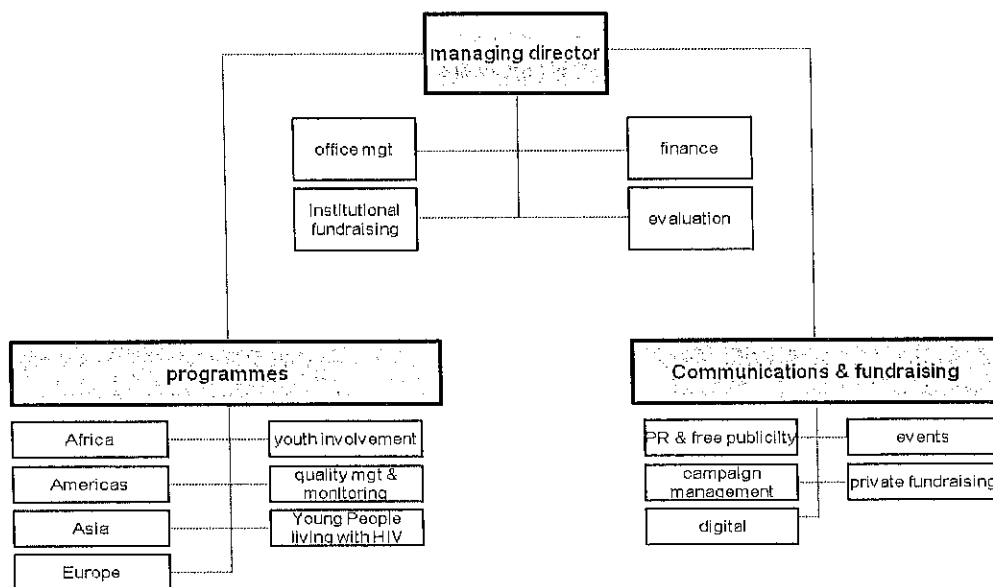
### 1.2 Operations

dance4life international is the owner of the dance4life brand, concept and format. Its most important task is to ensure that the dance4life concept, a balanced combination of in-school projects (schools4life) and branding, reaches the target audience of young people, in order to welcome agents4change (A4Cs) amongst that target group.

dance4life international realises the above by guiding and managing relations with many stakeholders, the most important ones being dance4life national concept owners (NCOs), the implementing partners in the participating countries. National concept owners sign a licence agreement with dance4life international which gives them permission to use the dance4life concept and format in their territory. dance4life international guides the uncompromised implementation of the dance4life format and protects the brand and concept on an international level.

The structure of the organisation is depicted in the diagram below.

#### 1.2.1. Organogram dance4life International



### 1.2.2. dance4life activities in 2010

- By the end of 2010, dance4life was active in 25 countries – Argentina, Barbados, Mexico, USA, India, Indonesia, Nepal, Vietnam, Kyrgyzstan, Moldova, Russia, Germany, Ireland, Netherlands, Serbia, Spain, Turkey, United Kingdom, Cameroon, Kenya, South Africa, Tanzania, Uganda, Zambia and Zimbabwe. Start ups were in process by the end of 2010 for 3 more countries: Peru, Pakistan and Ethiopia. Unfortunately, the dance4life project had to be stopped in 3 countries as well because of commitment issues within the partner organisations: Tunisia, Sierra Leone and Lebanon.
- In 2010 more than 306.000 new young people took part in the schools programmes and more than 90.000 new agents4change were welcomed to the movement. This has brought the total number of agents4change to almost 370.000.
- In 2010 we further developed our private major donor concept called friends4life. In 2010 we installed a friends committee consisting of 4 of our friends that, together with dance4life, acquired 60 new friends bringing the total network close to 100 friends. Each friend4life contributes a yearly amount of at least EUR 2,500.
- In August 2010 we installed a youth council: 27 young people representing 14 countries, trained in leadership and linked up with 7 mentors from the corporate world. The role of the youth council is to represent and advise dance4life in the development and implementation of its programmes. Some of these young leaders represented dance4life at the international AIDS Conference in Vienna. Youth council members were also present at a youth and sexuality conference, a candlelight memorial and World AIDS day celebrations.
- New corporates such as Orangina and Vodafone signed partnership agreements.
- New ambassadors have committed themselves to the dance4life foundation, such as South African model Terry Pheto, BBC Radio DJ Kutski, and Dutch TV personality Jan Kooijman.
- In order to strengthen the movement and to keep the agents4change involved we have started to create an on-line platform, which will be launched in April 2011.
- A risk assessment was made during the year.
- A new quality system was implemented for monitoring the programmes; for the first time all countries running a dance4life programme were visited within the year.
- And lastly, in November 2010, together with the NCO's we organised once again our international bi-annual celebration, linking 20 countries and more than 45,000 agents4change by satellite connection

### 1.3 Organisation in 2010

Statutory, dance4life international is a foundation registered in Amsterdam, The Netherlands, as "Stichting dance4life international" with number 34197379 of the Chamber of Commerce.

The board of the dance4life international foundation consisted in 2010 of Mrs. Marjolein Aarnoudse, Mr. Peter Dirks, Mr. Pepijn Nicolas, Mr. Jan Bless, Mr Arjan Postma and Mrs. Antoinette Gosses. The board met six times during this year. The foundation was led on a daily basis in 2010 by the managing director Eveline Aendekerck

The board elects its own new members. Board members are appointed for a three years' period; resigning members are immediately eligible for re-appointment.

dance4life international does not have a separate supervisory board. However, the foundation does work with an international advisory board that consisted in 2010 of Mr. Peter Bell, Dr. Nafis Sadik, Mr. Peter Piot, Mr Dennis Karpes, Mrs Erica Terpstra, Mr Vladimir Pozner, Mr Desmond Tutu (retired from the board in October 2010) and Mr. Rien van Gendt.

### 1.4 Operations 2010

#### Result

The dance4life international foundation realised a result of EUR 56,032 before appropriation.

#### Financial position

The financial position of the dance4life international foundation is healthy. The foundation can meet its payment obligations in the short and in the long run.

The current ratio of the dance4life international foundation is expressed by dividing the current assets by the liabilities. The ratio expresses whether the foundation can meet its payment obligations at short notice without the continuation of the foundation being in danger.

Current assets December 31, 2010: EUR 693,280  
Current liabilities December 31, 2010: EUR 499,095

The current ratio on December 31, 2010 was 1,39 (in 2009: 1,31)

The dance4life international foundation did not experience any cash flow problems throughout the year.

### 1.5 Prognosis 2011

Focus in 2011 will be on facilitating and strengthening the movement – feeding the growing mass with information, calls to action and of course by facilitating, through the schools programme, the creation of more and more young people motivated and empowered to drive this movement.

Safeguarding the quality of the schools programme and integrating the movement within the programme is a key task of the programmes team within dance4life international together with the national concept owners (NCOs). To ensure that youth are involved in a meaningful way in addressing the pandemic, we established an international youth council in 2010, with the aim of supporting dance4life in its further development and to fulfil an active role within the movement. In 2011, dance4life international will also be supporting these young people in cultivating their important role within the movement.

The budget for 2011 can be found on page 6. In terms of numbers we want to reach 291.650 young people and create 116.275 agents4change in 29 countries, bringing the total number of agents4change to almost 500.000.

For 2011 the financial prognosis is good. Institutions such as the European Union and the Dutch Ministry of Foreign Affairs have agreed to support us throughout 2011. The National Postcode Lottery not only will continue to support us with their annual contribution of EUR 500,000, but are also considering an application for an extra grant for the years 2011 and 2012 for our Asian programmes. Corporates such as Durex, Orangina, Vodafone and the Ford Foundation will continue their support, while the number of friends4life continues to grow. Halfway through March 2011, 77% of the budget (agreed by the board in December 2010) is covered.

### 1.6 Audit of the financial statements

On request of the dance4life international foundation, PricewaterhouseCoopers Accountants N.V. has audited the annual accounts for the year 2010. The report is presented on page 24.

Amsterdam, March 29<sup>th</sup> 2011

stichting dance4life international

Representing the board,

Representing the management,

Peter B.A. Dirks

Eveline C. J. Aendekerk

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Balance sheet dance4life International foundation as at December 31, 2010 (after proposed appropriation of net result)

		<u>December 31, 2010</u>	<u>December 31, 2009</u>
	<i>ref.</i>		
<i>Assets</i>			
<b>Intangible fixed assets</b>			
<b>Tangible fixed assets</b>	4	11.258	8.204
<b>Financial fixed assets</b>			
Subsidies to be received	5	137.976	121.650
Taxes and social securities	5	25.600	0
Debtors		85.047	73.470
Other receivables, prepayments and accrued	5	<u>202.504</u>	<u>65.343</u>
<b>Receivables</b>		<b>451.127</b>	<b>260.462</b>
<b>Cash at banks and in hand</b>	6	<b>242.153</b>	<b>463.520</b>
		<u><b>704.538</b></u>	<u><b>732.187</b></u>
<i>Equity and liabilities</i>			
Continuity reserves	7	75.000	50.000
General reserves	7	<u>100.443</u>	<u>69.411</u>
<b>Equity</b>		<b>175.443</b>	<b>119.411</b>
Loan	8	<u>30.000</u>	<u>60.000</u>
<b>Long term liabilities</b>		<b>30.000</b>	<b>60.000</b>
Creditors		136.991	99.800
Taxes and social securities	9	16.180	42.153
Other liabilities, accruals and deferred income	9	<u>345.923</u>	<u>410.823</u>
<b>Current liabilities</b>		<b>499.095</b>	<b>552.776</b>
		<u><b>704.538</b></u>	<u><b>732.187</b></u>

Statement of revenue and expenditure 2010 dancealife international foundation

	ref	Realisation 2010	Budget 2010	Realisation 2009	Budget 2011
Own fundraising	11	849,355	766,144	776,760	1.147,828
Fundraising with others	12	245,762	305,000	186,997	575,000
Fundraising by others	13	500,000	500,000	500,000	689,875
Fundraising institutional	14	1.501,458	1.774,098	737,485	1.516,747
Other revenues	15	25,224	0	4,113	0
<b>Total revenue</b>		<b>3.121.800</b>	<b>3.345.242</b>	<b>2.205.355</b>	<b>3.929.450</b>
Implementing D4L - DAC countries	17	1.508,525	1.606,599	927,273	2.081,147
Implementing D4L - Non DAC countries	17	597,826	736,298	506,968	453,204
Building the Movement	17	448,597	443,845	171,897	820,923
<b>Total costs objectives</b>		<b>2.554,948</b>	<b>2.786,742</b>	<b>1.606.138</b>	<b>3.355,274</b>
Costs Own fundraising	17	178,002	57,921	193,322	186,375
Costs Fundraising with others	17	83,789	70,837	101,190	43,355
Costs Fundraising by others	17	33,277	70,489	53,704	65,527
Costs Fundraising Institutional	17	86,343	108,903	69,908	93,484
<b>Total costs fundraising</b>		<b>381,411</b>	<b>308,150</b>	<b>418,124</b>	<b>388,741</b>
Organisation & administration	17	129,408	119,247	93,030	160,434
<b>Result</b>		<b>56,032</b>	<b>131,103</b>	<b>88,063</b>	<b>25,001</b>
<b>Allocation Result</b>					
Movement continuity reserve		25,000		50,000	25,000
Movement restricted reserve		31,032		38,063	

DAC countries are: Nepal, Sierra Leone, Tanzania, Uganda, Zambia, Kenya, Kyrgyzstan, Vietnam, Zimbabwe, Cameroon, India, Indonesia, Moldova, Tunisia, Argentina, Barbados, Mexico, Serbia, South Africa and Turkey.

Non DAC countries are: USA, Ireland, United Kingdom, Spain, Netherlands, Russia and Germany

## Notes to the balance sheet and statement of revenue and expenditure

### 1. General

#### 1.1 Activities

The dance4life international foundation aims to raise the awareness about HIV and AIDS and Sexual and Reproductive Health and Rights amongst young people all over the world, enabling them to make healthy and well-considered choices, and to create a worldwide platform of young people who no longer accept the existing ignorance, silence and taboos around HIV and AIDS and want to remind the world leaders of their promises within the framework of the Millennium Development Goals.

To this end, by the year 2014, dance4life will have actively involved at least one million young people all over the world through in-depth schools projects. These young people become involved with in depth life skills programmes and are challenged to take action in the areas of awareness raising, advocacy, fundraising and voluntarism thus making them agents4change on a personal and community level.

dance4life engages youth through strong branding and the use of experiential marketing, providing an experience that is personal, interactive and emotional. Its approach covers all aspects of popular youth culture: media, language, icons, music and especially dance. Dance is a universal language and through dance4life young people dance with a cause.

The core activities of dance4life international in 2010 have been split up in three different objectives:

- Implementing the dance4life concept in DAC countries: Nepal, Sierra Leone, Tanzania, Uganda, Zambia, Kenya, Kyrgyzstan, Vietnam, Zimbabwe, Cameroon, India, Indonesia, Moldova, Tunisia, Argentina, Barbados, Mexico, Serbia, South Africa and Turkey.
- Implementing the dance4life concept in non DAC countries: Netherlands, Germany, Spain, Ireland, United Kingdom, USA and Russia
- Building the movement

#### 1.2 Partners of dance4life

In 2010 dance4life international had the following main global partners and funders: the Netherlands Ministry of Foreign Affairs, the European Union, the Dutch Postcode Lottery, Durex, Orangina, Ford Foundation, Sensation International and OXFAM/Novib. Content partners include the co-members of the SRHR alliance (such as Rutgers/WPF and AMREF) and the Dutch HIV platform (such as Stop Aids Now!, Worlds AIDS Campaign and GNP+).

#### 1.3 Continuity

Currently (end of March 2011) the budget for dance4life international in 2011 is covered for 77% and several partners committed themselves to multi-year partnerships (Netherlands Ministry of Foreign Affairs and the Dutch National Postcode Lottery). The Board is confident that the remainder of funding needed will be acquired before the end of the year. The board and managing director have decided that from 2010 onwards that - results permitting - a yearly amount of EUR 25.000 will be added to the continuity reserve. The general reserve can be used to cover any unexpected overspending or underfunding.

#### 1.4 Difference between budget and realisation

##### Revenue

dance4life acquired in 2010 approximately EUR 223,400 less revenue than was planned for. The principle two causes were that in 2010 UNFPA did not grant any new funds, and that we had difficulty meeting the PSO funding criteria. However, the collaboration with the two principal institutional funders has proved to be fruitful: the project with the European Union in six countries will continue in 2011, and the Ministry of Foreign Affairs has granted dance4life for the period 2011-2015 a subsidy of nearly 3.3 million for MFS-II.

Own fundraising has grown into a major source of income. Orangina and Vodafone are new large corporate donors. The contribution from the friends4life quadrupled in 2010.

##### Expenditure

dance4life spent approximately EUR 105,200 less on grants to countries than budgeted. The principal cause is that the Netherlands required less funding because of their own excellent fundraising results. Also, the renewal of the Matra grant from 2010 onwards has been awarded straight to NCO in Russia.

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There was also an under spending on the costs for external trainings by Red Zebra, as a number of these trainings will actually take place in 2011. The costs for own fundraising were a good deal higher than budgeted, largely because of the extra personnel effort.

### **1.5 Funding strategy**

To avoid depending on one source of funding, dance4life international aims to raise half of its funds from institutional organisations, and the other half from corporates, private major donors and fundraising with and by others. Our long term objective is that the costs for own fundraising should not rise above 20% of the revenues by own fundraising.

## **2. Principles of valuation of assets and liabilities**

### **2.1 General**

The financial statements have been prepared in accordance with accounting principles generally accepted in the Netherlands. The financial statements are denominated in euros.

In general, assets and liabilities are stated at the amounts at which they were acquired or incurred, or fair value. If not specifically stated otherwise, they are recognised as the amount at which they were acquired or incurred.

### **2.2 Comparison with prior year**

The principles of valuation and determination of result remain unchanged compared to the prior year.

### **2.3 Foreign currencies**

Transactions denominated in foreign currencies during the reporting period are recognised in the annual accounts at the exchange rate ruling at the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the balance sheet date. Exchange differences resulting from settlement and translation are charged or credited to the statement of revenue and expenditure.

### **2.4 Tangible fixed assets**

Fixed assets are valued at purchase price, less straight-line depreciation over the estimated useful economic life.

### **2.5 Receivables**

Receivables are recognized at nominal value, where necessary less provision for possible uncollectible accounts.

### **2.6 Cash at banks and in hand**

Cash at banks and in hand consist of cash in hand and cash at bank. Current account liabilities at banks are recognised under bank overdrafts forming part of current liabilities.

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### 3. Principles for determination of result

#### 3.1 General

The result represents the difference between the value of the revenues generated and the costs and other charges for the year. The revenues are recognised in the year they are realised.

Revenues received in goods or services are valued at fair value, as far as these revenues can be specified. They are however not specified in the statement of revenue and expenditure. Refer to paragraph 16.

#### 3.2 Subsidies

Project subsidies are recorded as income in the statement of revenue and expenditure in the period in which the related costs are recorded. Institutional subsidies are recorded in the period mentioned in the award letters of the subsidizers.

Subsidies are recognised as income when all the conditions can be satisfied and it is probable that the subsidies will be received.

#### 3.3 Revenues from fundraising

Result from fundraising is recorded in the annual accounts of dance4life international since the foundation is the beneficial entity regarding the fundraising.

The revenues from fundraising are recognised in the year they are realised. Refer to notes 11, 12 13 and 14.

#### 3.4 Revenues received in goods and services

Revenues received in goods and services have not been accounted for in the statement of revenue and expenditure.

#### 3.5 Costs

Costs are recognised on the historical cost convention and are allocated to the reporting year to which they relate.

#### 3.6 Granted subsidies

Granted subsidies are recorded as project costs in the statement of revenue and expenditure in the period in which the decision of the grant is taken, resulting in legally enforceable and actual obligations.

#### 3.7 Personnel remuneration

##### *Regular payments*

Salaries, wages and social security costs are charged to the statement of revenue and expenditure when due, and in accordance with employment contracts and obligations.

##### *Pensions*

dance4life has no pension scheme in operation. However, in 2010 the employees did receive half a month's salary extra to compensate for the lack of such a pension scheme.

#### 4. Tangible fixed assets

	<u>Other fixed assets</u>
	EUR
<b>January 1, 2010</b>	
Acquisition costs	30.435
Accumulated depreciation	<u>22.231</u>
Book value	<u>8.204</u>
<b>Movements 2010</b>	
Additions	10.835
Depreciation	<u>7.781</u>
	<u>3.054</u>
<b>December 31, 2010</b>	
Acquisition costs	41.270
Accumulated depreciation	<u>30.012</u>
Book value	<u>11.258</u>
Depreciation rates	<u>33% - 50%</u>

Additions to the fixed assets comprise of IT equipment.

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## 5. Receivables

### Subsidies to be received

	December 31, 2010	December 31, 2009
	EUR	EUR
Matra	99.959	-
PSO	10.009	110.481
Vodafone	10.000	-
WAC / Ford Foundation	9.338	-
European Union	3.911	-
Others	2.525	-
NCDO	2.234	11.169
	<u>137.976</u>	<u>121.650</u>

### Taxes and social securities

	December 31, 2010	December 31, 2009
	EUR	EUR
VAT to be received regarding reporting year	25.600	-
	<u>25.600</u>	<u>0</u>

### Other receivables, prepayments and accrued income

	December 31, 2010	December 31, 2009
	EUR	EUR
Receivable dance4life Netherlands	121.281	-
Advances on grants for 2011	32.000	-
Prepayments	25.743	4.565
Other	17.355	56.497
Interest	6.125	4.281
	<u>202.504</u>	<u>65.343</u>

All receivables have a remaining term of less than one year.

The amount from Matra relates to the last tranche of the total subsidy of € 655.074 for the period august 2007 till July 2010. The report regarding this subsidy was approved by the Secretary of State for European Affairs in January 2011. The amount receivable from dance4life Netherlands relate mostly to the 5% fee over their fundraising result in 2010. Advances on grants relates to two NCO's who have received an advance from the European Union project.

## 6. Cash at banks and In hand

	December 31, 2010	December 31, 2009
	EUR	EUR
Cash	503	650
Banks	241.650	462.870
	<u>242.153</u>	<u>463.520</u>

## 7. Equity

The movements in equity over 2010 are as follows:

	Continuity reserves	General reserves	total
	EUR	EUR	EUR
Balance as at January 1, 2010	50.000	69.411	119.411
Appropriation of result reporting year	25.000	31.032	56.032
Total movements	<u>75.000</u>	<u>31.032</u>	<u>56.032</u>
Balance as at December 31, 2010	<u>75.000</u>	<u>100.443</u>	<u>175.443</u>

### Appropriation of result 2010

The proposed appropriation of the result, as disclosed in other information, is reflected in these annual accounts.

In 2010 a positive result of EUR 56,032 was realised.

## 8. Long term liabilities

dance4life has an agreement with a private donor who loaned dance4life EUR 150,000 mid 2008. The loan is interest free and to be repaid by yearly instalments of EUR 30,000 ending 2012. At the same time this private major donor granted dance4life EUR 30,000 donation per year for 5 years, starting in 2008 and ending 2012.

The short term part of the loan (EUR 30,000) is classified as other accruals.

## 9. Current liabilities

### *Taxes and social securities*

	December 31, 2010	December 31, 2009
	EUR	EUR
VAT to be paid	7,971	3,928
Wage tax & social securities	8,209	38,225
	<u>16,180</u>	<u>42,153</u>

### *Other liabilities, accruals and deferred income*

	December 31, 2010	December 31, 2009
	EUR	EUR
Donations received for next year	133,542	24,375
Other accruals, deferred income and liabilities	39,571	37,312
Invoices to be received	42,342	74,875
Holiday pay and unused holiday days	40,818	24,211
Subsidies still to be paid	89,650	42,011
Subsidies received for next year	-	110,644
Unspent subsidy carried forward	-	97,395
	<u>345,923</u>	<u>410,823</u>

All current liabilities have a remaining term of less than one year, except for one friend4life who has advanced an amount of EUR 12,500 to be allocated at EUR 2,500 per year to the period 2011 till 2015.

The VAT to be paid relates to a supplementation from 2009 regarding taxes on the auction held in November that year.

The donations received for next year relate to the contributions from the friends4life for the coming years.

Invoices to be received include an amount of EUR 16,000 for auditor's expenses.

Subsidies still to be paid include an amount of EUR 69,221 for grants under MFS-Y&I for the year 2010, and EUR 10,000 from the Vodafone Foundation raised for dance4life in Mexico.

## 10. Commitments not included in the balance sheet

### *Contingent liabilities*

The yearly amount of rental obligations regarding accommodation amounts to EUR 55,000 per year excluding services. The office space is shared with dance4life Netherlands who share, pro rata, in the costs. The contract with the owner of the building expires April 1<sup>st</sup> 2012, and has been renewed for three years up till 2015.

## 11. Revenues own fundraising

	2010	2009
	EUR	EUR
Orangina	157.200	-
Friends4life	113.750	21.875
OXFAM Novib	100.000	220.000
Private mayor donors	90.000	56.999
Durex	85.000	85.000
Various donations	76.162	32.719
Vodafone	65.500	-
Others	44.144	33.517
Ford Foundation	44.000	132.878
Various sponsorships	30.000	-
Armani	29.840	-
Ford Foundation / World AIDS Campaign	9.338	-
Sale merchandise	4.421	7.888
The Coca-Cola Africa Foundation for activities in Africa	-	102.111
Merck	-	58.773
I Amsterdam	-	15.000
KLM	-	10.000
	<u>849.355</u>	<u>776.761</u>

### - Others

This amount includes a contribution from a private family foundation.

### - Oxfam Novib

According to the decision of February 29<sup>th</sup> 2008 regarding the approval of project financing dance4life 2008-2010 supplementary contribution Innovation Fund (project BOR-505193-0004728), a supplementary EUR 300,000 was granted for the period 01-01-2008 through 31-12-2010.

### - Sale merchandise

This relates largely to the sale of books and CD's already produced or acquired during previous years.

### - Merck

The donations of Merck in 2010 for the Vienna AIDS conference is listed under 'Various donations'.

## 12. Revenues fundraising with others

	2010	2009
	EUR	EUR
Auction (with partners such as Sensation)	108.750	100.794
Contribution from dance4life NCO's	91.774	47.126
Sensation events	41.350	37.609
Contribution from Les Mills	3.888	1.468
	<u>245.762</u>	<u>186.997</u>

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### 13. Revenues fundraising by others

	2010	2009
	EUR	EUR
Dutch National Postcode Lottery	500.000	500.000
	<u>500.000</u>	<u>500.000</u>

According to the contract 2008-2012 between dance4life international and the Dutch Postcode Lottery, a subsidy of EUR 500,000 per year was granted for the period until 2012, with the first instalment being made in the first quarter of 2009 and the last in the first quarter of 2013. Therefore the subsidies will be recorded as revenue in the period 2009-2013.

### 14. Revenues institutional fundraising

	2010	2009
	EUR	EUR
Netherlands Ministry of Foreign Affairs MFS J&V	809.139	441.897
European Union	476.498	-
PSO	104.693	141.808
Matra Programme, Netherlands Ministry of Foreign Affairs for activities in Russia	99.959	126.447
NCDO	11.169	11.169
UNFPA	-	16.164
	<u>1.501.458</u>	<u>737.485</u>

#### - Regarding all subsidies

The amount received in subsidies cannot be considered definitely settled until all subsidisers have approved the evaluation and financial report of dance4life international. The Board does not expect to need to pay back any funds since the foundation has complied with the needs and demands of the subsidisers.

#### - Netherlands Ministry of Foreign Affairs, MFS J&V

On the 1<sup>st</sup> of August 2008 dance4life international requested funding from the extra call of the "medefinancieringsstelsel" (MFS, co-financing) in the category Jong & Vernieuwend (J&V, young and innovative) for the period 2009-2010. The request was partially granted on the 30<sup>th</sup> September 2008 under reference DSI/SB-521/08 for the amount of EUR 1,332,500 for the period 2009-2010. In 2009 an amount of EUR 441,897 was spent, and in 2010 EUR 809,139. On 27<sup>th</sup> September 2010 the Ministry confirmed that the period will be extended till 30<sup>th</sup> June 2011, and that an amount of EUR 81,464 will be allocated for this extended period.

#### - European Union

With reference DCI-NSAED/2009/201-981 the European Union has granted a subsidy with a maximum amount of EUR 973,997 for the period of 2010-2011 for implementation of dance4life in six European countries.

#### - PSO

PSO has granted an amount of EUR 109,778 with reference "Innovatie project P2009.0032". The contract is for the period 1-4-2009 until 1-4-2011. The grant will be used in the following manner:

Period 1-4-09 until 31-12-09	EUR 34,808
Period 1-1-10 until 31-12-10	EUR 53,550
Period 1-1-11 until 01-04-11	EUR 21,420

PSO has granted an amount of EUR 50,429 with reference "Youth exchange programme of dance4life youth council members P2009.0167". This contract relates entirely to the year 2010.

PSO has also granted an amount of EUR 122,400 with reference "Youth exchange programme of dance4life youth council members P2010.0117". This grant will be used in the following manner:

Period 1-12-10 until 31-12-10	EUR	714
Period 1-1-11 until 31-12-11	EUR	108,778
Period 1-1-12 until 30-07-12	EUR	12,908

- *Matra Programme, Netherlands Ministry of Foreign Affairs*

The Matra programme with reference QE 15222 for the period 2007 – 2010 was rounded up in August 2010. The final tranche of EUR 99,959 was approved by the Ministry in January 2011.

## 15. Other revenue

	2010	2009
	EUR	EUR
Interest	6,135	4,113
Charge personnel	19,090	-
	<u>25,224</u>	<u>4,113</u>

## 16. Revenues received in goods and services

Many organisations kindly offered their services to dance4life international in kind.

**Accor Hotels**, free hotel rooms for the dance4life international meeting and personnel at fundraising events

**Xeed** provided a discount on the dance4life brand portal

**Durex** provided us with 1.000.000 branded condoms

**Lexence** labor lawyer provided us with advice for free

**Smilh Boeser van Grafhorst** Notary assisted with contracts

**Easy hosting** provided free hosting of dance4life websites

**Kwast wijnkopers** provided free drinks at fundraising events

**Heineken** provided free drinks at fundraising events

**Orangina** provided free drinks at fundraising events

**Pom Zwart & colleagues** provided promotional films

**ID&T** – donated the entrance tickets to the 'Koninklijke Lounge' VIP area at the Sensation event

**Proilvit** provided an extensive risk management analysis

**Kenneth Smit** provided trainings for the staff

**Human Foundation** also provided trainings for the staff

**Richard Hulshof** and **Angelique van Hest** provided free coaching and career counseling for staff members

**YveY** provided free catering services at fundraising events

**Kirkman Company** provided two trainees for 6 months each

**Yacht** provided for free an IT specialist and a fundraiser

**Sunnyfields** provided free designs

17. Specification of costs by category

	Ref	DAC countries	Objectives		Movement	Fundraising			Overhead		Total
			non DAC Countries	Funds Own		Funds with others	Funds by others	Funds institutional			
Grants to NCO's	18	950,096	436,081	25,097	174,156	40,891	1,103	5,272	110,812	851,904	
External costs for fundraising	21	97,109	14,422	6,841	7,753	1,368	1,368	3,648	5,929	45,606	
Mission Travels	21	60,756	30,200	6,160	6,982	1,232	1,232	3,286	5,339	41,069	
Outsourced Work	21	75,310	23,561	2,260	2,561	1,215	452	1,205	1,959	30,492	
Communications	21			5,432	6,156	1,086	1,086	2,897	4,708	36,316	
Satellite connection at event	21			1,167	1,323	233	233	622	1,012	7,781	
Salaries and social securities	19	274,432	69,622	1,167	1,323	8,734	-81	-215	-349	7,578	
Other personnel costs	21	15,060	3,648	6,841	7,753	1,368	1,368	3,648	5,929	45,606	
Accommodation	21	13,553	3,286	6,160	6,982	1,232	1,232	3,286	5,339	41,069	
General costs	21	7,305	13,533	2,260	2,561	1,215	452	1,205	1,959	30,492	
Office costs	21	12,052	2,897	5,432	6,156	1,086	1,086	2,897	4,708	36,316	
Depreciation	21	2,568	622	1,167	1,323	233	233	622	1,012	7,781	
Financial costs	21	294	-47	-379	-378	8,734	-81	-215	-349	7,578	
		<b>1.508.525</b>	<b>597.826</b>	<b>178.002</b>	<b>448.597</b>	<b>83.789</b>	<b>33.277</b>	<b>86.343</b>	<b>129.408</b>	<b>3.065.767</b>	

Wage costs are calculated by allocating percentages of the salary costs per employee in relation to their effort per objective within the organization. The allocation percentage of the programmes department is based on the number of countries managed by each staff member. Fundraising has been allocated by taking into account both the direct sphere of work of the staff as well as the actual amount of revenue raised. Indirect personnel costs, accommodation, office and other general costs are calculated by applying the ratio of the total wage costs per objective. In order to improve the preciseness of the allocation of wage costs from 2011 onwards the allocation will be based on a time registration system.

## 18. Grants to projects

	2010	2009
	EUR	EUR
Grants to D4L projects in Global South from Ministry of Foreign Affairs MFS	678.278	305.523
Grants to D4L projects in Europe from European Union	424.000	0
Grants to D4L projects in countries from other funders & support dance4life	75.450	142.926
Grants to D4L Russia from Netherlands Ministry of Foreign Affairs Matra	72.581	90.140
Grants to D4L projects Orangina	57.200	0
Grants to D4L projects private foundations	41.831	0
Grants to D4L projects NCDO/dance4life	22.337	0
Grants to D4L projects Vodafone	14.500	0
Grants to D4L projects in Africa from TCCAF	0	102.111
Grants to D4L Netherlands allocated from Dutch Postcode Lottery	0	190.000
	<u>1.386.177</u>	<u>830.700</u>

## 19. Wages, salaries and social security costs

	2010	2009
	EUR	EUR
Salaries	752.353	722.471
Social securities	99.552	93.854
	<u>851.904</u>	<u>816.325</u>

## 20. Board members emoluments and salary managing director

	2010	2009
	EUR	EUR
Salary managing director	73.817	84.691
	<u>73.817</u>	<u>84.691</u>

In 2009 the managing director was employed full time; in 2010 the part time percentage was 80%.  
As in the previous year, the board members have not received any emoluments in 2010.

## 21. Other operational costs

### Specification other operational costs

	2010	2009
	EUR	EUR
Communications	210.102	87.984
Satellite connection at event	174.156	0
Fundraise costs	72.363	32.156
Mission travels	111.531	35.689
Outsourced work	90.694	120.193
Other personnel costs	45.606	33.982
Accommodation costs	41.069	40.207
General costs (Incl auditor)	30.492	13.610
Office costs (IT, insurances, telephone/fax, postage)	36.316	34.904
Depreciation	7.781	5.280
Financial costs	7.578	5.115
	<u>827.686</u>	<u>409.120</u>

## 22. Other notes to the statement of revenue and expenditure

### Employees

At the end of 2010 the foundation was employing a total of 18 people, or 14,8 FTE. The average for the year 2010 was 14,9 FTE (2009: 14,6 FTE). During a part of 2010 the foundation had one volunteer working for one day a week. The foundation does not employ volunteers on a structural basis.

### Percentage Revenue versus Objectives

	2010	2009
	EUR	EUR
Total revenue	3.121.800	2.205.355
Total spent on objectives	<u>2.554.948</u>	<u>1.606.138</u>
Relation revenue/objectives	<u>82%</u>	<u>73%</u>


Percentage Revenue and costs Own Fundraising

	<u>2010</u>	<u>2009</u>
	EUR	EUR
Revenue Own Fundraising	849.355	776.760
Costs Own Fundraising	<u>178.002</u>	<u>193.322</u>
Relation revenue/costs Own Fundraising	<u>21%</u>	<u>25%</u>

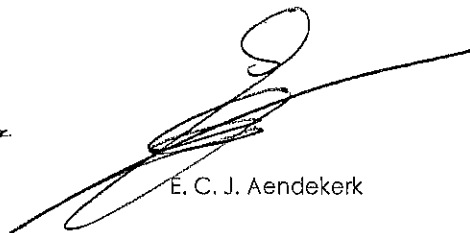
Amsterdam, March 29<sup>th</sup> 2011

Representing the Board,

Representing the Management,



P.B.A. Dirks



E. C. J. Aendekerk

dance4life international foundation  
Spuistraat 239  
1012 VP Amsterdam

## OTHER INFORMATION

This annual report has been set up according to the guidelines of the "Richtlijn 650 Fondsenwervende instellingen" In order to provide a comparison with the 2009 figures, these last ones have been reallocated to a certain limited degree according to the aforementioned Richtlijn.

**Appropriation of result**

For the proposed appropriation of result we refer to the statement of revenue and expenditure.



Auditor's report





## ***Independent auditor's report***

To: the Supervisory Board and management of Stichting dance4life International

We have audited the accompanying financial statements 2010 as set out on pages 4 to 21 of Stichting dance4life International, Amsterdam, which comprise the balance sheet as at 31 December 2010, the statement of income and expenditure for the year then ended and the notes, comprising a summary of accounting policies and other explanatory information.

### ***Management's responsibility***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Guideline for annual reporting 650 "Charity organisations" of the Dutch Accounting Standards Board. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the foundation's preparation and fair presentation of the financial statements 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 foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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*Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of Stichting dance4life International as at 31 December 2010, and of its result for the year then ended in accordance with the Guideline for annual reporting 650 "Charity organisations" of the Dutch Accounting Standards Board.

Amsterdam, 31 March 2011  
PricewaterhouseCoopers Accountants N.V.

A large, stylized handwritten signature in black ink, written over the printed name. The signature is highly fluid and abstract, with a prominent loop at the top and a long, sweeping horizontal stroke extending to the right. The initials 'CS' are visible within the signature.

drs. J.L. Sebel RA