Stichting IRC, International Water and Sanitation Centre
Riviervismarkt 5 – 2513 AM The Hague (NL)

Financial Report 2024

(Including Annual Accounts)

Contents

Corporate Information

Legal form:	Foundation
Corporate name:	Stichting IRC, International Water and Sanitation Centre
Statutory seat:	The Hague, The Netherlands
Chamber of Commerce registration nr:	41151952

Dates of (re)nomination of the Supervisory Board members:

	Accession or Reappointment in	**Resignation or Reappointment in**
Ms. Wambui Gichuri (Chair from May 2023)	2021	2025
Mr. Louis Boorstin	2017, 2021	2025
Ms. Clarissa Brocklehurst (Vice-Chair)	2017, 2021	2025
Mr. Jan Sebel (Treasurer)	2022	2026
Ms. Akiça Bahri	2023	2027
Mr. Koos Wieriks	2023	2027

IRC

Director's Statement

At IRC, we want every person in the world to enjoy their human right to safe water, sanitation and hygiene, now and forever.

Our mission is to work with people in the poorest communities in the world, with local and national governments, with nongovernmental organisations and with the private sector, to develop Water, Sanitation and Hygiene services that last not for years, but forever. We identify the barriers to making this happen and we tackle them. We help people to make the change from short-term interventions to long-term services that will transform their lives and their futures.

IRC is a foundation (Stichting) registered in the Netherlands and operating under Dutch law. As well as an office in The Hague, we have registered branch offices in Burkina Faso, Ethiopia, Ghana, Uganda, Mali and Niger. We are also present through consultants and projects in three additional countries: Bangladesh, India, and Rwanda.

IRC's formal governance is assured through a Supervisory Board (Raad van Toezicht) with up to six members, and a Board of Directors (Raad van Bestuur) with one member: the IRC CEO (Directeur). To ensure that the voice of IRC's decentralised workforce is included in governance IRC has a Global Works Council with representatives from councils in each registered office. Since February 2024 practical management is undertaken by a Directors' Platform (made up of 5 Division (country) Directors) supported by a Secretariat (with 4 Directors of support units). The Directors' Platform mandate is to provide strategic advice to the CEO and to approve key policy and operational decisions. Both DP and CEO are also advised by Secretariat Directors. Operational decision making is increasingly devolved to the main organisational divisions (countries).

As a unique think-and-do tank, our business model is based around three pillars:

- mission-driven support to partner districts in focus countries, coupled with knowledge sharing, capacity building and influencing at national level and globally; and,
- market-responsive not-for-profit professional services provided to a wide range of clients within and beyond our focus countries.
- environmental and social awareness both within our own organisation and in the work we do.

Following 2023 where the major activity and focus was successfully delivering our All Systems Connect symposium, 2024 was a more "normal" year with good progress in many of our countries and global and regional programmes. After some delay in 2023, we made solid progress in moving forward with the transformation of IRC into the OneIRC Network. At the same time, geopolitical instability and the pre-tremors of the current shock being experienced by the global development aid sector were already apparent.

Our Heads of State Initiatives (HoSI) started to bear fruit when Ghana signed a Presidential WASH Compact in August. The compact, with its commitment to spending $1.7 billion annually to 2030, saw WASH raised to the highest political level; the fundamental aim of the HoSI. IRC leads HoSI together with partners Sanitation and Water for All, UNICEF and the governments of the Netherlands and UK. The initiative grew out of work started in 2023 at the UN Water Conference and continued at the All Systems Connect symposium.

The end of civil conflict in Ethiopia allowed our work there to get back up to speed, while in Ghana and Uganda our district-based piloting is increasingly being taken up and replicated by other partners and in national level policy. The ongoing geopolitical turmoil in the Sahel led to the collapse of our project pipelines in Mali and Niger and the subsequent need to sharply reduce the size of our operations. Despite this, new contracts with the EU in Burkina Faso meant that the programme there is now stable and growing.

Following a leadership retreat in Rwanda, February, we took important steps in trialling the structures that will underpin our network organisation. We established a "Directors' Platform" in which the Directors of all our divisions (our country programmes) are represented and that guides overall strategy and its implementation. We also established a OneIRC Secretariat, to provide a set of support functions to the network and which will, in 2025, be registered as an independent entity paid for by network members. At the same time our Change Team continued to oversee progress by countries to establish independent national entities, future members of the network. We continue to be on track to formally register the network before the end of 2025, so it can be launched early 2026.

During the year IRC raised a total of €9.4 million, somewhat below our medium-term target. This was due, in large part, to the decision of DGIS to provide a one-year extension to our current grant, rather than a new multi-year grant. In addition, we also saw a reduction in contracts with long-term partner UNICEF – reflecting reductions in their income from traditional donors – including the Netherlands.

IRC's 2024 income was €11.2 million – a 10% reduction compared to 2023 and €1.2 million below the €12.4 million target of the 2024 annual plan. During the year we reduced costs by some €850 thousand, despite which our operating result was negative to the tune of some €400 thousand. This was partly compensated by financial income in the form of positive exchange rate results and interest, leading to an overall break-even for the year. This was contributed to greatly by improved project management and the continued development of real time insight into resource planning and management. Due to this, a potential deficit of some €700,000, at the end of the first quarter was turned into a break-even result by the end of the year. Nevertheless, the underlying reality of ongoing turbulence in the global development space and reducing aid finances cannot be ignored and IRC will need to continue to tightly manage and reduce costs and diversify income in 2025 (where we are targeting a break-even operational result) and beyond.

IRC's primary means of generating revenue continues to be the selling of staff days against a daily tariff, and one of our main operational risks relates to the ability of staff achieve their individual targets on 'productive days'. It is, therefore, encouraging that for the second year in a row, staff exceeded their targets, another indication of improved project management. At the same time, the growing proportion of our income that comes from "direct cost" projects (i.e. those on which full-cost tariffs cannot be charged) means that we need to continue to focus on improving their costing and management.

IRC is largely funded through projects paid for by donors and, therefore, our most important operational risk lies in donors' continued willingness and ability to fund our work. Our championing of systems approaches continues to be relevant and find resonance with donors – even in a reducing aid landscape. So too, in the same rapidly changing donor landscape, is our decision to localise through the registration of national offices and creation of a network organisation. A continued emphasis from previous years is to reduce dependence on any one donor and to diversify, including to non-traditional actors.

IRC continues to hold a moderate risk appetite in our programming, maintaining sufficient strategic agility to pursue funding opportunities - providing they contribute to IRC's mission. We believe in our thought leadership on systems strengthening and our position in the sector, and we are confident that we will be able to acquire the necessary funding to implement our mission.

We maintain a low risk-appetite on compliance and strive towards meeting relevant regulations deriving from country-specific laws and our donors. Monitoring (changes in) policy and legislation is the responsibility of our Country Directors, who actively seek country-specific specialist advice where required. Monitoring compliance to donor regulations is the responsibility of project controllers and finance managers, in conjunction with the respective project managers. Where necessary, IRC facilitates specific training on donor regulations. An issue identified during the 2024 audit relates to the handling of multi-annual projects contracted in foreign (non-Euro) currencies, and this will be the focus of a new policy in 2025.

Other operational risks continue to relate to country-specific security profiles. As in 2024, the most important of these is the ongoing political and security crisis in our three Sahel countries. At the same time, we are also aware of the continued potential for renewed instability in Ethiopia.

The transition to OneIRC

The OneIRC network is on track to launch in 2026, thanks to the hard work, leadership and commitment of the staff and management. This enormous effort continued alongside implementation of the work program while also addressing issues that normally arise in any change process. OneIRC will be a network of increasingly autonomous and independent members working together to achieve the targets of Destination 2030 and beyond.

The main features of the new network are: (i) the OneIRC Secretariat – the ultimate governance body - that will provide the legal underpinning to the network, services including coordination and control, regulation, communication, brand ownership and systems support, and (ii) members, who will be autonomous/independent entities with their own supervisory/advisory boards.

IRC made significant advances including the establishment of the Directors Platform which is the main operational decision-making platform in OneIRC. Once established, the Secretariat will support the Directors Platform.

On the critical path to launching the network are: (i) incorporation of the Secretariat, establishment of a Supervisory Board (SB) and nomination of a secretary general (to head the secretariat), and finalization of the necessary statutes and affiliation agreements, and (ii) updating the Stichting IRC Water and Sanitation center's statues and nomination of a supervisory board and CEO. The gradual signing of affiliation agreements between the secretariat and the members (as they attain readiness) will operationalize the network.

IRC endeavored to learn from other organizations that have taken similar restructuring paths. In November 2024, the SB chair, the CEO, and two country directors visited Kenya (met with Habitat for Humanity Kenya and Amref) and Ethiopia (met with GoE, Unicef and PSI) for conversations relating to the establishment and governance of OneIRC.

Key lessons from the visit include: (i) our kind of restructuring has been implemented by many INGOs; (ii) the process for setting up governance structures for network members will need to be gradual and flexible considering the local context, and the need to have stability, autonomy, legitimacy and accountability of members and maintaining a strong identity; and (iii) it is critical that we remain committed to our vision, mission, objectives and reconfirm to our governments, partners, donors, and clients that our core business of supporting universal and sustainable access has not changed and that we are reinforcing our positioning and approaches.

As the pace of restructuring intensified, IRC set up a governance sounding board to act as a thought partner to the leadership and change team on governance design for the network, and governance transition. The sounding board's focus is on the secretariat, IRC NL and relations between the secretariat and members. The sounding board interactions started early 2025.

Highlights on programmatic performance

Working with the One For All Alliance (OFA) partners, the work program focused on delivering in line with our joint strategy - Destination 2030 - with shared outcomes, influence, learning, and monitoring and reporting of joint targets. There have been advances in all areas including increasing sustainable and resilient WASH services in partner areas, signing/launching of presidential compacts in Africa and Asia, and delivery of joint events such as retreats and convening activities.

Program funding: As a result of geopolitical changes, IRC experienced a decrease in financial support. This impacted the work program, in particular, the projects that were implemented. IRC also implemented cost-cutting measures to guarantee financial continuity and that of program execution. Funding remains a serious point of focus, as the decreasing availability of resources globally and increased competition will require us to distinguish ourselves even more and continue to build on our comparative advantage. The SB and management will continue to closely monitor the financial health of IRC.

The audit committee met twice in 2024, virtually, in the presence of our external auditors, to review the 2023 financial statements. On advice from the audit committee, the SB approved the 2023 financial statements as well as the 2025 financial plan.

The Supervisory Board's main activities in 2024

The SB undertook various activities as part of maintaining continuous engagement and support to staff as well as learning to better understand our programs, clients and partners, the successes and impacts, challenges faced and the environment in which our engagement and implementation is taking place. Better understanding of our programs strengthens the SBs support by providing guidance and advice from a more informed position.

The board's activities included:

Kigali OFA retreat: The objectives were to reflect on our Destination 2030 to see where there is progress, whether we are using the right approaches, whether we have the right structures, partnerships, expertise and funding to deliver. The focus going forward will be to strengthen joint programming and fundraising for common programs.

SB retreat in Ghana, in line with the ongoing transformation to become a decentralized network. The visit provided time to delve into the details of the transition and better understand how future members of the network are preparing for the OneIRC. The 2025 Supervisory Board retreat will take place in Ethiopia.

Visit to Kenya, Ethiopia and Uganda to learn from other organizations' change processes, governance structures, and partnerships.

In addition, the SB held: (i) two statutory meetings in May and November 2024; and (ii) an extraordinary meeting to discuss and guide management on the UK registration of the One For All Alliance.

The SB maintained the decision to hold one face-to-face meeting and the others virtually, as well as to organize some meetings out of The Netherlands, in countries where OFA has programs.

This is expected to contribute towards reducing IRC's carbon footprint and to provide board members with the opportunity to experience ongoing work, engage with clients and key country/regional stakeholders.

Sector Board membership

Membership was stable in 2024 as there were no changes. This was good for continuity and in terms of guiding the transition. There will of course be a board transition as part of the move to One IRC which will have a new governance structure and model. Under OneIRC, the SB will guarantee the integrity of the network, oversight the board of directors and the Directors Platform, be a source of support and expertise to management, and will also hold management accountable. The transition will need to be gradual to ensure a sound launch and avoid disruption in the early phase. The details of how the transition will be implemented will be a focus for 2025.

We are grateful to our donors and partners for their trust in OneIRC and for their continued support. I also want to thank our board members for an excellent year marked with constructive and productive discussions and activities, pragmatic and on-time guidance to management, especially in the ongoing reforms, insights on funding prospects, partnership engagement, among others. Thanks to our staff for their courage and dedication in leading the design and implementation of a complex but necessary reform. We believe that this transformation is the right one, and that it can work. During these very uncertain times, especially, IRC needs to be nimbler and more efficient and strengthen legitimacy and recognition as a local actor within a global network.

Wambui Gichuri
Chair

IRC

Financial Report

The financial year 2024 was dominated by the need to adjust to a reduced income so as to eventually create a break-even balance. At €11,224,094 IRC's income was down 10% compared to 2023's figure (as well as to the 2024 budget). This reduction was a precursor to the shocks experienced by the international aid system in early 2025: reflecting a growing trend of disengagement by many traditional Northern bilateral aid donors. When developing our annual plan, we had a pipeline that included substantial grants and agreements, particularly for the Sahel and our global work. However, many of these failed to materialize as funders and clients saw their own budgets cut. While we were nevertheless successful in acquiring several medium-sized contracts and grants - particularly in Ethiopia, Rwanda, Burkina Faso and Uganda - the volume of these did not fully compensate those that did not come through.

While unexpected, IRC was well-placed to adjust to this reduction. Following a significant loss in 2023, a process of cost reduction had started, with the target of cutting costs by €380,000 during the year, particularly in the Netherlands, Uganda and Mali. This implied cutting General Administrative expenses by almost €200,000 compared to the annual plan (primarily in the Netherlands and Uganda), the redundancy of a limited number of staff positions in the Netherlands, the non-renewal of contracts for colleagues in Mali and Niger and not replacing positions of staff who voluntarily left. Financial forecasts at the end of March, May and August allowed us to target cuts to those parts of the business where the loss of income was most acute. In parallel, we were able to recover a higher percentage of overhead costs, by applying handling and administrative fees. The combination of these measures meant a net cost reduction of some €850,000 for the year (resulting in total costs of €11,625,984).

Nevertheless, this important cost reduction was insufficient to fully absorb the reduction in income, leading to an operational result of -€401,890. This continues the trend of the last three years when IRC has had difficulties achieving a positive operational result. In contrast to 2023, in 2024 we were able to compensate for this with a positive financial result of €395,797 through exchange rate results and an increase in interest on bank balances. The eventual annual result is, therefore, close to break-even at negative €6,093 – in line with our 2024 budget. Our efforts to strengthen our underlying operational model continue and we are targeting an operational break-even result for 2025.

During the year, IRC managed a total of 110 projects – big and small – in about 20 different countries. Project income came from 32 different donors, with half of the funding coming from Foundations and a third from Governmental sources. The Conrad N. Hilton Foundation remained IRC's largest single donor, contributing 30% of the total income, followed by the Directorate-General for International Cooperation (DGIS) at 16%. UNICEF (13%), the European Union, Osprey Foundation, and the Church of Jesus Christ of Latter-Day Saints (all 6%) completed IRC's top six donors for 2024 – jointly responsible for three quarters of our income during the year.

Staff delivered 10,283 billable days during 2024, some 330 days below the target set at the start of the year. However, when adjusted for staff who left or adjusted contract hours during the year, this represents 104% of our updated target, slightly above the level for 2023. While providing a good indication of our teams' ability to attract and deliver work, not all these days are billable against Full Cost Tariffs which include an overhead component based on cost price.

In projects where a Full Cost Tariff cannot be applied, indirect costs recovery takes place through specific Admin Fees and other agreed overhead-compensation measures. Some 28% of the total 2024 income derives from “direct cost” projects, continuing a trend in which an ever-growing share of IRC’s income comes from this type of funding. As identified in previous years, ensuring that direct cost projects break-even is challenging for IRC, and is one factor that contributed to the negative operating result. Improving our bidding and management of direct cost projects is an important area of focus for our finance and control team.

On December 31st, 2024, IRC employed 89 staff (84.92 FTE). Of these, 27 (23,42 FTE) are contracted from the Netherlands (a reduction of 7 compared to 2023) and 62 (61.5 FTE) from branch offices (similar to 2023). In addition to its own employees, IRC also hosted 8 staff for partner organisations (Agenda for Change, Sanitation and Water for All (SWA) and the Aquaya Institute). Four interns were also active during the year.

The total theoretical potential value of unemployment benefit due to staff in the Netherlands on 31 December 2024 is €1,559,020. Additionally, the total potential value of transitional allowances for staff leaving the organisation is €701,839 - assuming mutual consent on contract termination. IRC has to bear the full risk for unemployment costs for Netherlands domiciled staff. In light of this, since 2023, an unemployment accrual has been made (using the applicable unemployment premium as a guide) and this is booked to staff related provisions. At the end of December 2023, the total provision was €157,636 of which €120,000 was released in 2024 to support the process of reductions in staff. Considering the cost reduction target for 2025, an additional provision is being made of €80,000 for further transition allowances, and related education costs. Taken together with an additional €32,438 of WW premium, this brings the staff related provisions to €150,074.

The provision for accrued employee leave rights for staff in the Netherlands decreased by some €12,400 following a reduction in leave entitlement and an increase in the uptake of leave days. The jubilee provision remained stable at some €37,712.

In the course of 2024, a total of 66 projects were financially closed with a combined positive result of €40,369. This included several projects with substantial exchange rate gains, reflecting improved budget control of exchange rate results. However, there was also one case of insufficient budget control, leading to a negative result of €46,149. Subsequently, measures are being taken to include additional internal controls on projects with higher financial complexity. It is foreseen that the combined result of financially closing projects during 2025 will be positive to the tune of some €60,000.

During 2024, a total of €15,776 was taken from the Earmarked Reserves for investments in the enterprise resources planning system (Exact ERP). IRC’s policy is to allocate half of the Annual Result to the General Reserves, and the other half to the Earmarked Reserves. IRC’s total Reserves on December 31st, 2024, were € 939,557 – equivalent to 47% of the capital buffer target of €2 million.

On December 31st, 2024, IRC had € 5,6 million cash and cash equivalents – a increase of about €0.2 million compared to 2023. Based on existing project contracts, IRC expects at least €5.3 million disbursements during 2025. The present liquidity position enables IRC to meet all its short-term financial obligations.

During 2024, IRC acquired a total of € 9,8 million of new project work, which is about 85% of the medium-term target of €11.5 million. This included the extension of the WASH Systems subsidy from the Ministry of Foreign Affairs and the renewal of grants from the Conrad N. Hilton Foundation, our top 2 donors. The acquisition of these projects means that we have achieved 94% of our multi-annual acquisition target for the period 2019-2024.

IRC

Forward Looking Statement

2025 will be IRC's final year under our current organizational set-up. By January 2026, we expect to have taken the first steps in transforming from a Northern-based INGO with branch offices in the Global South, to an international network of independent entities supported by a Secretariat. 2024 saw the 'dry running' of the new structures necessary to underpin this transformation, including the formation of a Directors Platform (drawn from the leadership of future independent entities) to provide overall guidance. In 2025, we will go a step further, separating the financials (P&L) of the future entities as if they were already independent; and charging entities for the costs of network-wide functions and costs under the "OneIRC Secretariat". We will develop the articles of association for the Secretariat prior to registering it as an independent foundation. This foundation will, subsequently, sign affiliation agreements with other members, thereby forming the network. The current Stichting IRC International Water and Sanitation Centre will remain as one of the members, with adjusted articles of association. It is expected that at least two of our current branch offices will register national entities who will also become members, with more to follow in subsequent years. Finally, we will also be implementing a new brand strategy (developed in 2025), as an integral part of preparing for the launch of the network in 2026.

We are making this transition at a time of fundamental changes to the landscape for international development. The 10% income reduction we faced in 2024 (symptom of a contracting donor landscape) was a pre-tremor to the shocks that rocked international development at the start of 2025, most obviously the massive-scale termination of USAID grants, but also announcements of cuts to aid among European donors. IRC is not immune to these shocks. A major subsequent event after preparing our 2025 annual plan was the termination of two of our USAID-funded projects in Ethiopia, and the temporary half of USAID funded work in Rwanda. We expect that, as a result, after the first quarter of 2025 is completed, we will see a further 10% reduction of our anticipated income compared to 2024.

We believe that we can absorb and overcome these shocks. In 2024 we took substantial cost reduction measures, which will have effect in 2025. Moreover, we have made investments in the people and systems for effective financial management, including for example important internal training of our entire finance and control team in May 2024. In 2025, further investments will be made in our systems for internal control and quality management. Arguably, the most important measure for absorbing the shocks is to turn ourselves into a flexible network capable of attracting new clients and donors. A change that will allow us to be more agile and tap into multiple markets for funding that are currently not available to us as a Dutch INGO. At the same time, a limited number of additional cost-saving measures are inevitable. The 2025 annual plan already foresaw a total additional cost saving of €150,000 – a substantial part of which is being achieved at the end of the first quarter of 2025.

2025 is also a year of renewing our multi-annual commitments: programmatically and financially. Together with our One For All partners Water For People and Water For Good we are reviewing progress against our joint Destination 2030 strategy and adjusting our approaches towards 2030. We look forward to renewing our multi-annual partnership with one of our most important donors: DGIS. We feel confident in doing so, given the large degree of alignment between the policy priorities of the Government of the Netherlands for international cooperation in the field of water, and our Destination 2030 strategy.

All the internal and external changes will not distract us from our core business: strengthening the systems for delivering safe water, sanitation and hygiene services that last; and doing so through the portfolio of projects we have with our clients and donors. At the time of writing we have 60 active projects, with a total value of €43.3 million. These projects are expected to lead to a series of products that position us as thought leaders in the field of water, sanitation and hygiene; to convening platforms, networks and sessions for dialogue between political leaders and sector professionals; to providing high-quality technical advice and support to the governments, NGOs and utilities we work with.

It is that strong core of work, delivered by a team of committed colleagues, supported by strong systems in a networked organisation, that will allow us to absorb the shock in our external environment; and relentlessly pursuing our end goal: safe water, sanitation and hygiene services for all.

Forward Looking Statement in figures for 2025

Budget and Actuals in €

INCOME	**Budget 2025**	**Actual 2024**	**Budget 2024**
DGIS Building WASH Systems for SDGs	**1.494**	**1.436**	**1.434**
Other project funding (committed)	**6.377**	**9.788**	**10.987**
Other project funding (proposed)	**4.621**	**-**	**-**
Total	**12.492**	**11.224**	**12.421**
EXPENSES	**Budget 2025**	**Actual 2024**	**Budget 2024**
Personnel costs	**4.109**	**4.699**	**5.339**
Other project related costs	**8.352**	**6.817**	**6.773**
General & administrative expenses	**865**	**914**	**1.125**
Recovered overhead expenses	**(791)**	**(804)**	**(760)**
Total	**12.535**	**11.626**	**12.477**
Operating result	**(43)**	**(402)**	**(56)**
Financial income and expenditures +/-	**43**	**396**	**45**
Annual Result	**-**	**(6)**	**(11)**

Acknowledgements

IRC would like to thank all of our donors and partners in 2024 for their continued flexibility and encouragement in the face of another turbulent year. As in previous years, we give especial thanks for the Dutch Department for International Development (DGIS) and its Inclusive Green Growth section (IGG) for their continuing partnership and flexible support to our programmes. We also thank the Conrad N. Hilton Foundation for their partnership and leadership on water and sanitation systems strengthening. We are equally grateful to the 32 additional donors who share our vision and funded our work during the year, notably UNICEF, the European Union, Osprey Foundation, the Church of Jesus Christ of Latter-Day Saints Charities, the Vitol Foundation and the UK's Foreign, Commonwealth and Development Office (FCDO).

Partnerships and alliances are at the core of how we operate, and we acknowledge the many partners with whom we have worked during the year, especially our One For All Alliance partners Water For People and Water For Good. We continue to be especially appreciative of the support and trust bestowed on us by the governments (local and national) of our focus countries and partner districts. In the face of insecurity, conflict and reducing aid budgets, they have continued to show vision and leadership in achieving our shared goals.

IRC's primary asset in delivering our mission is our people and the knowledge, skills and passion they bring to their work. I would like to thank all IRC staff for their continued commitment during another challenging year. Their resilience and continued dedication to our vision and mission continues to be a source of inspiration.

The Hague, May 2025

Patrick Moriarty
CEO

IRC

Balance Sheet as at 31 December 2024

(After result appropriation)

		31 December 2024		31 December 2023	
		€	€	€	€
ASSETS					
Fixed Assets					
Tangible fixed assets	1	€ 18,085		37,324	
			18,085		37,324
Current assets					
Accounts receivable	2	624,034		381,963	
VAT receivable	3	20,027		8,923	
DGIS Building WASH systems	4	-		516,057	
FCDO WASH Systems for Health	5	206,458		218,906	
Other receivables	6	102,765		58,954	
Cash and cash equivalents	7	5,563,505		5,331,341	
			6,516,789		6,516,144
Total assets			**6,534,874**		**6,553,468**
EQUITY AND LIABILITIES					
Reserves					
Foundation's General Reserves	8	899,791		894,949	
Earmarked Reserves	9	39,766		50,701	
			939,557		945,650
Provisions					
Staff related provisions	10	187,786		195,441	
			187,786		195,441
Current liabilities					
DGIS Building WASH systems	4	1,347,660		-	
Short term net balance on projects	11	3,553,743		4,789,574	
Tax and Pension premiums payable	12	67,999		83,122	
Accounts payable	13	132,450		174,080	
Other current liabilities	14	305,679		365,601	
			5,407,531		5,412,377
Total equity and liabilities			**6,534,874**		**6,553,468**

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Income Statement for 2024

		2024 Actual €	2024 Budget €	2023 Actual €
INCOME				
Project funding	**15**	9,787,812	10,986,342	10,987,529
DGIS Building WASH systems	**17**	1,436,282	1,434,166	1,486,762
Total		**11,224,094**	**12,420,508**	**12,474,291**
EXPENSES				
Personnel expenses	**18**	4,699,401	5,338,784	4,872,684
Direct project related expenses	**19**	6,817,011	6,772,843	7,663,580
General & administrative expenses	**20**	913,912	1,125,249	981,142
Recovered overhead expenses	**21**	-804,340	-760,368	-697,657
Total		**11,625,984**	**12,476,508**	**12,819,749**
Operating result		**-401,890**	**-56,000**	**-345,458**
Financial income and expenditures +/-	**22**	395,797	45,000	-117,535
Annual result		**-6,093**	**-11,000**	**-462,993**

ALLOCATION OF THE ANNUAL RESULT

The 2024 Annual Result is charged to the Foundation's reserves as follows:

Annual Result 2024	-6,093
Use of earmarked reserves during the year	15,776
Result 2024 before appropriation	9,683
Added to the General Reserves 50%	4,842
Added to the Earmarked Reserves 50%	4,841

IRC

Cash Flow Statement for 2024

		2024		2023
		€		€
Cash flows from operating activities				
Annual result		-6,093		-462,993
Adjustments for:				
Depreciation	18,415		21,832	
Movement in provisions	-7,655		-3,133	
Interest Income	-93,900		-50,949	
Bad debts accrual	-		-	
		-83,140		-32,250
Changes in working capital				
Short-term net balance	124,277		70,288	
Receivables	219,071		-376,277	
Current liabilities	-116,675		-92,218	
		226,673		-398,207
Cash generated from/(used in) operations		137,440		-893,450
Interest received	93,900		50,949	
		93,900		50,949
Net cash generated from/(used in) operating activ		231,340		-842,501
Cash flows from investing activities				
Purchases of fixed assets	-		-10,429	
Proceeds from sales of fixed assets	824			
Net cash generated from/(used in) investing activi		824		-10,429
Net cash flow		232,164		-852,930
Cash and cash equivalents	Opening book year	5,331,341		6,184,271
	Closure book year	5,563,505		5,331,341
	Movement	232,164		-852,930

IRC

Basis of the Valuations

General Notes

Objective
Our mission is to work with people in the poorest communities in the world, with local and national governments, with non-governmental organisations (NGOs) and with the private sector, to develop water, sanitation and hygiene (WASH) services that last not for years, but forever. We identify the barriers to make this happen and we tackle them. We help people to make the change from short-term interventions to long-term services that will transform their lives and their futures.

To realize its goals, the foundation works together with partner organisations in developing countries as well as other agencies and individuals within and outside the Netherlands that work in the same areas of focus.

General
The annual accounts have been prepared in accordance with the Guideline for financial reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standard Board. The basis of the valuations has not changed compared to previous year. Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. All amounts are in Euro (functional currency), unless specified otherwise. If assets and liabilities are expressed in foreign currencies, conversion takes place against the official exchange rate at the balance sheet date. The exchange rate results are included in the income statement. All current assets and liabilities are due within one year, while all non-current assets and liabilities are due after one year.

In the Balance Sheet, Income Statement and the Cashflow Statement, references are made to the notes. In the appendix, information is given on the IRC Full Cost Tariffs for 2025.

Disbursements
IRC accounts for branch office expenses via disbursements and expense reporting. The disbursement account is the nett of all cash transfers to the branch office and the expenses reported to date. The balance represents pre-financing for expenses to be made in the future. All other balance sheet items in any branch office are not included in the financial statement, as they are considered not material and are as a nett represented in the disbursement account.

Judgements, estimates and uncertainties
In applying the principles and policies for drawing up the financial statements, the Director of IRC makes different estimates and judgments that may be essential to the amounts disclosed in the financial statements. In order to provide the true and fair view required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

Going concern
The present accounting policies of valuation and determination of results used are based on the assumption of going concern.

Tangible fixed assets
The tangible fixed assets are valued at the historic purchase price less straight-line depreciation over the estimated useful economic life. The residual value of the tangible fixed assets is set at zero.
- Computer equipment is depreciated over three years.
- Other durable business assets are depreciated over ten years.

No extra-ordinary depreciations, nor value adjustments or impairments have been determined at the balance sheet date.

Impairment of fixed assets
On each balance sheet date, the entity assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the realisable value of the asset is determined. If it is not possible to determine the realisable value of the individual asset, the realisable value of the cash-generating unit to which the asset belongs is determined.

An impairment occurs when the carrying amount of an asset is higher than the realisable value; the realisable value is the higher of the fair value less cost to sell and the value in use. An impairment loss is directly recognised in the income statement while the carrying amount of the asset concerned is concurrently reduced.

The realisable value is initially based on a binding sale agreement; if there is no such agreement, the realisable value is determined based on the active market, whereby usually the prevailing bid price is taken as market price. The costs deducted in determining net realizable value are based on the estimated costs that are directly attributable to the sale and are necessary to realize the sale. For the determination of the value in use, an estimate is made of the future net cash flows in the event of continued use of the asset / cash-generating unit; these cash flows are discounted, based on a discount rate. The discount rate does not reflect risks already taken into account in future cash flows.

If it is established that an impairment that was recognised in the past no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been reported. An impairment of goodwill cannot be reversed.

Accounts receivable
Receivables are recognised initially at fair value and subsequently measured at amortised cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected income. When a receivable is uncollectible, it is written off against the allowance account for receivables.

Cash and cash equivalents
Cash and cash equivalents are at face value and at full disposal for IRC to execute its projects and programmes. It consists of petty cash and the balances on the ABN AMRO bank accounts in The Netherlands. Two types of bank accounts can be distinguished: non-interest-bearing current accounts and interest-bearing deposit accounts. There are only non-interest-bearing current accounts in the country offices.

The balances on the bank and deposit accounts are withdrawable on demand. Balances in the foreign currency accounts (U.S. Dollars and British Pounds) have been converted to Euro at the official exchange rate at the balance sheet date.

Provisions
Provisions are recognised for legally enforceable or constructive obligations that exist at the balance sheet date, and for which it is probable that an outflow of resources will be required, and a reliable estimate can be made. Provisions are measured at the best estimate of the amount that is necessary to settle the obligation as per the balance sheet date. The provisions are carried at the nominal value of the expenditure that is expected to be necessary to settle the obligation, unless stated otherwise.

If obligations are expected to be reimbursed by a third party, such reimbursement is included as an asset in the balance sheet if it is probable that such reimbursement will be received when the obligation is settled.

Jubilee benefits
The provision for jubilee benefits is measured at the present value of expected benefits payable during employment. The calculation of the provision takes the gross salary at the end of the book year and the likely stay into account.

Net balance on projects
The 'net balance on projects' comprises amounts for projects that were not completed at the balance sheet date minus the amounts that were already received or billed to external clients. Projects in progress are valued based on the directly attributable salary expenses at the rates applicable for the reporting year, plus other direct expenses.

Project losses/gains are recognized upon completion except for provisions related to expected losses that are made at the moment they are foreseeable and are deducted from the work in progress balance.

Work in progress is balanced with the item 'pre-invoiced on projects' and is shown on a net basis in the balance sheet as long as the individual amounts meet the criteria for netting.

Pension benefits
IRC operates a defined benefit pension plan at ABP. This provides defined pension benefits to staff in the Netherlands upon reaching retirement age. The amount depends on age, years of service and compensation. IRC has accounted for the multi-employer defined benefit plan as if it was a defined contribution plan. IRC has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods other than higher future contributions. The premium payable during the financial year is charged to the result.

Pension schemes for staff in IRC Branch Offices follow country-specific labour law.

Liabilities
On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised costs price. This is usually the nominal value. All current liabilities fall due within one year unless mentioned otherwise.

Rental and lease agreements
The company may have lease contracts (including rental contracts) whereby a large part of the risks and rewards associated with ownership are not for the benefit of nor incurred by the company.

Cash flow statement
The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Interest paid and received are included in cash from operating activities. Under the investments in tangible fixed assets, only the investments are included for which cash was paid.

Principles for the determination of the result

Income from projects
Income from projects comprises the hours spent per employee based on time registration at the rates applicable in the reporting year, increased by other costs that can be charged to clients. Revenues from the services rendered are recognised in proportion to the services delivered,

based on the services rendered up to the balance sheet date in proportion to the total of services to be rendered. This is consistent with the 'percentage of completion method'. Operating subsidies are recorded as income in the Income Statement in the year in which the subsidised costs were incurred.

Expenses
Selling expenses and general and administrative expenses comprise costs chargeable to the year that are not directly attributable to projects.

Employee costs
Salaries, wages and social security contributions are charged to the Income Statement based on the terms of employment, where they are due to employees and the tax authorities respectively.

Exchange rate results
The currency used throughout this report is Euro. Transactions in foreign currencies are stated in the financial statements at the exchange rate of the functional currency which is monthly adjusted based on the value of the currency on the last day of the month. The translation differences resulting from settlement and conversion are credited or charged to the Income Statement. Non-monetary assets valued at historical cost in a foreign currency are converted at the exchange rate on the transaction date.

Result
The result is the difference between the realisable value of the services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised. The result is determined considering the recognition of unrealised changes in fair value of financial instruments.

IRC

Notes to the Balance Sheet

Assets

1 **Tangible fixed assets**

Movement in tangible fixed assets can be specified as follows:

	Office Equipment	Computer Equipment	Total
	€	€	€
Position as of 1 January 2024			
Purchase price	86,508	76,370	162,878
Minus: Accumulated depreciation	-67,185	-58,369	-125,554
Book value	19,323	18,001	37,324
Transactions during financial year			
Additions	-	-	-
Minus: Depreciation	-5,216	-13,199	-18,415
Minus: Disposals at cost	-	-3,333	-3,333
Plus: Accumulated depreciation disposals	-	2,509	2,509
Total transactions	-5,216	-14,023	-19,239
Position as of 31 December 2024			
Purchase price	86,508	73,037	159,545
Minus: Accumulated depreciation	-72,401	-69,059	-141,460
Book value 31 December 2024	**14,107**	**3,978**	**18,085**

2 Accounts receivable

The outstanding balance for accounts receivable amounts to €624,034 as of 31 December 2024 (2023: €381,963)

Aging of outstanding receivables can be specified as follows:

	Original amount	Provision	31 Dec. 2024
	€	€	€
Less than 6 months	624,034	-	624,034
6 to 12 months	-	-	-
12 to 18 months	-	-	-
Balance 31 December 2024	**624,034**	**-**	**624,034**

3 VAT receivable

On 31 December 2024, a total amount of € 20,027 VAT was to be claimed from the tax authorities. At the end of 2023, the refundable VAT amounted to € 8,923.

VAT receivable can be specified as follows:

		2024		2023
		€		€
Position as of 1 January		8,923		52,452
Plus: Addition to receivable		32,882		74,380
Minus: receipt		-21,778		-117,909
VAT position 31 December		**20,027**		**8,923**

4 DGIS Building WASH systems

In 2017 the Ministry of Foreign Affairs (DGIS) issued a grant totalling €4,800,000 for the period 2017 through 2021. In 2019, the grant was increased by € 6,850,000 to a total new budget of € 11,650,000 - with the total program period extended until 2024. During the year, the program received a one year costed extension (€1,500,000) until 31 December 2025. The total combined budget for the grant for the years 2017-2025 has thus become €13,150,000.

The grant is for the project "Building WASH systems to deliver the Sustainable Development Goals".

	€
Funding received 2017 till 2024	13,000,000
Expense reported 2017 till 2024	11,652,340

5 FCDO WASH Systems for Health

The project funded by the Foreign, Commonwealth & Development Office (FCDO-UK), started in 2022 and will be implemented in two phases during six years. The total combined budget for the two phases is GBP 3,000,000. The funding is based on declaration of costs from partners and own costs. The project partners are London School of Hygiene and Tropical Medicine and the University of Leeds Reim.

A total of €553,188 was declared for 2024, of which €211,800 were cost from two partners and €341.388 was spent by IRC.

During 2024 IRC received €565,636 as funding, the declaration for the expenses of September till December was still to be received (€206,458).

	31 Dec. 2024	31 Dec. 2023
	€	€
Opening position	218,906	-
Total costs declared	553,188	496,805
Total received from FCDO	-565,636	-277,899
Total outstanding balance	206,458	218,906

6 Other receivables

			2024		2023
			€		€
Rent deposits for office in The Hague, NL (Nutshuis)			19,691		19,691
Deposit Horizon - SWA Staff hosting			36,461		17,284
Prepayments			15,369		5,000
Other receivables			31,244		16,980
Other receivables 31 December			**102,765**		**58,954**

7 Cash and cash equivalents

			2024		2023
			€		€
Current and saving accounts			5,201,005		4,329,524
Disbursement Ghana office			203,003		148,141
Disbursement Burkina Faso office			-4,593		750,806
Disbursement Ethiopia office			-14,697		-52,328
Disbursement Uganda office			181,453		147,359
Disbursement Mali			-5,701		5,472
Disbursement IRC Rwanda			3,011		2,345
Cash in hand			24		23
Balance 31 December			**5,563,505**		**5,331,341**

The amounts on the bank accounts and cash in hand are unrestricted for regular activities. The disbursement to country offices represents the nett of all cash transfers to the country office and the expenses reported to date. The balance is considered pre-financing for expenses to be made in the future.

8 Foundation's General Reserves

The foundation's General Reserves serve to cover general business risks without restrictions.

The Annual Result 2024 is allocated to the Reserves as follows:					
	€				
Result 2024 before appropriation	9,683				
Added to the General Reserves 50%	4,842				
Added to the Earmarked Reserves 50%	4,841				
			2024		2023
			€		€
Foundation's General Reserves on 1 January			894,949		1,240,187
Addition to the General Reserves from Annual Result			4,842		-345,238
Transfer to General Reserves from Earmarked Reserves			-		-
Position 31 December			**899,791**		**894,949**

9 Earmarked reserves

Since 2016, IRC maintains Earmarked Reserves. With the endorsement of the Supervisory Board, 50% of the Annual Result is added to the Earmarked Reserves annually. The Earmarked Reserves are used for unplanned unemployment benefits (for which IRC is own-risk bearer), investments in the website and (ICT) systems, rebranding, and the occasional office move. In November 2022, the Supervisory Board agreed to also use the Earmarked Reserves for planned organisational development.

			2024		2023
			€		€
Foundation's Earmarked Reserves on 1 January			50,701		168,456
Use of Earmarked Reserves during the year			-15,776		-117,755
Addition to the Earmarked Reserves from Annual Result			4,841		-
Position 31 December			**39,766**		**50,701**

The use of Earmarked Reserves during 2024 (€15,776) concerns investments in ICT systems, notably the ERP Enterprise Resources Planning system.

10 Staff related provisions

At 12.5, 25 and 40 years employment with IRC, each employee is entitled to receive an extra allowance equal to respectively 25%, 70% and 100% of one month's salary including holiday allowance and end of year allowance. The jubilee provision calculation is based on the Employment Conditions (IRC AVR2023-2025); i.e. only after ten years of service are employees entitled to the built-up provision.

IRC is own-risk bearer for unemployment benefits, due to the B3 status it has since 2006. During 2024, a provision of €120,000 was released for staff redundancies. Another €112,438 was added to the unemployment provision, comprising of €80,000 for foreseen staff redundancies during 2025 and €32,438 for potential unemployment benefits.

	Jubilee provision		Provision unemployment		Total
	€		€		€
Position as of 1 January 2024	37,804		157,636		**195,440**
Addition	-		112,438		**112,438**
Release	(92)		-120,000		**-120,092**
Book value 31 December 2024	**37,712**		**150,074**		**187,786**

11 Short term net balance on projects

The item 'short-term net balance on projects' amounts to €3,553,743 as of 31 December 2024. It concerns amounts that were received and invoiced for projects that were not completed at balance date. At the end of 2023, the short-term net balance was €4,789,574. The reduced net balance on projects is a result of the completion of a significant number of projects (#66) and hence a reduced remaining project volume.

			31 Dec. 2024		31 Dec. 2023
			€		€
Accrual project losses			-		49,000
Total expenses on projects			-16,366,191		-21,226,596
Disbursements sub-grants			-639,305		-1,073,793
Funds received (projects in progress)			20,559,239		27,040,963
Total Net Balance			**3,553,743**		**4,789,574**

The remaining €49,000 accrual for project losses of 2023 was used in 2024 for foreseen project losses in Burkina Faso and in Ethiopia.

12 Tax and Pension premiums payable

			2024		2023
			€		€
Employer Tax and Pension premiums payable			67,999		83,122
Balance 31 December			**67,999**		**83,122**

13 Accounts payable

The aging of the outstanding items is as follows:	31 Dec. 2024	31 Dec. 2023
	€	€
Less than 6 months	132,450	174,080
6 to 12 months	-	-
Accounts payable balance	**132,450**	**174,080**

14 Other current liabilities

Other current liabilities is specified as follows:	2024	2023
All current liabilities fall due within one year.	€	€
Hypotax	3,917	4,375
Holliday allowance	86,053	101,031
Year-end allowance	12,590	15,971
Employee leave rights payable	52,858	65,144
Salaries to be paid	1,380	-
Accrued expenses/prepayments	148,881	179,080
Book value 31 December	**305,679**	**365,601**

IRC

Contingencies and Commitments not included in the balance sheet

Theoretical unemployment (WW) commitments
IRC is a B3-entity and as such responsible for it owns potential unemployment commitments (own risk bearer). The total theoretical amount of combined unemployment benefits of staff in the Netherlands on 31 December 2024 is €1,559,020. Additionally, the total amount of transitional allowances is €701,839 - providing mutual consent on contract termination.

Sick pay
IRC bears its own risk for the Sickness Benefits Act. The costs of continued salary payments to personnel in the event of illness are to be borne entirely by IRC. The costs in the first year of illness is 100% whereas in the second year it is 70%.

Number of employees as per 31 December 2024
Total employees on contract from IRC the Netherlands as per 31 December 2024 is 27 (23.42 FTE), which is a reduction in headcount of 7 as compared to 2023.

The number of employees working from the branch offices as per 31 December 2024 is 62 (61.5 FTE), has staid stable. The total IRC employees as per 31 December 2024 is 89 (84.92 FTE), which excludes staff hosted by IRC (8) and interns (1).

Risk carrier for disability (WIA)
As per 1-1-2013 IRC has insured disability risk (WIA). There are no risks outstanding associated from before 31 December 2024.

Rental and lease agreement
IRC in the Netherlands is housed in the Nutshuis in The Hague. A rental agreement has been established with Fonds1818 for an initial period of 5 years, ending 31 October 2027, with an option to renew for an additional period of 5 years. From 2025 onwards, IRC no longer rents unit 3.33 (Torenkamer), which brings the annual rent to €37,926 according to the amended contract signed January 6, 2025.

The copy machine is leased through Fonds1818 for a period up to 14 August 2025.

The future rent and lease obligations can be specified as follows:	€
Rent obligations up to 1 year office	37,926
Rent obligation up to 1 year copiers	1,427
Rent obligations > 1 year office	69,531
Rent obligation > 1 year copier	-
Lease/rent obligations total	**108,884**

IRC

Notes to the Statement of Income and Expenses

Income from projects

The income from projects consists of the paid days spent by IRC employees on externally financed projects (at the current external rates), increased by other costs charged (for projects with a rate based on direct costs), out of pocket expenses on projects (e.g. travel expenses, consultants and contributions to partner organizations) and project results that derived from subsequent calculation of projects at completion.

15 Project Funding	**Actuals 2024**		**Budget 2024**		**Actuals 2023**
	€		**€**		**€**
IRC projects	9,716,295		10,986,342		10,967,309
Result on closed project	40,369		-		-3,820
Other income	31,148		-		24,040
	9,787,812		10,986,342		10,987,529

16 DGIS Building WASH systems	**Actuals 2024**		**Budget 2024**		**Actuals 2023**
	€		**€**		**€**
Programme 2017 - 2025	1,436,282		1,434,166		1,486,762

The total revenue from projects in 2024 was €11,224,094 – including project losses and other income. Project income came from a total of 110 projects.

IRC

Expenses

17 Personnel expenses

The total personnel expenses for 2024 were € 4,699,401, which is a reduction of some 4% compared to 2023.

	Actuals 2024	Budget 2024	Actuals 2023
Total FTE used from the Netherlands	23.4	28.8	30.9
Total FTE used from country offices	61.5	68.5	65.3
Total FTE used	84.9	97.3	96.2
Specification of personnel expenses :	**2024**	**2024**	**2023**
Salary expenses	**€**	**€**	**€**
Gross salaries including vacation allowanc	2,286,692		2,531,220
National insurance contributions	223,244		240,138
Pension premium contributions	262,757		281,084
Personnel expenses The Netherlands	**2,772,693**	**3,343,102**	**3,052,441**
Other allowances	53,800	17,500	82,423
Personnel expenses Ghana	301,720	337,125	287,932
Personnel expenses Burkina Faso	259,728	270,305	285,892
Personnel expenses Ethiopia	512,519	435,171	468,589
Personnel expenses Uganda	420,627	459,592	413,684
Personnel expenses Mali	217,184	241,751	180,059
Personnel expenses Niger	14,824	54,184	54,227
Personnel expenses India	51,019	45,547	46,843
Personnel expenses Bangladesh	47,234	57,907	35,775
Personnel expenses Honduras	-	-	16,604
Total salary expenses	**4,651,348**	**5,262,184**	**4,924,468**
Other personnel expenses			
Provision & Liability adjustments *	-21,152	-	-106,775
Training and education	10,878	25,000	10,573
Personnel administration	17,009	34,100	15,920
Health expenses and health support	4,167	2,500	2,982
Travel free weeks and social events	6,941	5,000	11,572
Personnel insurances	5,472	5,000	4,768
Miscellaneous	24,738	5,000	9,175
	48,053	76,600	-51,784
Total personnel expenses	**4,699,401**	**5,338,784**	**4,872,684**

* Release of untaken holidays and unemployment provision

18 Direct project related expenses	Actuals 2024		Budget 2024		Actuals 2023
	€		€		€
Total project related expenses	**6,817,011**		**6,772,843**		**7,663,580**

Other project related expenses are contributions to partners, consultants, travel, meetings and other project expenses.

19 General & administrative expenses (G&A)

G&A concerns all office related expenses as well as management and operational costs of the organisation. Total G&A amounts to €913,912 in the year 2024, which is 7% lower than in 2023.

From the total G&A costs an amount of €804,340 could be recovered on projects, as recovered contract coordination fee or in cases where Full Cost Tariffs were not used. Full Cost Tariffs include an overhead component to recover indirect costs (including G&A expenses). Projects funded for by USAID, European Union or UNICEF generally do not allow the use of overhead components in tariffs. Indirect costs are then made direct on project budgets and an administration fee is agreed on. IRC also charges a contract handling fee for Associates and other consultants.

The specification of the G&A is as follows:	**Actuals 2024**	**Budget 2024**	**Actuals 2023**
	€	**€**	**€**
Housing	102,626	102,500	123,854
Depreciation expenses	18,415	20,000	21,832
Information Technology	117,171	75,000	89,864
Office supplies	1,117	5,000	1,777
Printing	2,192	2,500	2,266
Communication, postage	3,670	5,000	4,053
Supervisory Board	22,311	25,000	26,275
Auditor	79,284	80,000	76,604
Management, marketing, PR and Advisory	77,293	80,000	14,258
Influencing & advocacy, monitoring	468	-	1,745
Fundraising & Business Development	29,722	42,500	26,416
Revised VAT pre-pro rata 2020	-15,435	-	-16,980
Tax & legal consultancy	4,257	15,000	-
Expenses ICT systems	15,776	25,000	28,265
Literature, memberships & Works Council	18,235	20,000	26,872
Alliance steering committee	12,603	47,500	13,531
Other management expenses	20,100	75,000	72,313
General & Administrative expenses Netherland	509,805	620,000	512,945
General & Administrative expenses Ghana	146,516	170,892	153,338
General & Administrative expenses Burkina Fas	80,781	77,417	76,067
General & Administrative expenses Ethiopia	38,406	46,433	44,532
General & Administrative expenses Uganda	93,277	142,576	136,697
General & Administrative expenses Mali	44,749	46,431	30,450
General & Administrative expenses Niger	-	11,520	21,695
General & Administrative expenses India	378	9,980	4,613
General & Administrative expenses Honduras	-	-	804
Total gross General & Administrative expenses	913,912	1,125,249	981,142
20 Recovered overhead expenses	-804,340	-706,368	-697,657
Total net General & Administrative expenses	**109,572**	**418,881**	**283,485**

IRC

21 Financial income and expenditures +/-

Financial income & expenditures in 2024 amounts to an additional income of €395,797 and is due to exchange rate results and interest.

Financial income & expenditures can be specified as follows:	**Actuals 2024**	**Budget 2024**	**Actuals 2023**
	€	**€**	**€**
Interest deposit Accounts	93,900	60,000	50,949
Bank costs	-9,125	-15,000	-6,473
Accrual bad debts	-	-	-
Realised currency exchange result	298,378	-	-59,423
Unrealised currency exchange result	171,158	-	-102,415
Result former years	-158,298	-	-
Cash & payment differences	-216	-	-173
Total financial income & expenditures	**395,797**	**45,000**	**-117,535**

Annual result	**-6,903**	**11,000**	**-462,993**

The appropriation of the Annual Result to the General Reserves and Earmarked Reserves is elaborated on in the Notes to the Balance Sheet (#8-9)

Subsequent events

The sudden dismantling of the USAID office in February 2025 has resulted in a stop-work order for three projects and will impact the total revenue for IRC during 2025. It is a contributing factor to the decision to establish an additional provision for staff redundancies in 2025.

IRC

Remuneration of the Director

Name	Dr. Patrick Moriarty
Job Position	CEO

Year	**2024**	**2023**
Type contract		
Hours	36	40
Part time percentage	90%	100%
Period	01/01-31/12	01/01 – 31/12

Annual Income, gross	€		€
Gross salary	112,078		117,330
Holiday allowance	9,036		9,209
Year end allowance	9,155		9,554
Variable income	-		-
Gross employee income	**130,269**		**136,093**
Employers Social Security costs	15,228		13,523
Taxable disbursement	-		-
Employers Pension Contribution	23,198		22,408
Other (future) benefits	-		-
Severance Entitlement	-		-
Total Remuneration CEO	**168,695**		**172,024**

As from May 2022, the IRC CEO is being paid conform the UK fiscal norms.

Remuneration of the Supervisory Board members

Ms. Gichuri	4,000
Ms. C. Brocklehurst	1,600
Mr. J. Sebel	1,600
Mr. L Boorstin	1,600
Mr. K. Wieriks	1,600
Akiça Bahri	1,600
Total Remuneration Supervisory Board members	**12,000**

Remuneration of the Supervisory Board

The members of the Supervisory Board received a total allowance of € 12,000. An additional €10,311 was spent on flights, venue and hotel accommodation for in-person meetings and project visits of Supervisory Board members. Another €11,555 was spent on a full Supervisory Board meeting hosted by IRC Ghana in June 2024.

There are no loans, advances or guarantees provided to the Director or one of the Supervisory Board members. Hotel costs and flights to attend meetings are paid on actual expenditure for the Supervisory Board members. A specification of the allowances paid is provided under Remuneration of the Director

Approved and signed by the Supervisory Board

The Hague, 28 May 2025

The Hague, 28 May 2025

Patrick Moriarty
CEO

Wambui Gichuri
Supervisory Board, Chair

Jan Sebel
Supervisory Board, Treasurer

Louis Boorstin
Supervisory Board

Clarissa Brocklehurst
Supervisory Board

Koos Wieriks
Supervisory Board

Akiça Bahri
Supervisory Board

IRC

Other Information

Result appropriation

The Annual Result appropriation is proposed by the Board of Directors (CEO), for endorsement by the Supervisory Board. Since 2016, the (endorsed) proposal has been to allocate 50% of the Annual Result to the General Reserves and 50% to the Earmarked Reserves.
A ceiling of €250,000 for the Earmarked Reserves is applied.

Independent Auditor's Report

To be provided by PricewaterhouseCoopers Accountants N.V.

Annexes

IRC Full Cost Tariffs 2025

IRC office, The Netherlands	
CEO	€ 1,340
Manager	€ 1,070
Senior Programme Officer	€ 975
Programme Officer I	€ 920
Programme Officer II	€ 850
Programme Controller	€ 940
Senior Support Officer	€ 915
Programme Support Officer	€ 760
General Support Officer	€ 450

IRC presence, South Asia	
Manager	€ 395
Senior Programme Officer	€ 330
Programme Officer	€ 300

IRC office, Ghana	
Manager	€ 815
Senior Programme Officer	€ 440
Programme Officer I	€ 415
Programme Officer II	€ 385
Programme Controller	€ 460
Senior Support Officer	€ 390
General Support Officer	€ 385

IRC offices, Sahel	
Manager	€ 665
Senior Programme Officer	€ 575
Programme Officer I	€ 340
Programme Officer II	€ 295
Programme Controller	€ 360
Senior Support Officer	€ 345
General Support Officer	€ 295

IRC office, Uganda	
Manager	€ 740
Senior Programme Officer	€ 520
Programme Officer I	€ 465
Programme Officer II	€ 395
Programme Controller	€ 460
General Support Officer	€ 380

IRC office, Ethiopia	
Manager	€ 625
Senior Programme Officer	€ 315
Programme Officer I	€ 265
Programme Officer II	€ 240
Programme Controller	€ 275
General Support Officer	€ 205