



ANNUAL REPORT 2018

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1. VISION, MISSION AND CORE VALUES

Free a Girl's activities to fight the commercial sexual exploitation of children (CSEC) focus on the prostitution of underage girls in Asia (India, Bangladesh, Nepal, Thailand, Laos and Iraq) and South America (Brazil). The problems are extensive in Asia and Brazil, and Free a Girl has developed the knowledge and expertise needed to have a real impact. Our future expansion to countries beyond Asia and Brazil will focus mainly on tackling impunity, and on lobbying and advocacy through campaigning (School for Justice).

1.1. Vision

Every child has the right to grow up in a safe environment. All children around the world must be protected against every form of commercial exploitation.

1.2. Mission

Free a Girl is striving for a world free of the commercial sexual exploitation of children. We do this by providing direct assistance to victims and by tackling impunity.

1.3. Core values

In our operations, Free a Girl's work is based on the following four core values:

- The girls are paramount: as the projects revolve around them, we believe it's important that their input counts and they have a say wherever possible.
- Action-oriented: our approach and that of our partners is focused on action.
- Fair: in how we communicate and what we expect from our partners. This is also what motivates us to do our work: we think that it is unfair that girls are being exploited.
- Innovative: we look for new ways to fight child prostitution in program and donor countries.

1.4. Objectives

Free a Girl focuses on three objectives:

1. Stopping child prostitution.
2. Raising awareness around the world of the existence of child prostitution and the urgency of fighting it.
3. Working towards achieving our objectives in program countries by using funds that have been raised there or in the region.

2. STOPPING CHILD PROSTITUTION

At Free a Girl, we pursue our objective of stopping child prostitution by working with partner organizations. Our projects in the program countries are divided across six pillars: prevention, rescues, tackling impunity, lobbying & advocacy, rehabilitation and reintegration.

2.1 BANGLADESH

Rescues, rehabilitation and reintegration, tackling impunity, prevention

Bangladesh is an origin, destination and transit country for child prostitution, and poverty is widespread. Although there are no official statistics on the number of victims of human trafficking, various studies show that over 1 million women and children were trafficked out of the country in the past 30 years. According to a report by ECPAT¹, around 400 women and children are trafficked each month. Free a Girl's partner in Bangladesh works on raising awareness of the problem, gives shelter and care to trafficking victims, and ensures that vulnerable girls growing in areas where prostitution is rife are able to attend school.

What we do in Bangladesh



¹ : ECPAT International, "Global monitoring report on the status of action against commercial sexual exploitation of children: Bangladesh", 2nd edition, 2011.

Results

-  15 girls given shelter
-  10 girls received medical support
-  15 girls received counselling
-  20 girls received education
-  12 girls in vocational education
-  5 girls received coaching to help them perform at school
-  5 girls united with their families
-  the families of 8 girls were identified
-  601 people were reached with an information campaign
-  250 girls followed empowerment training
-  1 meeting was organized for key figures from the education sector, regional government agencies and red light districts, to achieve better access to education for vulnerable girls

Results: Down to Zero

-  35 girls were given shelter and received care and support
-  3,528 boys and girls received training about CSEC and how to identify it, discuss it with peers and advocate for children's rights and protection against CSEC
-  249 officials were given training about CSEC
-  2,021 members of the community (with children at risk of CSEC) took part in awareness-raising activities
-  1 child protection committee supported

In 2018, Free a Girl decided to end the partnership with Rights Jessore in the Down to Zero program. Weak financial management and the failure to implement recommendations from previous audits meant that our partner in Bangladesh was unable to achieve the objectives planned for 2018. As we could not find another suitable organization with expertise specifically on repatriation processes in Bangladesh, we decided to stop working in Bangladesh within Down to Zero. The remaining Rights Jessore budget will be redirected to Thailand in 2018 and India in 2019 and 2020.

EDUCATE, EMPOWER, LEAD

Results: Educate, Empower, Lead

-  138 girls in high-risk areas took part in empowerment training, where they learned about Malala Yousafzai, the importance of education and how to stand up for themselves more effectively
-  120 trafficking survivors were given the school materials they needed
-  15 girls attended school with the project's support
-  26 girls received coaching to help them perform at school
-  21 meetings were held with key figures from the education sector, regional government agencies and red light districts, to achieve better access to education for vulnerable girls

Case story

Along with her five-year-old sister, Jamy grew up in a brothel. Her mother is a sex worker there. Jamy never got the chance to attend school, as her mother forced her to earn money at a young age by having sex with men.

After she had worked in the brothel for some time, Jamy was rescued by our partner organization. She was given shelter by the organization, which also provided counselling, education, vocational support and medical care. After a period of depression, Jamy's mental health is slowly beginning to improve.



2.2 BRAZIL

Rescues, rehabilitation and reintegration, prevention

Street children and children from the *favelas* (slums) are vulnerable to sexual abuse and exploitation. Thousands of children fall victim to commercial sexual exploitation every year. The city of Fortaleza (in Ceará) is one of the cities with the highest number of reports of sexual violence against children and adolescents in the whole of Brazil.²

With the new Brazilian government in 2019, an already dire situation only appears to be getting worse. The new president's negative attitude towards human rights³ is causing many to fear what the coming years will bring.

As the government is failing to address sexual violence and has not guaranteed the services and follow-up that victims need, it is all the more important that NGOs such as Free a Girl take the initiative and try to alleviate the problem. At present, Free a Girl's partner organizations are the only institutions that are supporting victims of sexual exploitation in the state of Ceará.



² SNDH – National Secretariat for Human Rights, 2015

³ 'New Brazilian president opens the attack on human rights activities and Indians,' 3 January 2019

<https://www.volkskrant.nl/nieuws-achtergrond/nieuwe-president-brazilie-open-taanval-op-mensenrechtenactivisten-en-indianen~bb6ed197/>

What we do in Brazil



Results

- Heart icon: 36 girls were given shelter
- Plus icon: 3,861 medical treatments were carried out, including prenatal research for pregnant girls
- Hand icon: 219 group therapy treatments
- Plus icon: 887 individual psychological treatments
- House icon: 125 families received support and psychological care
- Clock icon: 34 girls from the shelter took part in empowerment training and were given information about citizenship
- Circle icon: 40 recreational activities were organized with around 700 participants
- Graduation cap icon: 840 girls were given vocational training and followed courses
- Suitcase icon: 128 girls found a job in the formal or informal labor market

-  30 girls set up their own business
-  15 companies are now providing vocational training and workplaces
-  819 home visits and 808 family visits took place
-  9 information meetings were held on sexual abuse, sexual exploitation, motherhood and First Aid
-  Local fundraising has been greatly improved and is being developed by means of fundraising, partnership events and an expanding business network

Dawn Watson Institute – rehabilitation and capacity-building

This project in Fortaleza supports girls who have fallen victim to commercial sexual exploitation, or who run a high risk of falling victim to it. Coaching events are held to empower the girls. The project also offers capacity-building in the form of a coaching event for supervisors and other employees of local partners. The aim of the coaching is to further improve the support that is given to the girls.

- **2 events** were organized in which a total of **50 children** took part
- **1 event** was organized in which a total of **47 supervisors** took part

National Postcode Lottery of the Netherlands

The National Postcode Lottery of the Netherlands provided financial support in Brazil as part of the Social Enterprise program.

Results: National Postcode Lottery

The pilot project for vocational training, job placement and entrepreneurial courses was expanded in the second half of 2018, with great success. More work will be done on improving the trajectory in 2019, so that an even greater percentage of girls find a job.

-  579 girls followed and completed vocational training and courses on citizenship, entrepreneurship and autonomy
-  108 girls found a job on the formal or informal labor market
-  26 girls set up their own businesses

Case story

Jeicy was ten years old when she went to live with her foster parents. She didn't have a good relationship with her foster-mother and was abused by her stepfather. Jeicy therefore stayed away from home as much as possible. From the age of thirteen, Jeicy was always in the street until late, where she got to know many people involved in human trafficking and prostitution. Jeicy's foster-mother realized that the situation was getting worse and decided to contact one of our partner organizations.

Jeicy was taken in by the organization, which gave her psychological and legal support. Jeicy has made lots of friends in the shelter, and the relationship with her foster-mother is slowly improving.



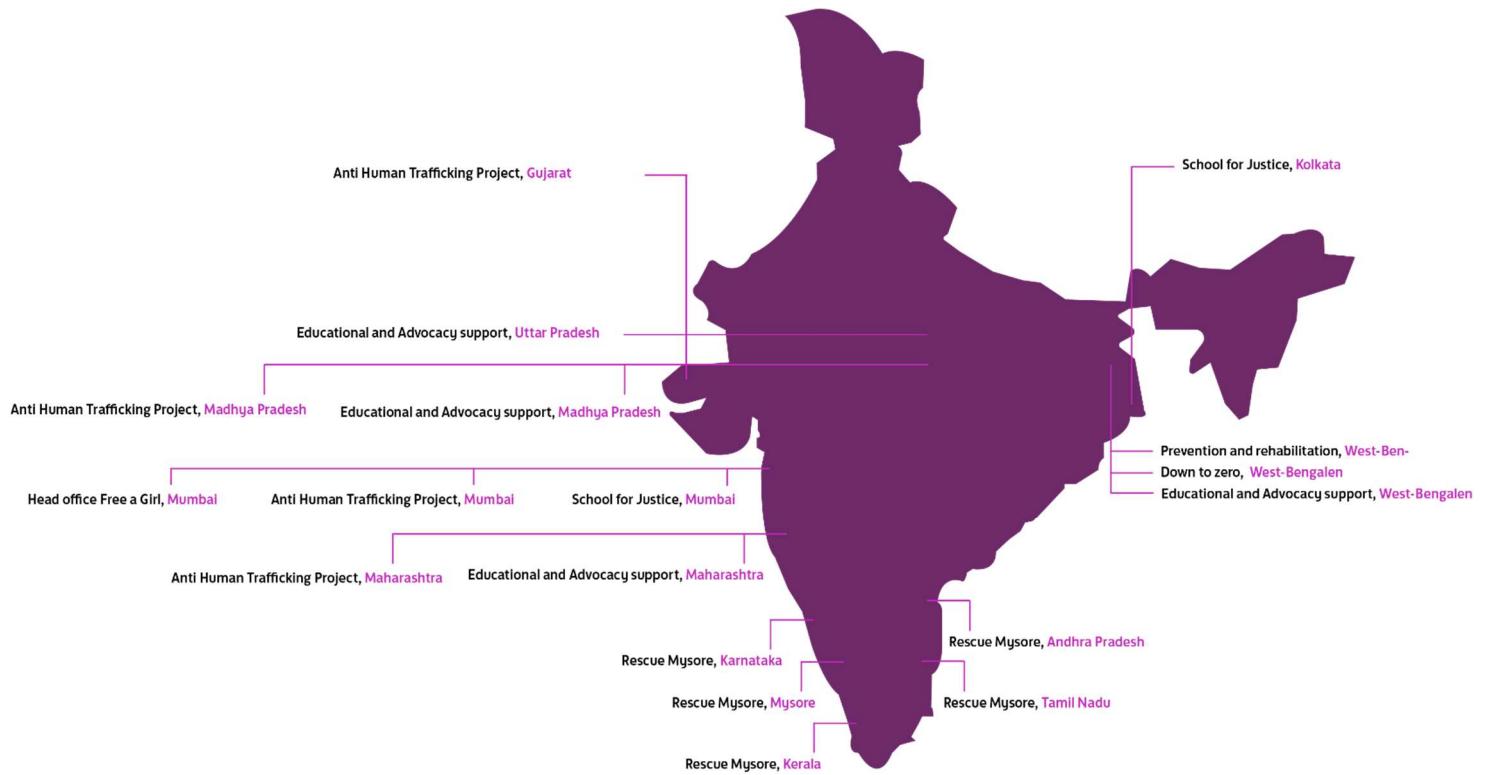
2.3 INDIA

Rescues, rehabilitation and reintegration, tackling impunity, prevention, advocacy

It has been estimated that 1.2 million underage girls are sexually exploited in India. Exploitation of girls takes place in every conceivable location: hotels, bars, massage parlors, gas stations, temples and truck stops. Many factors lie behind the commercial sexual exploitation of underage girls in India, including poverty, lack of education, social prejudice against women, the impunity of perpetrators, the caste system and even religious ritual. Vulnerable girls from poor socio-economic backgrounds are often sold, kidnapped or lured into prostitution under false promises of marriage or well-paid employment. They are enslaved and raped on a daily basis, and suffer severe physical and psychological trauma. Our rescue teams do all they can to rescue the girls and get the police to take action. They also provide

rehabilitation services (such as counselling and vocational training) and make every effort to tackle impunity by supporting girls who bring court cases against their traffickers. We also support an organization that involves boys in the approach to tackling trafficking and gender-related violence.

What we do in India



Results

- 55 women rescued**
- 22 underage girls rescued**
- 47 investigations carried out**
- 18 crimes reported and 5 survivors were given extra support during the investigation process, and 30 girls received guidance before or while reporting a crime**
- 11 girls repatriated**
- 35 girls received various forms of (psychological) assistance, accommodation, medical care, legal support and life-skills training**

-  The rescue team was given capacity-building training
-  2 girls started a course and 7 girls selected a course that they will begin in 2019
-  5 workshops were held and a total of 206 children took part
-  35 girls followed a course to become beauty therapists
-  50 children and 35 government officials took part in 3 meetings about the social context in which the children live

Results: Down to Zero (until 31/12/2018)

-  6 children rescued
-  4 perpetrators arrested
-  352 victims of CSEC received support in the form of shelter, healthcare services, educational services and legal aid
-  1,769 boys and girls given training about CSEC and how to identify it, discuss it with peers and advocate for children's rights and protection against CSEC
-  1,033 members of the community (with children at risk of CSEC) participated in awareness-raising activities
-  44 meetings with officials
-  612 LEA officials trained about CSEC
-  261 officials trained about CSEC
-  12 meetings about CSEC with the police and judiciary
-  9 companies "sensitized" about CSEC
-  7 effective reference systems set up
-  21 child protection committees supported

Educate, Empower, Lead

Free a Girl collaborates with the Malala Fund on the Educate, Empower, Lead project in India. Over the past year, the Malala Fund has focused on raising awareness about girls' rights, especially in relation to sensitive topics such as oppression, human trafficking, abuse and violence. One important objective has been to create dialogue in communities where the problem is not recognized or acknowledged. Together with partner organizations Snehalaya and Barefoot College, awareness-raising activities were developed that targeted both communities and relevant stakeholders.



Results: Malala Fund

- Awareness-raising campaign held in 100 villages, reaching 35,720 people
- 46 Indian Solar Mamas trained (illiterate/unskilled women from poor communities who are trained to become solar engineers/solar-panel installers)
- 1,415 girls given access to education and/or vocational training
- 214 girls aged 13-17 participated in one of seven empowerment workshops and activities
- 2,137 girls aged 13-17 participated in monthly activities
- At least 2 conferences took place and 20 stakeholders attended capacity-building meetings
- 300 people, including stakeholders, attended influencer meetings

Results: School for Justice (April 2018 - December 2018)

- 9 girls attended the School for Justice in Kolkata

Case story

“I want to end the sexual exploitation of women and see the culprits behind bars”

“It began when I was offered a job. In order to secure the job, I had to use all my savings. The introductory interview went well and I was invited to attend a further interview. But instead of the second interview, I was locked up and raped for twenty days by the employer and his friends. When I resisted, they told me that I was now married to one of my rapists.

After three weeks, I was finally set free. I wanted to go to my family, but when I got home I found that my brother and father were dead. I sought help from my sister, but she couldn’t help me, either, because she was being mistreated by her husband at home. I decided not to approach the police.

I continued with my studies, and I gradually realized that my marriage was not real. Thanks to the School for Justice, I’m now getting the chance to see these men locked up.”



2.4 NEPAL

Rescues, rehabilitation and reintegration, tackling impunity, prevention

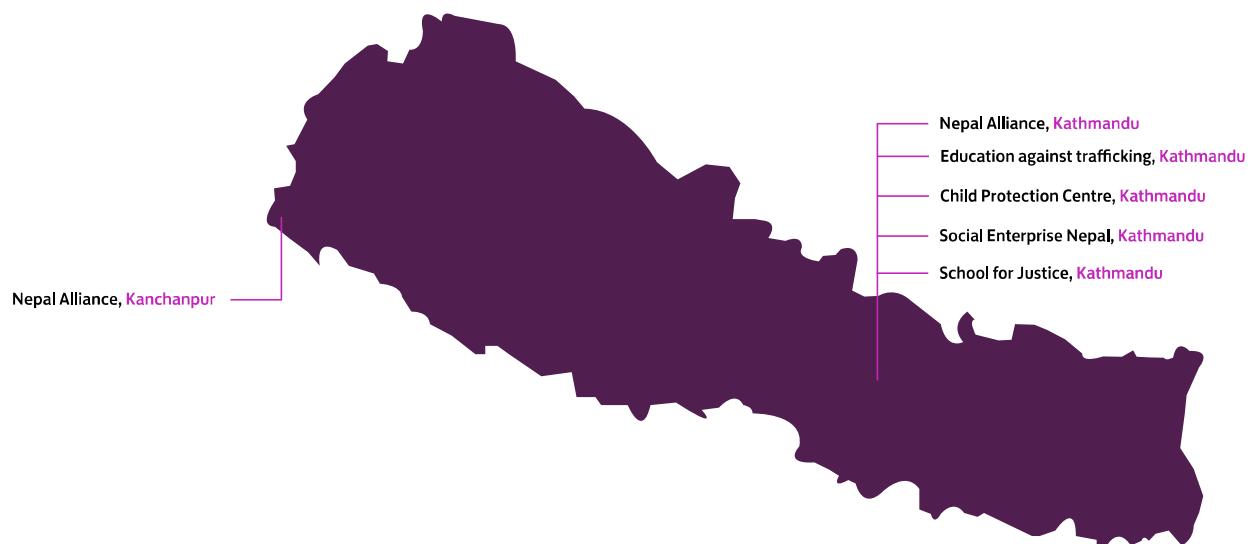
Women and children in Nepal are vulnerable to human trafficking as a result of poverty, illiteracy, natural disasters and patriarchal social norms. Nepal is seen as a destination and transit country for child trafficking. Every year, 6,000-12,000 girls are trafficked from Nepal to different locations across

the world, mainly in India and the Middle East, for various forms of forced labor and commercial sexual exploitation. The government in Nepal is failing to implement policies or protect victims.

Survivors are often accused of wrongdoing, rather than seen as victims of exploitation. Threats from perpetrators mean that survivors are scared to take their cases to court. The lack of substantial evidence means that many cases of commercial sexual exploitation, human trafficking and gender-related violence are never prosecuted.

As the problem in Nepal gets worse and its dimensions change, the reality of the situation demands a powerful response.

What we do in Nepal



Results

165 young women were rescued and repatriated from situations of sexual exploitation and human trafficking in India and Kanchanpur, and in 5 raids in Kathmandu

25 underage girls were rescued

179 women were intercepted (74 of whom were minors) in the border region between Nepal and India, and protected against the potential risk of exploitation

32 underage boys were intercepted at the border

54 people were arrested for sexual violence

-  6 sessions were held with victims in order to give them legal information about children's rights and child prostitution
-  161 victims were given assistance with lawsuits
-  32 cases of human trafficking were taken to court and 2 people were convicted of human trafficking
-  2,886 public vehicles were inspected for possible victims of human trafficking
-  232 missing children and women were found
-  246 children taken into care and provided with basic services, healthcare and psychological support
-  9 children were referred to hospital to get the right medical care, and an additional 14 children received anti-retroviral treatment for HIV
-  165 children and women received temporary shelter (and psychosocial, legal and medical support) before being reunited with their families
-  38 survivors were given safe shelter, had their basic needs met, and received healthcare and psychological support
-  49 young women followed vocational training based on their interests, abilities and needs
-  12 girls took a course on photography, film and storytelling, so that they could tell their own story
-  888 people were made aware of human trafficking and sexual exploitation

Our partner and the girls from the media course, who made the documentary, took the documentary to eight districts where human trafficking is rife in order to discuss the problem there.

-  133 girls received non-formal education
-  18 girls were reintegrated with their families and 10 girls were referred for long-term care
-  26 girls found a job
-  14,440 people who crossed the border were given information about safe migration
-  2 meetings were held with the national press, to inform the media and raise awareness about domestic and foreign human trafficking and the reintegration of victims

 3 programs were developed with the Nepalese police, the judiciary and local and national government officials (168 participants in all) on topics including the implementation of human trafficking laws, stakeholder coordination and new developments

 45 media, NGO and police staff took part in a national advocacy workshop on the effective rehabilitation and reintegration of victims of CSEC and human trafficking

 1 investigation into survivors and lawsuits was completed and shared with the relevant authorities

 226 children took daily dance lessons, 20 children took music lessons, 35 children took self-defense lessons and there was meditation and music therapy every evening

 1 school was rebuilt after the earthquake, allowing 213 children to attend school safely and greatly reducing their risk of falling victim to commercial sexual exploitation

Results: School for Justice

In the summer of 2018,

 10 girls started to attend the School for Justice in Kathmandu

National Postcode Lottery of the Netherlands

The National Postcode Lottery of the Netherlands provided financial support in Nepal as part of the Social Enterprise program.

Results: National Postcode Lottery

 1 social enterprise is developing rapidly in partnership with the business community. It will open its doors in 2019, and will help victims to take a safe, professional and sustainable step towards economic independence

 13 girls and 1 boy successfully followed vocational barista and catering management training, and were awarded the relevant certificates

 11 of these girls started vocational internships at Highland Beans Coffee

 2 of the girls found a job in hotels in Kathmandu

Case story

Januka was born into a large family in rural Khotang. As her parents were unable to care for her, Januka spent her youth in an unregistered orphanage. She had to work hard at the orphanage and received no pay. Having lived there for five years, Januka was able to return to her parents.

Once back at home, Januka started attending the local public school. When she was 15 years old, her neighbor offered her a job in another town. As Januka's parents were unable to support her financially, she took the job in a hotel.

On arrival at the hotel, she found that several underage girls were being forced to have sex with men there. Januka's parents didn't know that she had left for another town, so she was unable to call on them for help.

When she had been working there for two years, the police closed the hotel. Januka heard about our partner organization from a friend. She decided to make contact, and took the opportunity to follow training there. Today, she's working happily as a legal assistant at the police station.



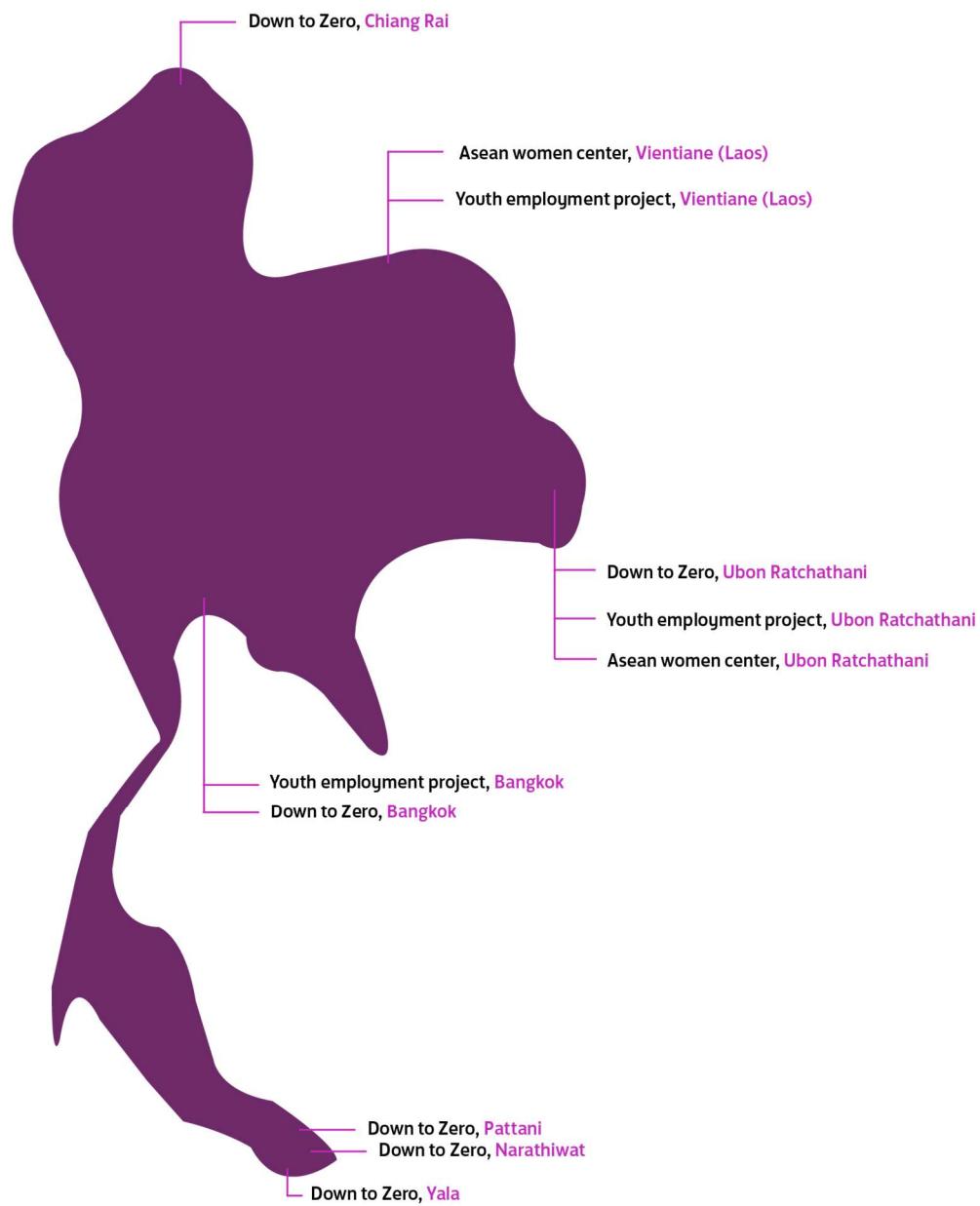
2.5 THAILAND

Rescues, rehabilitation and reintegration, prevention

Thailand is an origin, transit and destination country for children who are trafficked for sexual exploitation. Children are trafficked to Thailand from Cambodia, Laos, Myanmar, China and Vietnam. Thai victims of child trafficking are likewise trafficked to the Middle East, Japan and Australia via Malaysia and Hong Kong. Although the exact number of underage victims in Thailand is unknown, it was estimated in 2007 that at least 60,000 children were being exploited in prostitution. In addition to

the brothels and entertainment venues that are used as cover for prostitution and child trafficking, other such ‘businesses’ include massage parlors, ‘curtain’ hotels and even restaurants. Most girls working as prostitutes are aged between 12 and 16 years old.

What we do in Thailand



National Postcode Lottery of the Netherlands

The National Postcode Lottery of the Netherlands provided financial support in Nepal as part of the Social Enterprise program.

Results: National Postcode Lottery

-  47 girls from Thailand and Laos received vocational guidance and information
-  7 girls from Thailand and Laos followed vocational training, for which they all received a salary
-  4 conferences and various meetings were held with companies and the government to cooperate on providing better employment opportunities for victims of CSEC from Thailand and Laos
-  12 NGOs in Thailand started working together in order to achieve even better results
-  6 government organizations, NGOs and educational organizations came together in a new network for employment
-  25 companies pledged to join the network and indicated their willingness to provide vocational training, internships and/or jobs for survivors
-  The social enterprise in Laos was open throughout the year. In addition to several workplaces, it offers vocational training and functions as a job coordination center where girls can get job placements at companies
-  Together with 123 survivors, a survey was conducted into needs and wishes relating to employment
-  A draft catalogue for vocational orientation for survivors was produced and is being piloted for further development

Results: Down to Zero

-  37 victims were rescued in 2018
-  AAT was involved in 61 lawsuits
-  25 perpetrators were convicted
-  168 victims of CSEC received support in the form of shelter, healthcare services, educational services or legal assistance
-  100 members of the community (with children at risk of CSEC) participated in awareness-raising activities
-  4 meetings with officials
-  92 staff from the private sector received training about CSEC

Case story

In January 2018, one of our partner organizations rescued 113 women and underage girls from forced prostitution in Malaysia. The organization had been tipped off that the women and underage girls, who were working in a massage parlor, were being sexually exploited.

The case was investigated in partnership with the Department of Special Investigation (DSI). It quickly became clear that the women were victims of human trafficking from Bangkok. Contact was sought with the traffickers and a girl was released for payment. Once taken to safety, the girl was able to give the DSI more information about the brothel.

In partnership with the human rights organization Tenaganita and the Malaysian anti-human trafficking unit, an investigation was carried out in Malaysia to identify the exact location of the brothel. A series of raids was carried out and 113 women, including a number of underage girls, were rescued.



2.6 IRAQ

Tackling impunity

Few in the world had heard of the Yazidi ethnic-religious community before 2014. In that year, the Yazidis became the focus of global media attention due to the genocide by the Islamic State. Around 12,000 Yazidis were killed or kidnapped by IS. Young women and girls, some even younger than 9, were forced to convert to Islam and taken to places in Iraq and Syria, where they were used as *sabaya* (sex slaves) or forced to marry IS fighters. This program focuses on the young women and girls who fell victim to the genocide against the Yazidis. They suffered multiple human rights and international humanitarian rights violations, including forced relocation; kidnapping; deprivation of freedom; slavery; cruel, inhuman and degrading treatment; forced religious conversion; and abuse, rape and other forms of sexual violence. There can be no doubt that these girls and young women have experienced unprecedented trauma.



Picture Carolien Nieuweboer

Results

- 🎤 119 interviews were held in Iraq with survivors and witnesses of the genocide.
The interviews were translated from the local dialect into Arabic
- 🎤 30 interviews were held among victims in Germany, by the team led by Amal Clooney
- 🔍 Evidence was collected in Iraq and Germany, which can be used in future lawsuits against the perpetrators of the genocide against the Yazidi community in 2014
- 🔍 The most relevant interviews were incorporated into an international English-language database (for Amal Clooney's team); 3 of the cases involved an international IS fighter
- 🔍 11 supporting documents were gathered

2.7 SPECIAL PROJECTS

SCHOOL FOR JUSTICE

Insight

In recent years, Free a Girl has played a major role in the fight against child prostitution by rescuing thousands of girls from brothels. The trade in young girls remains very lucrative, however, because the legal system is failing to punish the perpetrators of commercial sexual exploitation. Every day, new girls are being traded and sold to brothels for prostitution. The clients, human traffickers, pimps and brothel-owners are hardly ever prosecuted and convicted. In 2015, for example, sentences were passed in just 55 cases. That's why Free a Girl founded the unique institution called the 'School for Justice' for victims of child prostitution, in order to break the cycle of impunity.

Program

The School for Justice was officially founded in Kolkata (India) in 2017, and continued under Free a Girl India in 2018. The program consists of preparatory training and five years of legal training to become a lawyer or public prosecutor. The students can use their training to change the legal system from the inside, by working to convict the perpetrators of commercial sexual exploitation and demanding justice. As of mid-2018, the school offered three additional courses: journalism, social work and police academy training, in order to have an even greater impact on breaking the cycle of impunity. The class of 2018 consists of 9 girls who live together in a student house. Four girls have started their studies; 3 of them are studying Law and 1 is studying Social Sciences. The other girls are preparing for the admissions exam in 2019.

Awareness-raising campaign

The second component of the School for Justice is the awareness-raising campaign. This innovative campaign makes Indian citizens aware of the commercial sexual exploitation of children in their country and the impunity that surrounds it. The students at the School for Justice play an important role in this campaign. With their personal stories, they can initiate the conversation about commercial sexual exploitation – something that is taboo in India. The objective of the campaign is to 'break the silence and mobilize society to rally behind the girls that have fallen victim to this crime and to demand justice'. The students regularly follow media training to prepare them for the media spotlight.

Expansion of the School for Justice

A School for Justice with 10 students has been founded in Nepal, and preparations are underway in India to open a second School for Justice in Mumbai.

3. RAISING AWARENESS

Free a Girl undertakes a range of communication projects to achieve Objective 2: raising societal awareness of the existence of child prostitution and the urgency of fighting and preventing it.

3.1 COMMUNICATION TARGET GROUP

As set out in the 2018 Annual Plan, the target group for communication is every Dutch person who is concerned about the fate of the missing girls and their distraught parents. A sub-target group for communication is mothers aged 30-55, a group that empathizes with the terrible predicament of the girls who are held in brothels and exploited. This group is still the largest in our pool of donors. Additional target groups are large donors and the business market. Thanks to the followers of our founders and ambassadors on social media, we have increased our visibility on these channels and added engaged young people aged 15-25 to our target groups.

3.2 ALLIANCES AND CONSORTIA

Down to Zero

Together with the organizations Terre des Hommes, Defense for Children/ECPAT, ICCO and Plan Netherlands, Free a Girl participates in the 'Down to Zero' alliance. The alliance is committed to fighting the commercial sexual exploitation of children in eleven countries in Asia and Latin America.

Within the alliance, Free a Girl is chiefly responsible for Bangladesh and India, and also implements the program in Thailand. The Down to Zero program has a budget of 15 million euros from the Dutch Ministry of Foreign Affairs for a period of five years, and the program will run until the end of 2020. The alliance was announced in a joint press release. All of the NGOs' social media channels are also used to inform our supporters about Down to Zero.

In order to be able to communicate clearly about the common objective of the five NGOs, each of which has its own house style, it was essential to develop a Down to Zero brand. Free a Girl took the lead on this in 2016, and the branding was finished in 2017 for various stakeholders.

3.3 COMMUNICATION AROUND EVENTS

We actively seek contact with the media when holding every event. Free a Girl is an innovative organization, and we always try to come up with something unique or new.

3.4 ONLINE COMMUNICATION AND FREE PUBLICITY

Website

The website freeagirl.nl provides lots of information about current events, projects and campaigns. The website is also used to raise funds and for publishing the corporate annual report. There were 110,000 unique visitors to the website in 2018; fewer than last year, but this can be explained by the fact that we have increased our communication via social media channels.

Social media

As part of our communication strategy, Free a Girl is active on the following social media channels: Facebook, Twitter, Instagram, LinkedIn and YouTube. The aim is to bind our national and international target groups to our activities, by communicating transparently and interactively about the projects in the countries where we're active. We share our campaigns, activities and events on our social media channels. We communicate about the background of the girls, what work we do where, and so on. In addition, the use of social media generates support and draws attention to the Free a Girl brand and image.

Our presence on social media means that people can always get in touch with Free a Girl. The foundation communicates accessibly and interactively with everyone who contacts us.

Channel	Number of followers
Facebook	10,100
Twitter	4,400
YouTube	500
LinkedIn	1,400
Instagram	6,000
Total 2018	22,400

PR

Free a Girl generates a lot of media attention through campaigning, activities, events, articles and the efforts of our ambassadors. This ensures that we have an active media value, which is monitored each month in partnership with MediaXplain. MediaXplain monitors the balance in the organization's communication and media strategy in conjunction with current trends, environmental factors and developments. The media value that we achieve is divided across radio/TV, print, online media and social media.

Our ambassadors are Dutch celebrities with a large online and/or offline presence, who command considerable media interest. They devote their time to sharing activities and campaigns using their own channels, giving interviews and participating in fundraising activities.

In 2018, the ambassadors were: Anna-Alicia Sklias, Belle Perez, Bridget Maasland, Conchita Leeflang, Dave Mantel, Gwen van Poorten, John Ewbank, Jojanneke van den Berge, Thomas Berge, Tim Hofman, Wesley Sneijder and Wimmy Hu.

Media value 2018

According to data from MediaXplain, we achieved a media value of €3,898,135.93 in 2018, across both online and offline channels.

3.5 COMMUNICATION WITH STAKEHOLDERS

Stakeholders

At Free a Girl, we believe that it is important to be transparent with sponsors and other stakeholders about the foundation's expenditure and results. In addition to all of our sponsors and donors, by 'stakeholders' we mean the staff, the Supervisory Board, volunteers, partner organizations in the Netherlands and abroad, alliance partners, the press and the general public in the Netherlands.

Our most important beneficiaries are the girls who are trapped in prostitution, girls who run a high risk of ending up in prostitution, and former victims of prostitution. Free a Girl works with local partner organizations to reach these beneficiaries.

Sponsors

Our sponsors are corporate partners who make donations of more than €5,000 a year.

Donors

We use the website and social media to ensure that existing donors remain connected to Free a Girl's underlying objectives.

Alliance partners

Free a Girl maintains a number of structured partnerships with strategic alliance partners. These partnerships are based on a shared objective, and directly or indirectly benefit the partners or target groups in the countries where the partners work. Our strategic partners are currently: Terre des Hommes, Defense for Children/ECPAT, ICCO and Plan International Nederland.

Ambassadors

Free a Girl has a number of ambassadors who have pledged to raise awareness of the problem of child prostitution several times a year, and to raise funds. The work they do is extremely important to the foundation, because they generate free media attention and spread the word about our mission in the Netherlands and abroad. We actively keep our ambassadors informed about changes, events and developments within Free a Girl.

Employees and volunteers

Performance appraisals and reviews are held for all employees. Should the need arise, there is scope for training and courses for permanent staff.

Partner organizations

Free a Girl works to fight commercial sexual exploitation in partnership with local organizations. These local organizations are more familiar with the culture and country in question, and are therefore able to gauge how to achieve change. They are in direct contact with the girls and have local networks that enable them to carry out rescues and provide shelter, medical care, education, group training, help with processing trauma and the reintegration of victims.

Our partner organizations also work with the police and judiciary to catch and convict human traffickers and pimps. In addition to financial support, Free a Girl shares its knowledge and experience in order to keep nurturing, optimizing and expanding these partnerships. The partners are selected carefully, based on selection criteria drawn up by Free a Girl.

3.6 HIGHLIGHTS

Documentary: Yolanthe Cabau in Nepal

Free a Girl founder Yolanthe Cabau travelled to Nepal in 2018 to find out more about the problem and to show how Free a Girl is tackling it. We made a documentary about the trip, which brought us a lot of publicity. Our media partner, Linda.tv, publicized and broadcast the documentary. It was eventually shown on a number of channels, including on the website of RTL Boulevard (a daily program on Dutch commercial TV).



3.7 COMPLAINTS PROCEDURE

Free a Girl attaches great value to maintaining good contact with donors, sponsors and other relations. This includes dealing with complaints and suggestions in a proper and timely manner, something we take very seriously. We see a complaint as a signal that can be used to improve our way of working. If necessary, we take measures to improve our services.

3.8 OBJECTIVE 3: FINANCING IN PROGRAM COUNTRIES

Free a Girl believes that part of the responsibility for fighting child prostitution lies with the program countries themselves. These societies must be called upon to contribute to the solution. In order to solve the problem structurally, it is essential to involve local businesses, the government and the general public in funding and implementing campaigns, and to start raising funds locally. India is the first country where this new strategy is being pursued. In 2018, all of the project management for our Indian partners was also transferred from the Netherlands to our colleagues in India.

Free a Girl India: objectives

- Raising awareness among Indian citizens of the problem of child prostitution and the impunity of perpetrators.
- Mobilizing support from the local population and Indian companies to fight the problem, in order to achieve lasting change.
- Monitoring the project partners of Free a Girl.

As it has taken a long time to establish the local non-profit Free a Girl organization, a for-profit organization has been founded in the meantime, called 'Vrouwenmacht' (women's power).

The objective of this for-profit organization is to take responsibility for implementing the School for Justice program and establish local enterprises in which the survivors of child prostitution play a key role.

The executive of Vrouwenmacht consists of Evelien Hölsken (CEO Free a Girl Netherlands), Meindert Witvliet (vice-chair of the Supervisory Board of Free a Girl Netherlands) and Shikha Philips (executive director Vrouwenmacht).

This construction cannot be used for local fundraising and campaign implementation, which is why Free a Girl India must be established in 2019.

4. FUNDRAISING ACTIVITIES

Obtaining financial resources by raising funds in the Netherlands and abroad.

In 2018, Free a Girl's fundraising in the Netherlands focused on:

- Organizing our own large event: Lock me Up – Free a Girl.
- The establishment of a Committee of Recommendation, consisting of active members with exceptionally large and valuable networks.
- Intensifying the partnership with the Soroptimists.
- Expanding international fundraising.

4.1 PRIVATE FUNDRAISING

In accordance with the strategy that has been in place since Free a Girl was founded, we do not actively recruit regular private donors. Income from private fundraising continues to rise every year, though, thanks to one-off donations. This is linked to increasing awareness of the Free a Girl brand, as a result of the 'Lock me Up' campaign and investment in documentaries and awareness-raising campaigns.

4.2 EVENTS

In 2018, Free a Girl organized the 8th 'Lock me Up – Free a Girl' campaign, as part of the week against child prostitution. The aim was to recruit 400 participants, who would each raise €2,500 by giving up their freedom for 12 hours. The campaign raised €523,000, missing the target of €1 million euros. In the evaluation, the decision was made to transfer organization of the event in 2019 to the Emolife event agency, and to disband Free a Girl's events project team (3 FTE).

Free a Girl does not organize any benefit events, but we do support third parties who hold events on Free a Girl's behalf. Last August, for example, an equestrian spectacle was held in Beekbergen on the initiative of several entrepreneurs in Apeldoorn. Carriage-drivers (pairs and four-in-hand) from around the world competed for prizes, followed by a dinner and auction for Free a Girl.



4.3 FOUNDATIONS AND PRIVATE CHARITABLE FOUNDATIONS

In 2018, we received contributions from a number of small private charitable foundations. The largest contributions that we received were from the Union of Soroptimist clubs. We launched a multi-year partnership with the club management in 2017, whereby various clubs around the country raise funds for Free a Girl's School for Justice project.

The Soroptimists devote their knowledge and skills to improving the position of women and girls around the world. The Soroptimists are sisters, Sorores, who strive to achieve their best (optimum). As the world's largest voluntary service organization of female professionals, Soroptimist International works around the globe to promote human rights and improve the position of women and girls. Our activities are based on themes of Action, Awareness and Advocacy.



4.4 NATIONAL POSTCODE LOTTERY OF THE NETHERLANDS

In 2017, Free a Girl received a grant of 1 million euros from the National Postcode Lottery of the Netherlands, to be spent over three years. The grant from the National Postcode Lottery will be awarded over a three-year period to projects relating to rescues, rehabilitation through education and economic reintegration.

Thanks to supporters of the National Postcode Lottery, Free a Girl was able to fund the following projects in 2018:

- education in partnership with the Malala Fund in Bangladesh and India
- reintegration projects in Nepal, Thailand and Brazil

The projects funded by the National Postcode Lottery represent the result-oriented, sustainable and innovative approach that distinguishes Free a Girl in the fight against child prostitution. Thanks to players of the National Postcode Lottery, Free a Girl was able to continue this fight in 2018 in close cooperation with our partners.

Educate, Empower, Lead partnership with the Malala Fund

The three-year Educate, Empower, Lead program is a partnership between the Malala Fund and Free a Girl, with financial support from the National Postcode Lottery. The aim is to empower girls at risk of, or who have fallen victim to, commercial sexual exploitation in Bangladesh, India and Nepal.

Reintegration

For many survivors, economic independence is a condition for real freedom. In 2018, we responded to this urgent need with three projects: in Thailand, Nepal and Brazil, new employment programs were developed and/or strengthened in partnership with the business community, based on local needs and contexts. Working with the business community means that we can draw on the expertise and strengths of social and economic specialists in all three projects, leading to more efficient and sustainable economic reintegration.

Employment program in Thailand

Achieving financial autonomy and independence is crucial for victims of sexual exploitation, but this is also one of the greatest challenges. As a result, many of the girls go on to become victims again.

In Thailand, a vocational orientation program has been developed that includes vocational training and job placement in the business community.

This newly-developed economic reintegration model also features a brand-new network of NGOs, educational organizations and companies. All of the companies are trained and committed to the girls' welfare and successful reintegration, granting this vulnerable group the prospect of a free and independent future.

Vocational training and enterprise course, Brazil

In Brazil, the pilot project for vocational training, job placement and enterprise courses was expanded in the second half of 2018, with great success. Further work to improve the program will take place in 2019, so that the percentage of girls who find a job can rise even further.

4.5 THE BUSINESS MARKET

Our largest sponsors from the business market are Oranje Casino and Fox-IT.

Oranje Casino

Oranje Casino is an online casino based in Malta, and forms part of the Swedish company Betsson. It is Free a Girl's main sponsor.



Fox-IT

Fox-IT is a Dutch company specializing in computer and network security. It provides advice, IT products and training. The head office is located in Delft. Major clients include governments, financial institutions and companies in the field of vital infrastructure. Fox-IT forms part of the England-based NCC group.



4.6 GRANTS

In 2018, we received a grant from the SRHR partnership fund of the Dutch Ministry of Foreign Affairs to support the Down to Zero program. Free a Girl is one of the members of the Down to Zero consortium. Together with the organizations Terre des Hommes, Defense for Children/ECPAT, ICCO and Plan Netherlands, Free a Girl participates in the 'Down to Zero' alliance. The alliance is committed to fighting the commercial sexual exploitation of children in eleven countries in Asia and Latin America. Free a Girl is responsible for Bangladesh and India, and also implements the program in Thailand.

4.7 INTERNATIONAL FUNDRAISING

In 2018, Free a Girl played an active role in raising funds beyond the Netherlands. Tackling child prostitution requires an international approach and international support.

Free a Girl on tour in Marbella

With our partners in Spain, the second Marbella Charity Night was held, including an auction, entertainment, lottery and food.



The United States

In 2018, the director of Free a Girl participated in various international events run by the business strategist and philanthropist Tony Robbins, resulting in donations and a valuable network of contacts. In 2018, a start was also made on setting up a local organization in the United States, which will allow donors and sponsors to take advantage of beneficial tax arrangements (510C3 status).

Free a Girl received two donations from the Tony Robbins Foundation in the US in 2018.

Belgium

Free a Girl is grateful for the support we have received from the Wealtheon Foundation in Brussels. As of 2018, the foundation will support the School for Justice program in Nepal for three years. In the same year, co-founder Arjan Erkel gave a presentation on Free a Girl in Monaco for Wealtheon's clients.



5. LOOKING AHEAD TO 2019

In 2019, we will expand Free a Girl's international presence by:

- Setting up a local non-profit organization in India.
- Establishing a Free a Girl Inc. office in the United States.
- Setting up an office in Brazil so that we can start raising funds locally.

This will allow us to meet Free a Girl's longstanding ambition of creating local support for tackling the problem of child prostitution.

In the Netherlands, we want to expand the Lock me Up – Free a Girl campaign with even more participants and more locations. We also want to make the campaign accessible for the whole of the Netherlands, by linking it to an easy-to-access initiative.

At the time of writing this annual report, we were pleased to add a fantastic new ambassador to the Free a Girl ranks, Monica Geuze. A YouTube star and presenter, Monica Geuze will reach out to a new, youthful target group for Free a Girl.

We will intensify our collaboration with the business community and private charitable foundations. In doing so, we will focus on establishing long-term agreements, so that we can offer our project partners more financial security.

We will continue to work in our eight program countries in 2019. We will also attract new partners with the capacity to carry out rescues in Bangladesh, India and Laos, so that we can meet our target of 500 rescues a year.

6. ORGANIZATION

6.1 PERSONNEL

In 2018, the staff consisted of an average of 12.2 FTE, including trainees and supplemented with volunteers. The average number of employees is based on a 36-hour working week.

In July 2018, Free a Girl embarked on a reorganization that was completed in November of the same year. The reorganization was essential, as it will allow us to keep maximizing the resources we spend on the foundation's main objective of fighting child prostitution. The events department has been disbanded and we are going ahead with one manager, not two. With the new structure, we will continue to be a decisive organization that achieves the best possible results.

The employees of Free a Girl earn salaries that are comparable with average salaries at other charities of a similar size, based upon the pay scale developed by the Dutch government (Civil Servants' Pay Decree/BBRA). The foundation's remuneration policy and the terms and conditions of employment are set out in our employment package. This package also applies to the director.

6.2 THE EXECUTIVE

The executive is made up of the management team. The director of Free a Girl has a full-time appointment (1 FTE). The director consults with the management every two weeks.

6.3 SUPERVISORY BOARD

The Supervisory Board focuses on the following key areas:

- Finance
- HR
- Communication
- Fundraising
- Projects

Members of the Supervisory Board have extensive experience in at least one of these areas. They have a large relevant network, but do not hold positions at any of the foundation's partners. Members of the Supervisory Board do not perform any executive activities other than monitoring and advising the personnel and approaching members of their own networks. They do not receive any compensation, but they may declare expenses. Members of the Supervisory Board are appointed for five years and may be reappointed once after this period. After this, they are not permitted to sit on the Supervisory Board for at least two years. The Supervisory Board monitors the executive and has a number of specific powers. For example, the Supervisory Board approves the policy plan, the annual plan, the budget and the annual accounts and appoints the executive.

The Supervisory Board meets four times a year. Regular themes of the meetings include management reporting, fundraising, project development, human resources and legal affairs. In 2018, the following specific issues were on the agenda: Free a Girl's response to the Oxfam/Novib Haiti case; the annual plan; the staff manual; the Child Protection Policy; and the travel policy.

The division of competences is set out in the statutes and regulations of the foundation. The Supervisory Board's audit committee, whose duties include determining the annual accounts, consists of Mr H.G.

Klinkhamer and Mrs S. Kersten-van Santen. The remuneration committee is composed of Mr H.G. Klinkhamer and Mrs A.M. Mellema.

Members of the Supervisory Board:

Mrs Y. Cabau – honorary member – co-founder Free a Girl – actress – model – presenter

Mr H.G. Klinkhamer – chair – Managing Partner of Apartments Group Ltd.

Mr M. Witvliet – member – Retired

Mrs A.M. Mellema – member – Owner of 2Skye reorganization specialists

Mrs L.M. van der Helm – member – Director of SIRE, board member DDMA and food entrepreneur

Mrs S. Kersten-van Santen – member – Manager Control at Koninklijke Visio, chair of the parents' council of Altijd Lente childcare

6.4 COMMITTEE OF RECOMMENDATION

In 2018, Free a Girl founded a Committee of Recommendation chaired by Mr Junior Zegger. We want to take this opportunity to broaden our business network and capitalize on the knowledge and expertise of leading figures in the business world. In addition to the chair, the members of the Committee of Recommendation are Petra Goldschmeding and Rattan Chadha.

6.5 FREEDOM FIGHTERS

In addition to the Free a Girl Team, 10 ambassadors, 17 regional ambassadors and an administrative support volunteer devoted their efforts to the foundation in 2018. These 'freedom fighters' represent Free a Girl's cause at events and presentations throughout the country.

6.6 TRANSPARENCY

As a transparent organization, we are open about our activities and developments within the foundation. Free a Girl meets the requirements set by various bodies, including the Dutch Central Bureau on Fundraising (CBF-Keurmerk), the Dutch tax authorities (ANBI status) and various grant providers in the Netherlands and beyond.

This means that Free a Girl:

- spends a maximum of 25% of revenues raised on fundraising.
- ensures that there are no family or similar relations between and within the executive and the Supervisory Board.
- is open about the revenues obtained, expenditure incurred and remuneration of the management.

6.7 CODE OF CONDUCT

Free a Girl subscribes to the Partos code of conduct that was re-established on 1 January 2019. In addition, all of Free a Girl's employees and partners subscribe to a travel policy and a fraud and corruption policy. In 2018, Free a Girl made a start on developing a Child Protection policy, which will be adopted in 2019.

6.8 RISK ANALYSIS

The risks facing Free a Girl are those of falling revenues and fraud/corruption. We have covered the risk of falling revenues by minimizing our fixed costs. We do not have any office rental costs, for example, the permanent team was downsized in 2018, and only three employees have permanent contracts.

Free a Girl is constantly alert to the risk of fraud; not only here in the Netherlands, but also abroad, where projects are carried out using funds from Dutch donors, sponsors and funding bodies. In the Netherlands, the internal system has been designed to make fraud virtually impossible. The director, manager and finance & operations officer are among those who ensure that the funds are administered and spent correctly. Separate processes are used to prepare, authorize and pay invoices. Each year, the external account audits the annual accounts and the procedures in place.

A similar system exists for project partners, whereby the manager and the director monitor the descriptive and financial project reporting. Project partners are also required personally to make annual checks to ensure that everything has been carried out as described in the reporting. Since 2017, all projects have been externally audited by a company appointed by Free a Girl. Every partner signs Free a Girl's anti-fraud and corruption policy, and we apply strict partner criteria at the organizational and project levels.

6.9 FINANCES

The solvency ratio as of 31 December 2018 was 0.13 (2017: 0.37). The liquidity ratio as of 31 December 2018 was 0.99 (2017: 1.55). The fall in both ratios was mainly due to project obligations and transfers to the partners. In terms of the financial result, the foundation suffered a loss of €396,056 in 2018. The total cash flow for 2018 amounted to a negative flow of €738,015.

Free a Girl's Lock me Up campaign in May 2018 generated only half the intended yield: instead of one million euros, a sum of only half a million euros was raised. Project-managing the partner organizations' projects is taking up an increasing amount of the employees' time and efforts. In order to reverse this trend, the foundation undertook a reorganization in 2018.

Holding our own events has proved a distraction from the foundation's objective and puts too much pressure on the internal organization. Events that cannot be organized by third parties will be discontinued or outsourced in their entirety. The project management has been simplified, and part of the work is being transferred to the country office in India, where the same quality can be achieved at a much lower cost.

Thanks to the reorientation, the new way of working, task redeployment, the departure of two managers and the non-renewal of temporary contracts, the foundation has undergone a significant contraction without this having affected the turnover or the quality of the project management. The resulting savings will be put towards achieving Free a Girl's objective. The savings can also be used to replenish the continuity reserve.

The number of FTEs fell from 12.2 in 2018 to 7.4 in 2019. Freelancers are hired to undertake temporary projects, so that the organization can remain flexible.

Our aim is to be able to cover six months of fixed costs by the end of 2020, rising to twelve months within four years. At Free a Girl, we want as much funding as possible to reach our target groups. In 2018, we invested 85% of our total expenditure in the objectives. Fundraising costs amounted to 15% of revenues from our own fundraising.

Statement on events after the balance sheet date

On 7 April 2019, after the balance sheet date, Free a Girl's warehouse was hit by a major fire. All of the cages and promotional material for the Lock me Up campaign were lost in the process. With the insurance money, and thanks to the great efforts made by our suppliers, we were able to hold the Lock me Up campaign in May 2019 with 80 cages.

Haarlem, 28 June 2019

Foundation Free a Girl

E. Hölsken

7. ANNUAL ACCOUNTS

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BALANCE SHEET AS OF 31 DECEMBER 2018
(after result allocation)

	31 December 2018	31 December 2017
	€	€
ASSETS		
FIXED ASSETS		
Tangible fixed assets	1	
Renovations	22,876	25,533
Inventories	<u>33,780</u>	<u>4,288</u>
	56,656	29,821
Financial fixed assets	2	18,000
CURRENT ASSETS		
Accounts receivable		
Debtors	3	93,435
Taxes and social insurance contributions	4	3,225
Other accounts receivable and accrued income	5	300
	<u>96,960</u>	<u>6,652</u>
	109,742	109,742
Cash at bank and in hand	6	377,659
	<u>549,275</u>	<u>1,255,237</u>

	31 December 2018	31 December 2017
	€	€

LIABILITIES

The foundation's capital

Continuity reserve	8	70,784	466,840
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Short-term liabilities

Amounts payable to suppliers and trade credits	9	68,372	9,596
Taxes and social insurance contributions	10	15,845	22,314
Other amounts payable and deferred income	11	<u>394,274</u>	<u>756,487</u>
		478,491	788,397
		<u>549,275</u>	<u>1,255,237</u>

STATEMENT OF INCOME AND EXPENDITURE 2018

		<u>Actual</u> <u>2018</u> €	<u>Budget</u> <u>2018</u> €	<u>Actual</u> <u>2017</u> €
Income	12			
Income from individuals	13	893,750	875,252	791,112
Income from companies		394,895	490,914	481,635
Income from lottery organizations		360,000	360,000	320,229
Income from government grants		423,678	423,678	375,219
Income from other non-profit organizations (institutions/foundations)		223,792	75,417	519,377
Income in return for the delivery of products and services		36,015	-	-
		<u>2,332,130</u>	<u>2,225,261</u>	<u>2,487,572</u>
Expenditure				
Spent on objectives	14	2,311,204	1,931,566	1,675,640
Expenditure for acquisition of income	15	294,237	241,535	325,711
Costs management and administration	16	122,745	52,160	144,096
Sum of expenditure		<u>2,728,186</u>	<u>2,225,261</u>	<u>2,145,447</u>
Balance of income and expenditure		<u>-396,056</u>	<u>-</u>	<u>342,125</u>

Result allocation

Continuity reserve

Credit: Balance after addition of appropriated reserve	-396,056	-	342,125
Total	<u>-396,056</u>		<u>342,125</u>

Key figures	Actual 2018	Actual 2017
costs own fundraising as % of income from own fundraising (excl. income from third-party activities)	15%	15%
expenditure on objectives as % of total income	99%	67%
expenditure on objectives as % of total expenditure	85%	78%
costs management and administration as % of total expenditure	4%	6%

CASH FLOW STATEMENT 2018

	2018	2017
	€	€
Cash flow from operational activities		
Operational result	-396,056	80,962
Adjustments for		
Depreciation on intangible, tangible fixed assets and investment property	10,465	9,108
Change in working capital		
Mutation in accounts receivable	12,782	58,888
Mutation in short-term liabilities (excluding banks)	<u>-309,906</u>	<u>499,998</u>
	<u>-297,124</u>	<u>558,886</u>
Cash flow from operational activities	<u>-682,715</u>	<u>648,956</u>
Cash flow from investment activities		
Investments tangible fixed assets	-37,300	-31,330
Investments financial fixed assets	<u>-18,000</u>	<u>-</u>
Cash flow from investment activities	<u>-55,300</u>	<u>-31,330</u>
Mutation in funds	<u><u>-738,015</u></u>	<u><u>617,626</u></u>
Development of mutation in funds		
Balance at start of financial year	1,115,674	498,048
Mutations in financial year	<u>-738,015</u>	<u>617,626</u>
Balance at end of financial year	<u>377,659</u>	<u>1,115,674</u>

PRINCIPLES OF VALUATION AND DETERMINATION OF RESULTS

Statement regarding the legal entity

Location and registration in trade register

Foundation Free a Girl is actually and statutorily based on Hendrik Figeeweg 3-G10, 2031 BJ Haarlem, the Netherlands. The Foundation is registered at the Chamber of Commerce with the registration number 34308169.

General notes

Statement regarding continuity

The principles applied to the valuation and determination of the Foundation's results are based on the going concern assumption. In view of the negative result for the 2018 financial year, the continuity of the Foundation is not at risk in 2019. Measures have been taken by the management of the Foundation to guarantee the continuity in the coming 12 months.

General accounting principles

Standards used to prepare the annual accounts

The annual accounts are presented in accordance with accounting principles that are generally accepted in the Netherlands. The annual accounts have been prepared in euros.

Assets and liabilities have generally been valued at acquisition or manufacturing price, or the current value. If no specific accounting principle is stated, the valuation is made at acquisition price.

The annual accounts have been prepared in conformity with the guidelines for financial reporting by non-profit organizations (RJ 640) and the guidelines for fundraising institutions (RJ 650), as well as general guidelines such as those issued by the Dutch Council for Accounting Standards.

Fiscal status

Free a Girl is classified by the Dutch tax authorities as a public benefit organization (ANBI). The foundation is exempt from corporation tax.

Change to system

In 2018, a change was made to the system in order to achieve greater insight into the result of obligations that are entered into with partner organizations.

Until 2017, contractual obligations were accounted for directly in the profit-and-loss account; from 2018, the obligations will be accounted for at the time of the contractual pay-out.

The effect on the result for 2017 and the capital as of 31 December 2017 is a positive sum of €261,163.

In addition, the post-contractual obligations under other receivables are €261,163 higher as of 31 December 2017 (were €0).

The effect on the result for 2018 and the capital as of 31 December 2018 is a negative sum of €173,686.

The cumulative effect on the capital is a positive sum of €87,477.

Financial instruments

Financial instruments comprise receivables, funds, loans and other financial obligations, liabilities and other payables. In the initial accounting, financial instruments have been recorded at real value. After the initial accounting, financial instruments have been valued at the amortized cost, based on the effective interest rate method. Since the real value of short-term financial instruments hardly differs from the nominal value, the nominal value has been used for this. Income and expenditure are allocated to the period to which they relate.

Principles

Tangible fixed assets

Other tangible fixed assets are valued at acquisition or manufacturing price including directly attributable costs, minus linear depreciation during the expected future useful life and impairment.

Financial fixed assets

Participations over which no significant influence can be exercised are valued at acquisition price. The result takes account of the dividend of the participation declared in the year under review, whereby dividends not paid in cash are valued at fair value.

The receivables listed under financial fixed assets are initially valued at fair value after the deduction of the transaction costs. These receivables are subsequently valued at the amortized cost, which is generally equal to the nominal value. The valuation takes account of any depreciation.

Accounts receivable

Receivables are initially valued at real value after the deduction of transaction costs. These receivables are subsequently valued at the amortized cost, which is generally equal to the nominal value, after the deduction of provisions for bad debts. The receivables are used for operational management and used directly in the context of the objective.

Cash at bank and in hand

Cash at bank and in hand consists of cash, bank balances and deposits with a term of less than twelve months. Current account debts in banks are listed under debts to credit institutions under short-term debts. Cash at bank and in hand is valued at the nominal value.

Other reserves

The continuity reserve is used to guarantee the continuity of the foundation if there is a temporary fall in fundraising.

Short-term liabilities

Short-term liabilities are valued at real value in the initial accounting. After the initial accounting, short-term debts are valued at amortized cost, this being the amount received taking into account the premium or discount and after deduction of the transaction costs. This is usually the nominal value.

Project obligations consist of actual grants received in advance that relate to 2019 and projects that were awarded in 2018 but have yet to be spent in full.

Principles for the determination of the result

In principle, income and expenditure are allocated to the periods to which they relate.

Income

Income from own fundraising refers to those funds received and/or pledged in the financial year from sponsors, donors, private charitable foundations and our own events.

Donations and gifts are accounted for in the year in which they are received.

Sponsorship in kind is accounted for as income from fundraising and the associated costs at real value. These income and costs are only accounted for insofar as the Free a Girl Foundation would have purchased these services had they not been offered free of charge.

Income from grants is allocated in proportion to progress with the activities for which the grant has been awarded. Government grants are fully included as income in the statement of income and expenditure, for the year to which they relate.

Expenditure

The distribution of organizational costs as 'costs own fundraising', 'costs for raising other income', 'costs of management and administration' and 'costs objectives' is made on the basis of the de facto assignment of these costs and a substantiated allocation of the number of hours spent.

Expenditure related to employee remuneration

The remuneration of the personnel is accounted for as expenditure in the profit and loss account in the period during which the work was undertaken and, in so far that it has not yet been paid, listed on the balance sheet as an obligation. If the amounts that have been paid exceed the remuneration owed, the excess is listed as accrued income, in so far as the amounts are to be reimbursed by the staff or deducted from future payments by the foundation.

Cash flow statement

The cash flow statement has been prepared using the indirect method. The funds in the cash flow statement consist of cash at bank and in hand.

NOTES ON THE BALANCE SHEET AS OF 31 DECEMBER 2018

ASSETS

Fixed assets

1 Tangible fixed assets

	Renovations €	Inventories €	Total €
<u>Balance as of 1 January 2018</u>			
Acquisition value	26,566	46,737	73,303
Cumulative depreciation	-1,033	-42,449	-43,482
Book value as of 1 January 2018	<u>25,533</u>	<u>4,288</u>	<u>29,821</u>
<u>Mutations</u>			
Investments	-	37,300	37,300
Depreciation	-2,657	-7,808	-10,465
Balance mutations	<u>-2,657</u>	<u>29,492</u>	<u>26,835</u>
<u>Balance as of 31 December 2018</u>			
Acquisition value	26,566	84,037	110,603
Cumulative depreciation	-3,690	-50,257	-53,947
Book value as of 31 December 2018	<u>22,876</u>	<u>33,780</u>	<u>56,656</u>
Depreciation percentages	<u>10%</u>	<u>20%</u>	

The tangible fixed assets consist of the renovations, office inventory and items used for Lock me Up activities. Depreciation takes place over a five- and ten-year period (20%/10%).

31-12-2018
€

2 Financial fixed assets

Other participations	<u>18,000</u>
<u>Other participations</u>	
Participation Vrouwen Macht Private Limited	<u>18,000</u>

	2018
	€
<i>Participation Vrouwen Macht Private Limited</i>	
Book value as of 1 January	-

Mutations

Investments	<u>18,000</u>
<u>Balance as of 31 December</u>	
Book value	<u>18,000</u>
Book value as of 31 December	<u>18,000</u>

Concerns an 85% participation in Vrouwen Macht Private Limited, based in Mumbai, India.

Current assets

Accounts receivable

	31-12-2018	31-12-2017
	€	€
<u>3 Debtors</u>		
Trade debtors	<u>93,435</u>	<u>103,090</u>
<u>4 Taxes and social insurance contributions</u>		
Sales tax	<u>3,225</u>	-
<u>5 Other accounts receivables and accrued income</u>		
Other accounts receivable	-	6,652
Accrued income	<u>300</u>	-
	<u>300</u>	<u>6,652</u>

The receivables have a term of less than one year.

6 Cash at bank and in hand

Rabobank, checking account #799	64,951	113,795
Rabobank, savings account	251,850	888,829
Rabobank, checking account #574	544	5,389
Triodos Bank, current account	59,908	6,927
Triodos Bank, account-return	65	100,715
Triodos Bank, account-benefit	<u>341</u>	<u>19</u>
	<u>377,659</u>	<u>1,115,674</u>

The cash at bank and in hand is at the free disposal of the foundation.

LIABILITIES

7 The foundation's capital

The overview below shows the development of the foundation's capital:

	Continuity reserve
	€
Balance as of 1 January 2018	466,840
From result allocation	<u>-396,056</u>
Balance as of 31 December 2018	<u>70,784</u>
	2018
	€
<u>Continuity reserve</u>	
Balance as of 1 January	466,840
From result allocation	<u>-396,056</u>
Balance as of 31 December	<u>70,784</u>
	<u>466,840</u>

Statement regarding other reserves

The management aims to ensure that the continuity reserve contains funds that are sufficient to cover the foundation's fixed annual costs for at least six months. This is to guarantee the continuity of the foundation in case of a temporary fall in fundraising.

Short-term liabilities

9 Debts to suppliers and trade credits

Accounts payable	68,372	9,596
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10 Taxes and social insurance contributions

Sales tax	-	1,041
Wage tax	15,845	21,273
	<u>15,845</u>	<u>22,314</u>

	31-12-2018 €	31-12-2017 €
<u>11 Other liabilities and deferred income</u>		
Auditing costs	36,784	17,400
Project obligations	-	12,500
Grants received in advance	351,575	679,771
Amount received in advance TdH for Down to Zero	-	35,938
Reserve for holiday pay and holidays	5,758	5,758
Deferred income	<u>157</u>	<u>5,120</u>
	<u><u>394,274</u></u>	<u><u>756,487</u></u>

The short-term liabilities have a term of less than one year.

Rights, obligations and arrangements not included in the balance sheet

The rental costs for the office are €2,000 per month (this is linked to a donation of the same amount by the owner of the office).

The foundation concluded a long-term car lease agreement as of 3 May 2015 for a period of 48 months. The obligation amounts to c. €5,729 per year.

In addition, the foundation concluded a long-term car lease agreement as of 1 September 2017 for a period of 34 months. The obligation amounts to c. €5,285 per year.

The foundation has committed a sum of €462,332 to projects for the benefit of the objective.

NOTES ON THE STATEMENT OF INCOME AND EXPENDITURE 2018

12 Income

	<u>Actual</u> <u>2018</u> €	<u>Budget</u> <u>2018</u> €	<u>Actual</u> <u>2017</u> €
Income from individuals	893,750	875,252	791,112
Income from companies	394,895	490,914	481,635
Income from lottery organizations	360,000	360,000	320,229
Income from government grants	423,678	423,678	375,219
Income from other non-profit organizations (institutions/foundations)	223,792	75,417	519,377
Income in return for the delivery of products and services	36,015	-	-
	<u>2,332,130</u>	<u>2,225,261</u>	<u>2,487,572</u>

Statement regarding income

The revenues from donations and gifts are higher than budgeted; this is mainly the result of the one-off donations that rise every year due to increased awareness of the Free a Girl brand. The regular donations remain almost level each year.

Sponsorship in money is higher than budgeted and the previous year, because larger amounts were received from Oranje Casino.

The revenues from private charitable foundations are slightly higher than budgeted, as a result of the various contributions from the Union of Soroptimist Clubs, which held meetings and events in the Netherlands on behalf of Free a Girl throughout the year.

The international revenues are slightly lower than budgeted, mainly because American donors prefer to donate to organizations that have 501 C 3 status in the United States, due to the fiscal advantages this entails. Free a Girl will have this status in 2019.

The total income fell by 6.2% compared to 2017.

The incidental or structural nature of the grant income

The Down to Zero grant 2016-2020 is structural in nature; Free a Girl collaborates with DCI/ECPAT, ICCO, Plan Nederland, Terre des hommes and the Dutch Ministry of Foreign Affairs. The program fights the commercial sexual exploitation of children and aims to improve the social position of girls and young women. Within Down to Zero, Free a Girl works in three countries: Bangladesh, India and Thailand. Down to Zero has an annual budget and Free a Girl reports to the secretary, Terre de hommes.

Each year, a report is sent to the Dutch Ministry of Foreign Affairs to account for the funding received. The accounts for 2016 and 2017 have been approved. The accounts for 2018 have been sent to the Ministry.

	<u>Actual</u> <u>2018</u> €	<u>Budget</u> <u>2018</u> €	<u>Actual</u> <u>2017</u> €
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14 Spending on objectives

Free a Girl Projects	658,432	621,749	606,568
Projects Partner Organizations	1,652,772	1,309,817	1,069,072
	<u>2,311,204</u>	<u>1,931,566</u>	<u>1,675,640</u>

	<u>Actual</u> <u>2018</u> €	<u>Budget</u> <u>2018</u> €	<u>Actual</u> <u>2017</u> €
<u>15 Expenditure for acquisition of income</u>			
Costs own fundraising	<u>294,237</u>	<u>241,535</u>	<u>325,711</u>
<u>16 Costs management and administration</u>			
Costs management and administration	<u>122,745</u>	<u>52,160</u>	<u>144,096</u>
<u>Wages and salaries</u>			
Personnel costs			
Wages and salaries	523,324	-	476,300
Social insurance costs	86,370	-	81,540
Retirement savings scheme	7,780	-	7,765
Other personnel costs	<u>197,223</u>	<u>-</u>	<u>10,376</u>
Total	<u>814,697</u>		<u>575,981</u>

Average number of employees

During the 2018 financial year, Free a Girl had an average of 10 employees based on a 36-hour working week (2017: 9.9).

Remuneration of directors

Name	E. Hölsken
Position	Director
Type	Indefinite period
Hours	40
Part-time percentage	100%
Period	1/1-31/12
Annual income	€
Gross income/salary	89,974
Holiday pay	6,811
Retirement savings scheme	5,380
Total	<u>102,165</u>
SI employer's share	9,956
Taxable fee/addition	1,820
Total	<u><u>113,941</u></u>

The taxable fee concerns the addition for private use of the lease vehicle. Members of the directorate have not been granted any loans, advances or guarantees.

No loads, advances and/or guarantees have been granted to members of the Supervisory Board and the directorate; members of the Supervisory Board may claim reimbursement for travel expenses.

NOTES ON THE DISTRIBUTION OF EXPENSES

Allocation	Spent on objective			Management and administration	Total	Budgeted 2018	Total 2017
	Free a Girl projects	Partner organization projects	Own fundraising				
Subsidies and contributions	103,666	1,105,335	36,692	4	1,245,697		1,440,207
Outsourced work	51,614	13,953	21,345	2,142	89,054		19,007
Publicity and communication	159,406	7,256	4,364	621	171,647		87,997
Personnel costs	339,738	291,405	151,014	46,229	828,386		575,981
Housing costs	7,920	9,603	5,445	1,782	24,750		34,166
Office and general costs	37,096	47,024	45,835	7,729	137,684		249,253
Depreciation	1,219	1,478	7,493	274	10,464		
Total	700,659	1,476,054	272,188	58,781	2,507,682	2,225,261	2,406,611

The costs are distributed over the different components (Objectives, Fundraising, Management and Administration), based on actual deployment. The basis for the distribution of expenses is the time per person per allocation. The personnel costs are distributed per person in accordance with the estimated amount of time spent.

The amounts for the cost-categories housing costs, office costs and general costs are distributed based on the same distribution as the personnel costs. For 2018, these percentages are determined as follows:

Notes on the percentages used:

	2018	2017
Free a Girl projects	32.00%	35.47%
Partner organization projects	38.80%	26.71%
Own fundraising	22.00%	27.11%
Management and administration	7.20%	10.71%

The amount spent on the objective as a percentage of total expenditure is 85% (2017 78%).

APPENDIX: AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To: the board of directors of Foundation Free a Girl

Kvk 17277491 BTW nr NLB221.10.866.801
IBAN NL48 RABO 0154 5651 99

A. Report on the audit of the financial statements 2018 included in the annual report

Our opinion

We have audited the financial statements 2018 of Foundation Free a Girl based in Haarlem.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Foundation Free a Girl as at 31 December 2018 and of its result for 2018 in accordance with the 'RJ-Richtlijn 650 Fondsenwervende organisaties' (Guideline for annual reporting 650 'Fundraising organizations' of the Dutch Accounting Standards Board).

The financial statements comprise:

1. the balance sheet as at 31 December 2018;
2. the profit and loss account for 2018; 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 on 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 Foundation Free a Girl 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 accountant (VGBA, Dutch Code of Ethics).

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

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;
- other information.

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 all information that is required based on Title 9 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 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 other information, including the management report in accordance with RJ-Richtlijn 650 Fondsenwervende organisaties.

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 the 'RJ-Richtlijn 650 Fondsenwervende organisaties' (Guideline for annual reporting 650 'Fundraising Organization' of the Dutch Accounting Standards Board). 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 foundation'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 foundation 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 foundation's ability to continue as a going concern in the financial statements.

Management is responsible for overseeing the foundation's financial reporting process.

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 critical throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit include 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 foundation'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 foundation'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 foundation to cease to continue as a going concern;
- evaluation 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.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

's-Hertogenbosch, July 4th, 2019
Q-Concepts Accountancy B.V.

Originally signed by

M. Boelhouwers RA

A woman with long, dark hair is shown from the side, looking towards a white truck. The truck has some text and graphics on its side, though they are not clearly legible. The scene appears to be outdoors, possibly near a road or a construction site.

FREEDOM FIGHTER

**FREE
A
GIRL**

FIGHT CHILD PROSTITUTION