



# Annual Report 2023

We collaborate with public water partners and their communities to collectively improve their performance towards future-proof water cycles



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## Who we are

We are World Waternet, founded in 2007 by Waternetters. We are a foundation dedicated to improving sustainable access to clean, sufficient and safe water for all. World Waternet supports public water organisations through knowledge exchange on the water cycle.

We operate in 10 countries and currently work in the regions: the Middle East, Southeast Asia, South America and East and West Africa. Together with our partners, we strengthen the impact of these water organisations. We increase capacity, improve performance on the water systems together and work globally towards a future-proof water cycle.

We believe that a healthy water cycle should be treated as a global common good for future generations, in the interest of all.

## Preface

World Waternet is proud on the positive impact on the lives of more than three million people we made in 2023. We did this by improving, peer-to-peer, the local water cycles in partnership with our long-term public water organizations. You will find a snapshot of our highlights per month on page 9 and 10.

During the UN2023 Water Conference (New York) in March, the 'Global Commission on the Economics of Water' emphasized the increasing need for holistic, bolder and more integrated approaches across the broken #WaterCycle at national, regional and global level. World Waternet accelerated and contributed, in partnership with the Dutch Water Authorities (DWA) and Drinking Water Operators (DWO), to the Water Action Agenda by more youth engagement (30-30-30), catalyze investments (UWCI-WWX) and Public-Private collaborations (Innovations).

It was painful to experience the severe political and climate related challenges in some of the countries we work in. The lack of security for - and access to - our partners is worrying. The war in Ukraine and Gaza is on our mind and we are providing (online) support to Ukrainian and Palestine water organizations.

The ongoing governance dynamics within the Waternet Organization definitely affected the availability and motivation of our watercycle colleagues. We are therefore extra grateful for the ongoing support and drive of our colleagues to make a difference. This year we engaged more than ever watercycle colleagues and alliance partners.

This makes me even more dedicated, focused and humble about our impact through Water Operators' Partnerships (WOPs). I sincerely believe that our local empowerment, long-term practical peer-to-peer approach combined with investments is a game-changer for accelerating SDG-impact.

Furthermore we strengthened our collective intelligence and evaluated our operational excellence for more and effective impact. We also kept an eye on the horizon, by kicking-off our 'Possible Future 2030' engagement session on the 7th of September alongside the Swimmable Amstel River. This Amstel National Park journey is still on-going and we are looking forward to continue our partnership conversations with you.

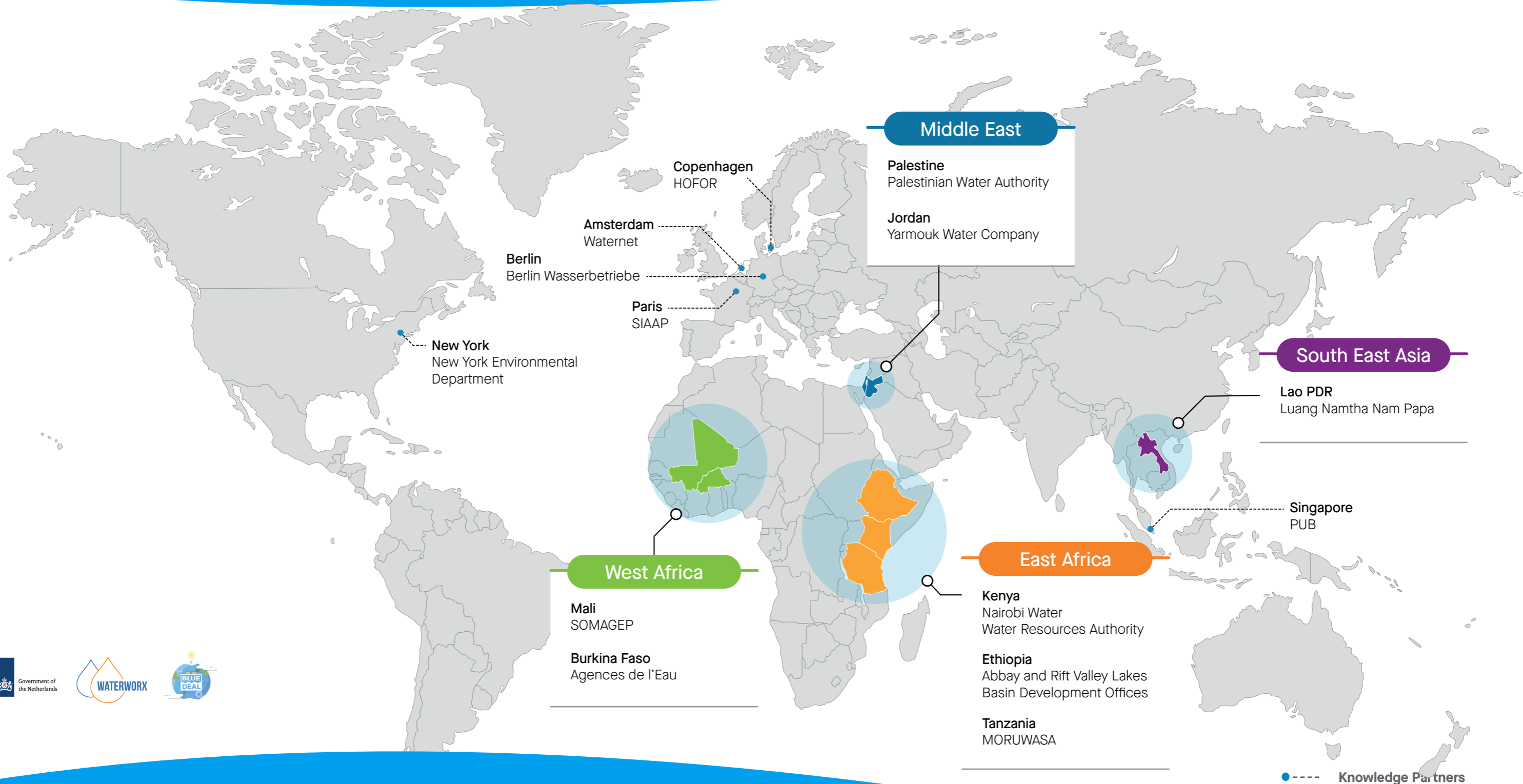
To conclude, I am proud to show the added value of Waternet as an integrated water cycle company and the long-term support of our founders, the City of Amsterdam and the regional water authority Amstel, Gooi en Vecht. I am also thankful for the support of the Dutch Government and our collaboration within the WaterWorX and Blue Deal peer-to-peer partnerships.



**Frodo van Oostveen**  
CEO World Waternet



# These are our proud Water Operator Partnerships



## Finances

Income (€ in millions)

**2,0** (2,0 Plan)  
Municipality of Amsterdam & Regional Public Water Authority AGV

**6,63** (6,08 Plan)  
Co-financiers

Overhead

**5,8%** (4,7% Plan)

## Contribution to the Sustainable Development Goals

Number of water organisations supported on:



## Highlights of 2023

### JANUARY

**MALI** Successful working exchange visit of 10 Malian staff from SOMAGEP and SOMAPEP to ONEE, Morocco was held as a part of the EU-WOP programme 'Dji'i Tiaman'.

**ETHIOPIA** Kick-off of the NWB-fund Wetlands for wastewater project.

**TANZANIA** Work visit of two plumbers from Waternet in Morogoro for peer-to-peer knowledge transfer.



Performing training in reducing non-revenue water in three secondary cities in Mali (Kati, Koutiala and Sikasso).

### FEBRUARY

**ETHIOPIA** Organised a high level event for the 3 Ethiopian Blue Deal partnerships (incl. Awash, Zuiderzeeland) together with high level stakeholders to optimize knowledge sharing and spillover for collective intelligence and collective impact. Part of the event was a signing ceremony of three new MOU's with the Ministry of Water and Energy.

**JORDAN** Visit of technicians to Amsterdam for a follow up training on inspection and cleaning of sewage network.

**TANZANIA** Two yeppers from Tanzania came to the Netherlands for their first YEP training.



### MARCH

**ETHIOPIA** Cultural training and Serious game for joint team-building in Ethiopia at Blue Deal Abbey.

**KENYA** WaterWorX cooperation between Kampala and Homa Bay.

**JORDAN / PALESTINE** Arab Water Week in Amman. Presentations by BluElephant

and Preventative Maintenance in Irbid.

**MALI/BURKINA FASO/TANZANIA** Celebration of International Women's Day.

**Crisis Simulation Amsterdam**



**event**  
**UN2023 New York conference**

- UWCi Urban Water Catalyst Initiative on the water action agenda
- Water footprint implementation

- compensation framework
- Implementing representation of 30-30-30 in the water sector

## APRIL

**KENIA** Future Search Conference: bring the Njururi back to the river. To secure sufficient and clean water for Nairobi, all water users - including Nairobi Water - have set their basecamp alongside Thika River (the basin where 80% of Nairobi's water come from) to design a common future and action plan. Very concrete and actionable outcomes (river stretch adopted, monitoring

stations coordinated), but most of all a community was built with strong ownership of a healthy river ecosystem. This is where Blue Deal and WaterWorX partnerships meet and serve as inspiration for other WOPs.

**16<sup>th</sup>** birthday of World Waternet



Future Design Basecamp Njururi Thika River

## MAY

**KENIA** Successful kick-off of implementation of MapKit software in combination with the establishment of 2 committees to guide the process.

**TANZANIA** Newspaper The Guardian published an article about agroforestry to safeguard water sources, mentioning our Reforestation Project at the Mindu Dam Morogoro.



event

### The 5<sup>th</sup> Global WOPs Congress Bonn

- Leading Utilities of the World – Berlin
- IRC WASH All systems Connect – The Hague



## JUNE

**ETHIOPIA** Successful work visit for the Siraro Water Supply Service (HNS).

- Drinkable Meuse, Swimmable Meuse.
- First Swiminar with Mayor.
- Visit WOPs Blue Deal.
- Teamday WWn.
- Visit UWCI to AMS.

Blue Deal congress in Amsterdam



Swimmable Meuse

## JULY

**KENIA** After the Future Design Basecamp in April, the first few thousand trees were planted in the Thika river riparian zone. Also, a two-day Summer School in social design & innovation was organised, to enable the Thika River Community to continue with their truly integrated water resource management approach.

**PALESTINE** Visit of Board Member Sander Mager to Palestine. High level meetings between Palestinian Water Authority and Dutch Water Authorities on Sector Reform plans.



## AUGUST

**PALESTINE** World Waternet commends Salfet Municipality and Flowless - Sustainable Solutions for saving 10 million liters of water monthly. This achievement, through smart technology and efficient operations, allows remote infrastructure management. We value this collaboration as part of the WaterWorX and Dutch Water Authorities' Blue Deal 2020-2030 initiative,

supporting the UN's 2030 Sustainable Development Goals.

**TANZANIA** Work visit from FarmTree to update the FarmTree tool (funded by NWB). Signing of a letter of commitment between WWn – MORUWASA – Wami-Ruvu.

**ETHIOPIA** First impact movie: Smelling the flowers.



Flowless technology

## SEPTEMBER

**ETHIOPIA** Providing equipment and trainings on water quality testing at the Shashemene wetlands



BACK TO THE FUTURE a World Waternet Festival at RIC. In interactive dialogue with our World Waternet Community

## OCTOBER

**ETHIOPIA** Start construction wetland Adama.

**PALESTINE** War starts between Israel and Palestine. All visits and activities come to a halt.

**BURKINA FASO** Planned a high-level work visit, which was cancelled due to a change in travel advice.



event

### C40 Teamdays

in Amsterdam incl. Rainproof

event

### Amsterdam City Swim

participation international delegation C40, City of Amsterdam

## NOVEMBER

**ETHIOPIA** Minifilm Drops of Hopes - Restoring Balance in Ziway-Shalla sub-basin released. This video highlights the remarkable achievements and collaborative actions undertaken in five years to enhance water security and restore balance in the Ziway-Shalla sub-basin.

addition, Vivian carried out a gender inclusive assessment of our local partner MORUWASA.

**GHANA** Successful BlueDeal working visit in Ghana to promote peer-to-peer learning between Burkina Faso and Ghana on IWRM and nature based solutions.

**JORDAN** The start of the last 100-day plan for the project to install 10 km of sewer pipelines.

**TANZANIA** Vivian and Annemarie participated with Gender day. In

event

### A'dam International Water Week

Opening by Deputy Mayor M. Van der Horst



## DECEMBER

**ETHIOPIA** Empowering Water Management.

Ministry-backed reflections highlighted challenges related to climate change, and the National Coordination of GIS Capacity Building Track emphasized a "by Lao, for Lao" approach.

**BURKINA FASO/TANZANIA**

- Conference in Kigali about Nature-based Solutions.
- Event COP28

Visit **Ukraine Water Organisation** in collaboration with WaterWorX.

**LAOS** WOP WaterWorX conference in Lao PDR saw robust participation from 10 provincial water utilities, fostering a positive atmosphere for collaboration.

**City of Amsterdam** - International collaboration.

event

### International Water Association 2023

Nature-Based Solutions and climate resilient workshops with BlueDeal, NWB and WaterWorX



## Risk Management

Risks are inherent to the activities of World Waternet. They may hold back achievements and damage the reputation. It is therefore important to identify and manage risks at an early stage. In 2020, World Waternet established an Audit & Risk Committee. It consists of two board members, the managing director, the finance manager and the legal controller. This committee prepares the risk management and financial policy and initiates audits on behalf of the board. In 2023, risks were assessed and documented in a structured and uniform way in a risk register. World Waternet applies ISO 31000, the international risk management standard, and follows Waternet to the extent possible. The principles used for risk management are established by the Board. Risks are managed at the organisational level and at the project level. The main risk categories are: risks in the areas of financial, services, legal, security, and integrity and reputation. The principles used for risk management are established by the Board. Risks are managed at the organisational level and at the project level.

### Financial

World Waternet can only take financial risks to a limited extent. Due to the project-oriented nature of World Waternet, financial risks are

usually connected to individual projects. Choices regarding contract types are therefore important elements in managing the risk profile of the commitments we make. In order to minimize financial risks, World Waternet only engages into contracts with clearly defined objectives and with risks that are manageable.

There is always a careful separation of functions in the financial work processes, as well as in the assessment of financial reports of projects. Each year, an external auditor issues an audit opinion on the annual accounts and on various individual projects.

### Services

World Waternet is engaged in projects in cooperation with local partners and with funding from third parties. Waternet experts are hired to realize the project results through an open application process, to ensure the best quality of project staff. Additional staff is hired externally and in particular at partner organizations. With the receiving parties, foreign public water companies, World Waternet makes agreements that are carefully tested on feasibility. The effectiveness and efficiency of WaterWorX and Blue Deal projects, which make up a large part of the project portfolio, are also tested by external experts.

### Legal

World Waternet complies with the regulations imposed on public organizations. Due to the international character of the activities, foreign legislation may also apply. In order to guarantee that all regulations are served, World Waternet makes use of expertise of Waternet and, where necessary, of other organizations.

World Waternet strives to mitigate the risk of legal proceedings and therefore, where possible, uses standard contracts that already proved their merits. As an organization governed by public law, World Waternet ensures that the general principles of good governance, the Wet Markt en Overheid (Dutch Act on Government and Free Markets), and regulations and case law regarding prohibited state aid are carried out with at all times.

### Security

The security of the employees of World Waternet is our highest priority. Given that the activities of World Waternet mainly take place internationally, World Waternet has laid down security requirements in a 'Travel Policy' that is available to all employees concerned. In addition, we follow the travel advice of the Dutch Ministry of Foreign Affairs; World Waternet does not work in 'red areas'; for 'orange areas'

we require a security training of several days. World Waternet also relies on international emergency services (International SOS and the International NGO Security Organization) and on information from our local partners and the Dutch embassies.

### Integrity and reputation

WWn is proud to be a purpose driven public Organization, implementing our mission on a not-for-profit basis. As a public Organization, World Waternet is bound by government regulation on sound human resource management, well organized privacy and security, and an integrity and corruption policy. Appropriate attention is paid to this by means of, amongst other things, an external employee satisfaction survey and training. In our cooperation with partners, we also pay attention to issues such as integrity, the way employees are treated, corruption and sexual harassment. Requirements in this regard are reflected in contracts. In case any undesirable situation occurs in the field, it will be addressed without delay. In extreme cases, this may mean that World Waternet will end the cooperation with the partner in question. In 2023, no incidents were reported within World Waternet or its projects.



## Finances 2023

## Balance sheet as of 31 December 2023

The balance sheet below is before the proposed appropriation of the positive balance over 2023 to the reserves.

Assets in € '000	Note	31-DEC-23	31-DEC-22
<b>Fixed Assets</b>			
Tangible Fixed Assets		0	0
Financial Fixed Assets		0	0
		0	0
<b>Current Assets</b>			
Accounts Receivable	1.	597	330
Income to be Received	2.	2,233	1,292
Prepaid Expenses	3.	180	305
Other Receivables	4.	120	70
Liquid Assets	5.	4,402	4,130
		7,532	6,127
<b>Total Assets</b>		<b>7,532</b>	<b>6,127</b>

Liabilities in € '000	Note	31-DEC-23	31-DEC-22
<b>Reserves (equity)</b>			
6.			
General Reserve		1,242	643
Income and costs balance book year		1	599
		1,243	1,242
<b>Provisions</b>			
Provisions	7.	120	120
<b>Current Liabilities</b>			
Prepaid income	8.	1,886	1,329
Accrued Liabilities	9.	4,138	3,368
Accounts Payable	10.	145	68
		6,169	4,765
<b>Total Liabilities</b>		<b>7,532</b>	<b>6,127</b>



## Statement of income and costs 2023

Amounts in euros (x '000)	Note	Budget 2023	Realisation 2023	Difference	Realisation 2022
Project-related income	11.	6,079	6,626	547	5,929
Contributions Founding Organisations	12.	1,970	1,969	(1)	1,764
Other income		-	-	-	-
<b>Total Income</b>		<b>8,050</b>	<b>8,596</b>	<b>546</b>	<b>7,693</b>
WOP-projects		(6,852)	(7,434)	(582)	(6,670)
Knowledge & innovation		(400)	(530)	(130)	(101)
Project development		(448)	(261)	187	(191)
Management & overhead		(350)	(502)	(152)	(194)
<b>Operational Costs</b>	<b>13.</b>	<b>(8,050)</b>	<b>(8,727)</b>	<b>(677)</b>	<b>(7,156)</b>
Financial income/expenditure		-	114	114	13
<b>Total Costs</b>		<b>(8,050)</b>	<b>(8,613)</b>	<b>(563)</b>	<b>(7,143)</b>
<b>Balance before exceptional items</b>		<b>-</b>	<b>(17)</b>	<b>(17)</b>	<b>550</b>
Extraordinary income/expenditure	14.	-	18	18	49
<b>Balance after exceptional items</b>		<b>-</b>	<b>1</b>	<b>1</b>	<b>599</b>



## Notes on the organisation and Board

### General information World Waternet

World Waternet is a non-profit Foundation, dedicated to improve sustainable access to clean, sufficient and safe water for all. World Waternet supports public water organizations through peer-to-peer knowledge exchange in water cycle management. The foundation has long-term Water Operators' Partnerships with water organizations in more than 14 countries to strengthen the capacity, improve the performance and enable them to provide a better service to more people and create as much as possible SDG-impact.

World Waternet is founded as an independent foundation in 2007. It is affiliated to Foundation Waternet. Waternet provides water services to 1.3 million people and is the only water company in The Netherlands that covers the entire water cycle.

World Waternet is a not for profit Foundation (Algemeen Nut Beogende Instelling, ANBI) according to section 6.33, part b of the Dutch Income Tax Act 2001 (Wet Inkomstenbelasting 2001). As stated in the deed of association, World Waternet will not distribute any operating income surplus in any form. In the occasion of liquidation, the liquidation balance must be spent on the objectives of the organization in accordance with the articles of association or

it must be transferred to another comparable ANBI. A certain (limited) reserve amount to compensate for setbacks is deemed desirable for the foundation.

World Waternet is located in Waternet's head office, address: World Waternet, Korte Ouderkerkerdijk 7, 1096 AC, Amsterdam, Netherlands. The Chamber of Commerce number is 4271281.

### Board

World Waternet has an independent Board, with the majority of the board members and their control being independent of Waternet or its founders the municipality of Amsterdam and Regional Public Water Authority Amstel, Gooi and Vecht. The Board, consisting of five members, met, apart from the Audit and Risk Committee, four times in 2023:

- Ms A. P. (Lidi) Rimmelzwaal (Chairperson);
- Mr R.R. (Roelof) Kruize (secretary) till 22-9-2023;
- Mr M. (Menno) Holterman (Board member);
- Mr A.J.A.M (Arnold) Kuijpers (Board member)
- Vacancy

The Board determines the policy, sets the financial guidelines, and has the final responsibility for the daily management and implementation of the programs and activities of World Waternet. On an annual basis, the Board determines the budget, annual plan and annual accounts and delegates the execution to the director, who is an employee of Waternet. Each board member has one equal vote and decisions are made by the majority votes.

A Management Services Agreement has been drawn up with the board of Waternet. The annual plan and the annual statement of accounts are submitted to the board of Waternet for advice. The board of Waternet advises on the appointment of the CEO and board members of World Waternet.

Other positions held by the board members:

**Ms Lidi Remmelzwaal, chairperson**

- Coordinator Taalcoaching VluchtelingenWerk Nederland

**Mr Roelof Kruize, secretary**

- Chairman Aquatech Advisory Committee
- Board member International Water Association
- Chairman Advisory Board Infrastructure AT Osborne

**Mr Menno Holterman, board member**

- CEO Nijhuis Saur Industries BV.
- CEO and Founder of Naesta Holding BV.
- Member Advisory Board Amsterdam International Water Week
- Member of the Advisory Board Aquatech Amsterdam

**Mr Arnold Kuijpers, board member**

- Member Supervisory Board Norinchukin Bank Europe NV

**Staff**

World Waternet does not employ staff. Staff are seconded from Waternet and to a limited extent externally. The CEO is Mr. Frodo van Oostveen.

In 2023, about 20 employees were seconded from Waternet on a permanent basis, including the director and regional managers. These employees work 20% of their time for Waternet and 80% for World Waternet. Two resident project managers were seconded to World Waternet, who are working full time for World Waternet. In 2023, World Waternet also worked with five Young Experts from the Netherlands and partner countries. The Dutch Young Experts are employed by Waternet. Throughout 2023, approximately 164

Waternet experts were assigned to projects and also about 33 employees worked on projects from other Dutch Water Authorities, drinking water companies or affiliated entities such as foundation Waterproef and Het Waterlaboratorium worked on World Waternet projects.

Available project positions are published internally at Waternet. It is encouraged that as many different Waternet employees as possible are assigned to projects.

**Standards for Remuneration Act and remuneration policy (Wet Normering Topinkomens)**

World Waternet does not employ any permanent staff and does not pay its board members any remuneration or allowances for expenses. The top officials are listed below in accordance with 'Article 5, paragraph 3 Disclosure of information on senior government executives'.

The director of World Waternet is employed by Waternet and for 80% (0.8fte) delegated to World Waternet. World Waternet pays 80% of the salary costs including all employers charges to Waternet (maximum 2023: € 164,000).

Disclosure remuneration 2023 - Amounts x € 1		Frodo van Oostveen
Position		CEO World Waternet
Start and ending date fulfillment position in 2023		01/01 t/m 31/12
Parttime percentage (in fte)		0,8 fte
Labour agreement with foundation?		no
Remuneration		
Salary including other taxable income		€ 151,501
Income due in future		€ 0
Subtotal		€ 151,501
Individual applicable remuneration maximum		€ 164,000
Remuneration		<b>€ 151,501</b>
The amount of the excess and the reason why the excess is or is not allowed		Not applicable
Explanation of claim for undue payment		Not applicable

Disclosure remuneration 2022 - Amounts x € 1		Frodo van Oostveen
Position		CEO World Waternet
Start and ending date fulfillment position in 2022		01/01 – 31/12
Parttime percentage (in fte)		0,8 fte
Labour agreement with foundation?		no
Remuneration		
Salary including other taxable income		€ 144,696
Income due in future		€ 0
Subtotal		€ 144,696
Individual applicable remuneration maximum		€ 159.200
Remuneration		<b>€ 144,696</b>



# Accounting Principles

## General

The annual statement of accounts has been prepared in accordance with the reporting requirements of Title 9 Book 2 of the Dutch Civil Code (BW2). The 2023 financial year runs from 1 January 2023 to 31 December 2023 and corresponds to the 2023 fiscal year.

## Consolidation entity

World Waternet includes one legal entity and currently does not include any other entities that it controls. No consolidation of entities takes place. In November 2022 an Association Faso Koom was created in Burkina Faso to solve tax and bank issues. Association Faso Koom is an independent association according to the law in Burkina Faso and a MoU have been signed with World Waternet that they work exclusively for World Waternet up to 2024 (end of the Eau, CLE et Développement Durable project. Faso Koom has no assets and liabilities. The contracts are all with World Waternet.

## Going concern

World Waternet is co-financed by the municipality of Amsterdam and Regional Public Water Authority Amstel, Gooi and Vecht. In addition, project funding is obtained from various financiers, such as the Dutch Ministry of Foreign Affairs and the European Union. World Waternet has a credit facility from the Nederlandse Waterschapsbank to €750,000. Regional Public Water Authority Amstel, Gooi and Vecht acts as guarantor for the current account credit. There are no loans or debts at financial institutions. This means that World Waternet does not have to meet any bank covenants. As a result, there can be no negative impact on the continuity. As per the end of 2023, World Waternet has liquid assets of €4,402,000 at its disposal, apart from the credit facility.

## Affiliated parties

All legal entities that can be controlled or that can be significantly influenced are considered affiliated parties. Entities that can significantly influence World Waternet are also considered affiliated parties. Waternet, the municipality of Amsterdam, Regional Public Water Authority Amstel, Gooi and Vecht are considered affiliated parties. In addition, key management and close family members of the foundation are also considered affiliated parties.

In 2023, there were no transactions with affiliated parties that were of a non-business nature. The nature, extent and other information will be disclosed if this is necessary to provide the required insight.

## Changes in estimation methods, accounting policies and valuation methods

The preparation of the annual statement of accounts involves the use of assumptions, judgments and estimates that are based on historical experiences and factors that, in the opinion of the Management, are acceptable in view of the specific circumstances. Such judgments and estimates (including any relevant assumptions) affect the valuation and presentation of the reported assets and liabilities as well as the annual result. The actual results may differ from these estimates and assumptions. If necessary in order to give a true and fair picture as required by Section 362, subsection 1, Book 2, the nature of these estimates and this opinion, including any relevant assumptions, are explained in the notes to the annual accounts. The methods of estimation and valuation and the accounting policies have remained the same as in previous years.

## Foreign currency

The annual statement of accounts is prepared in euros. This is the functional and reporting currency. Transactions in foreign currencies are accounted for in the annual accounts at the exchange rate of the euro on the transaction date. Monetary assets and liabilities in foreign currencies are converted at the closing rate of the functional currency on the balance sheet date. Conversion differences resulting from settlement and conversion are credited or debited to the income and costs. World Waternet has no derivative positions to hedge exchange rate risks.

## Value-added tax (VAT)

World Waternet is not an entrepreneur for VAT purposes. This means that the VAT paid on purchases are expenses for World Waternet. The amounts reported in the balance sheet and statement of income and costs, are standard including VAT and this VAT cannot be recovered from the tax authorities. For those projects that do meet the requirements for qualifying as an entrepreneur for VAT purposes (explicitly involving a client-contractor relationship), World Waternet is an entrepreneur for VAT purposes. In that case, the VAT paid on purchases is reclaimed from the tax authorities. The amounts for these projects are therefore shown excluding VAT. Any VAT on sales invoices from World Waternet must be paid to the Dutch Tax and Customs Administration. Income through these VAT invoices are therefore shown excluding VAT.

## Corporate income tax liability (VPB) for public enterprises

There are no structural profits from operations, which means that to date World Waternet is not liable to pay VPB.

## Comparative figures for the previous financial year

For reference, the 2022 figures have been added to the 2023 figures.

# Accounting principles balance sheet

## Fixed assets

Assets are generally valued at their historical cost, manufacturing cost or at their fair value at the time of acquisition. If no specific valuation is stated, it is valued at historical cost.

## Accounts receivable

Accounts receivable are initially valued at fair value. If any accounts receivable are deemed (partly) uncollectible, provisions to debit the statement of income and costs will be made immediately.

## Project income to be received/accrued

World Waternet carries out projects that are (partly) financed by third parties. On the basis of a contract, (part of) the costs incurred by World Waternet are reimbursed. The income is often received after submission of an annual or final report and/or advance payments are provided. The balance includes the income to which World Waternet is contractually entitled minus the advances already received. Depending on whether it concerns a receivable or accrued item, it is entered as an asset or a liability. Once it has become clear that part of the expected income will not be realizable, a provision to debit the statement of income and costs will be made.

## Liquid assets

Liquid assets include withdrawable bank balances, cash and deposits with a term of less than 12 months. The current credit facility of the NWB bank account has a limit of €750,000. If a negative balance is reached, the item liquid assets will be recorded under Current Liabilities. Funds and cash equivalents are valued at nominal value.

## Reserves

The reserves are at the disposal of World Waternet and serve to compensate for setbacks, so that it can continue its activities. World Waternet will not distribute any operating surplus or reserves. The balance sheet therefore shows the balance of income and costs of the current financial year separately under the item reserves.

## Provisions

Provisions are formed for legally enforceable or actual liabilities that exist on 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 valued at the best estimate of the amount needed to settle the obligation at the balance sheet date. Where obligations are expected to be reimbursed by a third party, such reimbursement is entered as an asset in the balance sheet if it is likely that such reimbursement will be received once the obligation has been settled.

## Current liabilities

At their first entry, current liabilities are valued at fair value. After initial recognition, current liabilities are valued at amortized cost, i.e. the amount received, taking into account discounts, minus transaction costs. This is usually the nominal value.

# Accounting principles of the statement of income and costs

## Determination of income

The income consists of contributions from the municipality of Amsterdam, Regional Public Water Authority Amstel, Gooi and Vecht (AGV) and third parties. Income is allocated to the relevant period in which it is contractually claimable, regardless of the actual receipt. This is often a percentage of the costs incurred. Subsidies and third-party assignments are recognized as income in the statement of income and costs in the year in which the subsidized costs were incurred, income was lost or a subsidized operating deficit occurred. Income will be entered when it is likely that it will be received. Project income is the contractually agreed income and income from additional work, claims and compensation, if and to the extent that they are realizable and can be reliably determined.

## Determination of costs

For World Waternet, the costs consist of the secondment and hiring of Waternet staff and other (project) expenditures. Costs are entered

in the year to which the costs relate, regardless of whether they have resulted in an expense in the fiscal year. If World Waternet has to pay costs in the future due to an event in the current fiscal year or earlier, the costs will be entered in the current fiscal year if they can be properly estimated and are considered to be likely. Project costs are costs directly related to the project and other costs that are contractually attributable to the client. Project preparation costs may be capitalized if it is probable that they will be reimbursed.



# Notes on the organisation and the Board

Below you can find the specification of the blue reference numbers mentioned in the Balance Sheet and the Income and Costs Statement (amounts in euros (x '000)). Amounts in notes are actual amounts.

## 1. Accounts receivable

Accounts receivable in € '000	31-DEC-23	31-DEC-22
Accounts receivable general	597	330
Minus: Provision	0	0
<b>Total accounts receivable</b>	<b>597</b>	<b>330</b>

The accounts receivable balance consists of invoices recently invoiced to various organizations. There are no indications that invoices are irrecoverable.

## 2. Income to be received

Income to be received in € '000	31-DEC-23	31-DEC-22
Ministry of Foreign Affairs - Blue Deal	808	501
Ministry of Foreign Affairs - WaterWorX	922	317
EKN Burkina Faso – ECDD	264	175
Woord en Daad – Siraro		76
FMO – Lao		68
EU - Nakanbe		56
Waternet - credit factuur Salariskosten		52
Nuffic - Kenya	32	32
NWP - YEP		15
NWB - Focal point	27	
Invest Int - Mal/BUR D2B	3	
NWB - Ken search conference	14	
NWB - Tan Farmtree	106	
NWB - Tan - Feasibility study waterfund	3	
EU BUR Wop	56	
Consultant - Mali		0
<b>Total income to be received</b>	<b>2,233</b>	<b>1,292</b>

Income to be received is income to which World Waternet is contractually entitled to, but which has not been invoiced from the funder yet. The income is often received after submission of an annual or final report. The WaterworX, including an unqualified auditor's opinion, has been submitted but has yet to be adopted by the Ministry. For Blue Deal the unqualified opinion has not been given yet, as there are only two outstanding items, the total exposure here is €78,000.

## Notes on the organisation and the Board

Below you can find the specification of the blue reference numbers mentioned in the Balance Sheet and the Income and Costs Statement (amounts in euros (x '000)). Amounts in notes are actual amounts.

### 3. Prepaid Expenses

Prepaid expenses in € '000	31-DEC-23	31-DEC-22
ECDD - prefinance CLEs	117	134
SOMAGEP - advance for activities		84
Capital deposit for bank account	31	31
Prepaid SOS insurance	32	25
Advance rent RPM Mali		0
Other prepaid costs		31
<b>Total prepaid expenses</b>	<b>180</b>	<b>305</b>

The prepaid expenses consist of an advance to Local Water Committees in Burkina Faso €117,000, a deposit for opening a bank account in Burkina Faso €31,000, and the prepaid premium for the SOS insurance €32,000.

### 4. Other receivables

Other receivables in € '000	31-DEC-23	31-DEC-22
VAT to be received	0	0
Credit card and RC Waternet	0	0
Invoices to be signed	120	70
<b>Total other receivables</b>	<b>120</b>	<b>70</b>

There is no VAT from 2023 to be received relates to invoices related to last quarter of 2023. There are only invoices in the process of being approved.

### 5. Liquid assets

Liquid assets in € '000	31-DEC-23	31-DEC-22
Bank account NWB	4,379	4,130
Bank account BCIAB	0	0
Cash Faso Koom	23	0
<b>Total liquid assets</b>	<b>4,402</b>	<b>4,130</b>

The bank balance of the NWB bank account is €4,379,000 positive at year-end 2023. This bank account has a credit facility of €750,000. The rest is on the Ecobank account in Burkina Faso.

### 6. Reserves (equity)

Reserves 31 Dec. 2022 in € '000	1,242
Result 2023	1
<b>Reserves 31 Dec. 2023 in € '000</b>	<b>1,243</b>

The 2023 income and costs balance of €990 has been added to the reserves. At year-end 2023, the reserves amount to €1,242,588.

### 7. Provision (VAT)

Provision VAT in € '000	31-DEC-23	31-DEC-22
Provision VAT	120	120
<b>Total provisions</b>	<b>120</b>	<b>120</b>

With a pending court decision World Waternet accrued for 120k VAT due for previous years. The actual court decision was taken on 27-9-2023 as was unfortunately with a negative outcome, therefore the provision was rightfully made. Currently the amount due has been paid in 2024, so there will be no longer a provision for this issue in 2024.

### 8. Prepaid income

Prepaid income in € '000	31-DEC-23	31-DEC-22
EKN Jordan - Yarmouk	1,429	933
NWB Fund	145	204
WWF - Catchment 2 Tap	176	162
RVO Ziway Shalla	38	
European Union - EU WOP Mali	67	18
YEP	30	12
<b>Total prepaid income</b>	<b>1,886</b>	<b>1,329</b>

Prepaid income are advances that financiers have already prepaid, so the actual work still has to be executed by World Waternet. The largest amount relates to the Dutch Embassy project in Jordan.

## 9. Accrued liabilities

Accrued liabilities in € '000	31-DEC-23	31-DEC-22
Accrued staff costs Waternet	2,763	2,777
Accrued expenses WaterworX	134	142
Accrued expenses Yarmouk	747	199
Accrued expenses ECDD	129	108
Accrued external financial audits	36	53
Reservering cao		
Accrued expenses rounding of EU Nakanbe		36
Accrued expenses BlueDeal	30	
Accrued expenses FarmTree	5	
Accrued expenses YEP		31
Accrued expenses Khaled	33	
Accrued expenses RVO wetlands	12	
Accrued expenses DV 883	32	
Accrued expenses Ethiopia	20	
Accrued expenses Trees 4 all	17	
Accrued expenses Mali	13	
Other accrued expenses	144	22
VAT payable	22	
<b>Total accrued liabilities</b>	<b>4,138</b>	<b>3,368</b>

Accrued liabilities consist of services or goods that were purchased in 2023, but for which an invoice has not yet been received. The largest items concerns Waternet: the payments of Waternet employees €2,763,000. There are also various smaller items, including the accountants' fees.

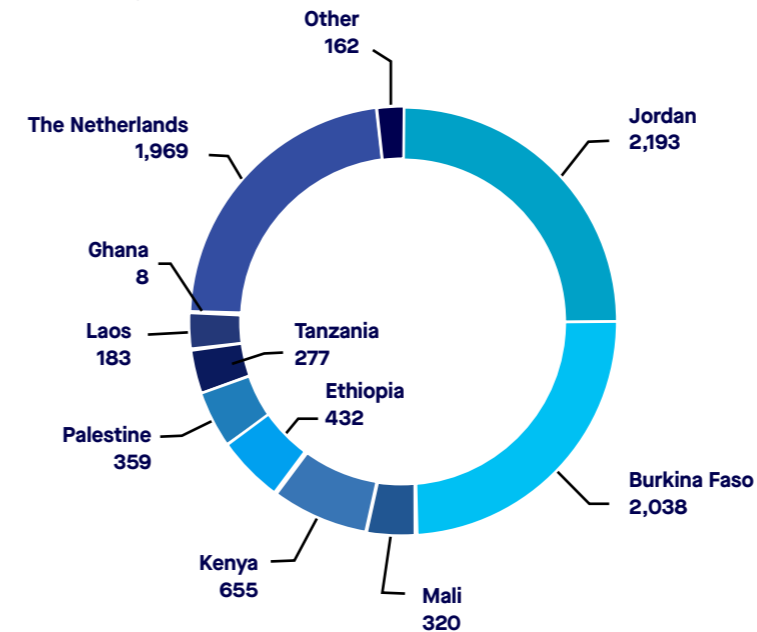
## 10. Accounts payable

Accounts payable in € '000	31-DEC-23	31-DEC-22
Accounts payable	145	68
<b>Total accounts payable</b>	<b>145</b>	<b>68</b>

At year-end 2023 there remained an outstanding amount of €145,000 to be paid to creditors. As from 2021 the outstanding amount related to VAT from invoices to be assigned is offset against creditors. The actual creditors consist of Unie van Waterschappen €24,000, Trees 4 all (footprint compensation) €17,000 amongst and several different small ones, all paid at the time of the audit.

## 11. Notes on income

Income by region in 1.000 euro



The project-related income is higher than budgeted. This is the result of ambitious and successful project execution in the after Covid period, mainly caused by the embassy projects in Jordan and Burkina Faso. For the ECDD project the prudence principle has been applied because of extra uncertainty of the eligibility of the to be charged cost to SNV, as result of incomplete instruction, administration and control adding up to a total provision of €200,000. The ARC has been notified on this issue in February 2024. At the moment of publication the audit is being executed, therefore it remains uncertain on the outcome. Furthermore the revenues of Blue Deal are not completely secured at the moment of publication, as result of an outstanding discussion between the auditor, Unie van Waterschappen and the Ministry of Foreign Affairs. The exposure here is in total €78,000. As the uncertainty is unsure, no provision has been take on this exposure. The figure below shows the breakdown of income by region (total is €8,595,000).

## 12. Contribution Founding Organisations

Contribution Founding Organisations	Budget 2023	Realisation 2023	Difference	Realisation 2022
Municipality of Amsterdam	1,321	1,321	(0)	1,184
Regional Public Water Authority AGV	649	649	(1)	580
<b>Total contributions founding organisations</b>	<b>1,970</b>	<b>1,969</b>	<b>-1</b>	<b>1,764</b>

The contributions have been increased by 12% compared to last year.

### 13. Notes on costs

Amounts in euros (x '000)	Budget 2023	Realisation 2023	Difference	Realisation 2022
Deployment of Waternet staff in projects	1,170	1,189	19	1,452
Delegated World Waternet staff	2,175	2,098	(77)	1,065
Travel and accommodation expenses	500	870	370	900
Hiring third parties (project staff)	500	385	(115)	320
Other project costs <sup>1</sup>	3.300	3,784	484	3,159
<b>Total project costs (excluding FTE)</b>	<b>4,300</b>	<b>5,039</b>	<b>739</b>	<b>4,379</b>
Office costs (laptops, audit, medical kits)	40	16	(24)	23
Training and representation	40	49	9	27
Hired personnel	100	180	80	4
Internal services Waternet	225	155	(70)	206
<b>Organisational Costs WWn</b>	<b>405</b>	<b>402</b>	<b>(3)</b>	<b>260</b>
<b>Total operational costs</b>	<b>8,050</b>	<b>8,727</b>	<b>677</b>	<b>7,156</b>

<sup>1</sup> Subcontractors, investments, workshops international partners

The costs are also higher than budgeted in 2023. With this after COVID-19 period, we were able to realize more impact than budgeted. Therefore, budget and realization deviate from each other, as income was 7% higher than budgeted and the costs 8%. The biggest deviations compared to budget and the other project

costs €466,000, due to extra expenditures, mainly for the Yarmouk project and Travel and accommodation €370,000, as a result of a 'catching-up period' after the pandemic. Concluding that we have been able to spend more euros to reach our impactful ambition for the purpose of the foundation.

### 14. Notes on extraordinary items

14. Extraordinary income/expenditure in €'000	Budget 2023	Realisation 2023	Difference	Realisation 2022
Extraordinary income/expenses 2022	-	-	-	49
Correction liabilities salary costs 2022	-	52	52	-
Interest on VAT 2016	-	(34)	(34)	-
<b>Total extraordinary income/expenditure</b>	<b>-</b>	<b>18</b>	<b>18</b>	<b>49</b>

Because of uncertainties on liabilities on the salaries an accrual was made on yearend 2022 on this, but were luckily unnecessary, so therefor a release need to be accounted for. Furthermore, in relation

to the 7. VAT provision, World Waternet received the actual amount to be paid for interest on the due amount of VAT of 2016.



## Risks in the balance sheet & statement of income and costs

### Application of Resolution of Development Aid (Ontwikkelingshulpresolutie)

Resolution of Development Aid not applicable anymore since 2023, and incorporated in our new financial management.

### Meeting financiers' requirements

Financiers provide funding subject to certain conditions, such as the timely achievement of results, timely delivery of reports, and tender requirements. If these conditions are not met, the financier cannot pay out or recover the funding. If costs have been incurred, this may result in a loss. There is also the possibility that World Waternet may have to complete a project at its own expense. This risk is mitigated by project control and interim (external) audits. There is no indication that any provisions need to be made for projects other than the provision made for ECDD.

### Events after the balance sheet date

On the 30th of May 2024 Mr. Koen de Snoo (CEO Waternet) has announced that Waternet will split up its activities back to the founders, municipality Amsterdam and waterboard Amstel Gooi en Vecht. At the moment there are no direct consequences for World Waternet as both parties have confirmed their continuous support to the activities of World Waternet.

### Financing in relation to projects

WWn runs a financial risk because of a mismatch between the annual contributions by its parent companies the City of Amsterdam and the Water Authority Amstel, Gooi en Vecht (AGV) and the multi-annual financial obligations of the WOPs. Especially those under WaterworX and Blue Deal. In other words, because of the nature of the multi-annual projects most of the contribution for the coming years has already been firmly committed. As a consequence a loss for World Waternet is to be incurred if these contributions would be reduced.





Nr. 637.000.23-A

## **INDEPENDENT AUDITOR'S REPORT**

To: The Executive Committee of Stichting Wereld Waternet

### **A. Report on the audit of the financial statements 2023 included in the annual report**

#### **Our opinion**

We have audited the financial statements 2023 of Stichting Wereld Waternet based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting Wereld Waternet as at 31 December 2023 and of its result for 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. the balance sheet as at 31 December 2023;
2. the profit and loss account for 2023; and
3. the notes comprising of a summary of the accounting policies and other explanatory information.

#### **Basis for our opinion**

We conducted our audit in accordance with Dutch law, including the Dutch Standards of Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting Wereld Waternet in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

#### **Compliance with anti-accumulation provisions WNT not audited**

In accordance with the Audit protocol WNT 2023 we have not audited the anti-accumulation provisions of article 1.6a WNT and article 5. paragraph 1 (n and o) Uitvoeringsregeling WNT. This means we have not audited whether or not there is a breach of anti-accumulation remuneration standards resulting from remuneration for a possible employment as a high-ranking official of other WNT-entities, nor have we audited if any related disclosure requirements are correct and complete.

#### **Materiality**

Based on our professional judgment we determined the materiality for the financial statements as a whole at 1% for errors and 3% for uncertainties of the total expenses including additions to reserves. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative or WNT-reasons.

In accordance with the auditing protocol of Stichting Waternet, misstatements in excess of 1%, which are identified during the audit, would be reported, as well as smaller misstatements that in our view must be reported on qualitative grounds.

### **B. Report on the other information included in the annual report**

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- The management report (Preface / These are our proud Water Operator Partnerships / Contribution to the Sustainable Development Goals / Highlight of 2023 / Risk Management);
- Other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements;
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

### **C. Description of responsibilities regarding the financial statements**

#### **Responsibilities of management for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

#### **Our responsibilities for the audit of the financial statements**

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included, among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Amsterdam, 5 June 2024



A.P. Suijker MSc CISA RE RA  
Auditdienst ACAM



We believe that a healthy water cycle should be treated as a global common good for future generations, in the interest of all