Annual Report and Accounts 2024

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1. Introduction

The Hague Academy for Local Governance is a foundation that aims to strengthen local democracy worldwide by offering practice-oriented training and knowledge exchange. We do this by offering tailor-made training programmes for clients and donor organisations as well as open subscription courses on a wide range of topics related to local governance.

In 2024, our programmes had a considerable impact on many organisations and communities around the world. More than 1700 practitioners from 61 different countries took part in our programmes. They developed their knowledge and skills and received practical tools and advice. As change agents from across the world, they got new inspiration for the positive change they work on in their organisations and communities. Many joined our online alumni platform, thereby further expanding The Hague Academy's international network of practitioners in local governance.

The sudden termination the OKP-scholarship programme by the Dutch Ministry of Foreign Affairs in 2024, meant the end of an opportunity for thousands of mid-career practitioners in government and civil society to receive training in The Netherlands. For The Hague Academy, it meant the end of an impactful and enriching programme, with short, intensive courses offering often life-changing experiences to people working for local governments and NGOs in different parts of the world. It also influenced the financial results for our open courses. Financially, the end of the programme meant that there were much less scholarship participants than budgeted, and time was too short to fill the spaces with self-paying participants. However, we managed to close the year with a positive financial result of € 2,000, thanks to the continuation of our long term Shiraka- and Matra-programmes, new requests for short tailor-made training, lower expenses for personnel and general costs, and the tireless commitment of The Hague Academy's team.

The outlook for 2025 and further gives some reason for concern. Not only were additional budget cuts announced by the Dutch government, other development agencies like USAID and UN-organisations are also facing high budget cuts as a result of the new administration in the US. Moreover, the current geopolitical situation, with a new attitude of the US - forcing European countries to increase their Defense budgets – has shifted priorities of Western countries. The Hague Academy keeps advocating for investments in good local governance, next to military expenses. Support to democratic actors in countries under authoritarian leadership is more important than ever to put an end to the violation of citizen’s rights and liberties, shrinking soace for civil society, spreading desinformation, and increasing polarisation. The Netherlands and other European countries recognise these threats to our democratic values and underline the importance of defending democracy and the rule of law in the world. In this context, our mission to strengthen local democracy - building inclusive societies from the bottom-up - is of course still very relevant. Moreover, we see countries worldwide increasingly investing in the capacity of their government staff to foster economic development and improve service delivery. We are therefore convinced that the demand and support for knowledge exchange and learning by local practitioners remains unchanged.

2. Our mission

The foundation The Hague Academy for Local Governance is a non-profit organisation that aims to strengthen local democracy worldwide. We do this by offering practice-oriented training programmes for practitioners of national and subnational governments, NGOs and development partners.

2.1. Our Theory of Change

At The Hague Academy, we believe that a stronger local democracy will ultimately lead to governments and citizens jointly contributing to stability, sustainable socio-economic development and better public services, thereby improving the quality of life of citizens worldwide.

The local level for most citizens is the first point of contact with the government. Here, people can raise concerns and participate in decision making. Moreover, due to the worldwide trends of decentralisation and urbanisation, local governments play an increasing role in tackling global issues such as poverty, migration, and climate change. It is our vision therefore, that real development starts at the local level, with local authorities and citizens working constructively together for sustainable development.

António Guterres
Secretary-General of the United Nations

"Local governments are a positive and growing force on the global stage. They have borne the brunt of the pandemic and are also in the frontline of the climate crisis. We must strengthen their capacities and deepen the cooperation between local and national authorities. Local governments need access to financing mechanisms and the fiscal gaps they face must be addressed for the world to get on track to achieve the Sustainable Development Goals."

We work on our mission by organising practice-oriented training programmes for practitioners at national and subnational governments, NGOs and development partners. Our programmes help them to develop awareness, knowledge and skills needed to act as change agents in their organisations and communities. This way, we support the development of well-functioning institutions that effectively manage public services and promote practices of democratic local governance. Moreover, we support citizens to effectively engage with their governments and make their voices heard.

In our programmes, we promote the following principles of good, democratic local governance:

- Participation and responsiveness
- Accountability and transparency
- Equity and inclusiveness
- Respecting the rule of law and human rights
- Effectivity and efficiency

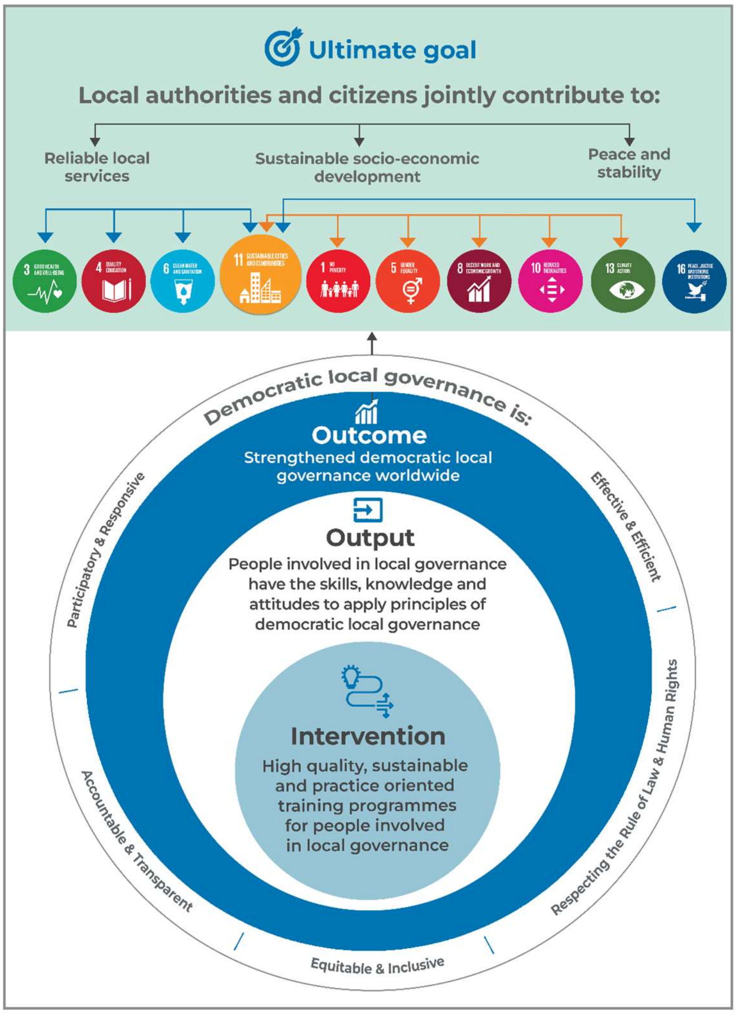

Figure 1 Theory of Change

2.2. Our programmes

The Hague Academy offers short courses for open subscription, short tailor-made training programmes, multi-annual action-learning programmes, Training of Trainer-programmes (ToT) and training centre support. We also have our scholarship programme Talent for Governance for young, talented municipal employees in developing and transitional countries. Programmes are offered Face-to-Face and online and in different languages (English, Arabic, Spanish and French), both in The Hague and abroad.

Together with local partners we also develop tailor made training in countries worldwide. We involve local partners in the development phase and preferably also in the implementation to increase long term impact. We usually work with local trainers and support the creation of a local trainers' pool to deliver training locally and enhance sustainability of the training outcomes.

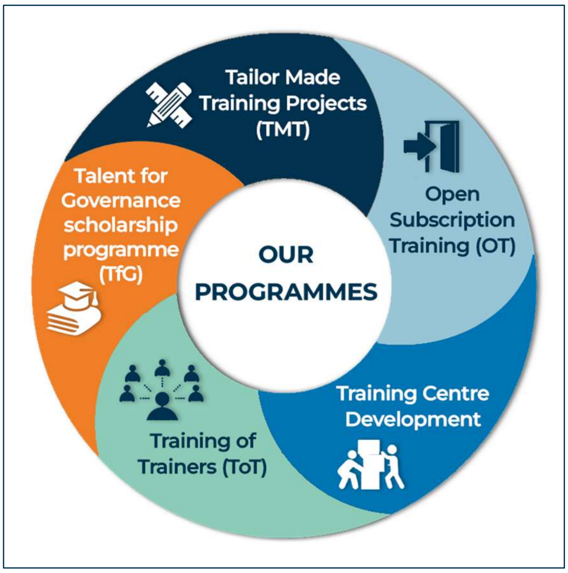

Figure 2 Overview of programme types

The programmes we design are characterised by the following elements:

- **A local perspective**

Our programmes take a local perspective to development, considering all actors at the local level. This means we work not only with local government practitioners but also with national and regional governments, who coordinate and facilitate the local level, as well as with informal power holders and civil society organisations, businesses and development partners.

- **Practice oriented**

Our programmes are action oriented and designed around real-life problems. Participants share work experiences and dilemmas with each other. Case studies and tools derived from practice are presented by experts who are practitioners themselves. We reflect with participants on how the lessons learned relate to their own local context, and coach them in the development and implementation of their action plans, to support the change process in their organisations and communities.

- **Expertise, Exchange, and Experience**

We offer a combination of content expertise, training expertise and an active exchange of knowledge between practitioners. Through dialogue, exercises, role play, games, and study visits, we involve participants as much as possible, thereby offering an experience that inspires and motivates them for their work back home.

2.3. Our values

The six core values of The Hague Academy are: expertise, innovation, diversity, passion, responsiveness and quality. Our values reflect how we see ourselves as an organisation. They help us make decisions, plan for the future, and function as a team. The values define the way we work and how we communicate with stakeholders: our training participants, clients, and partners.

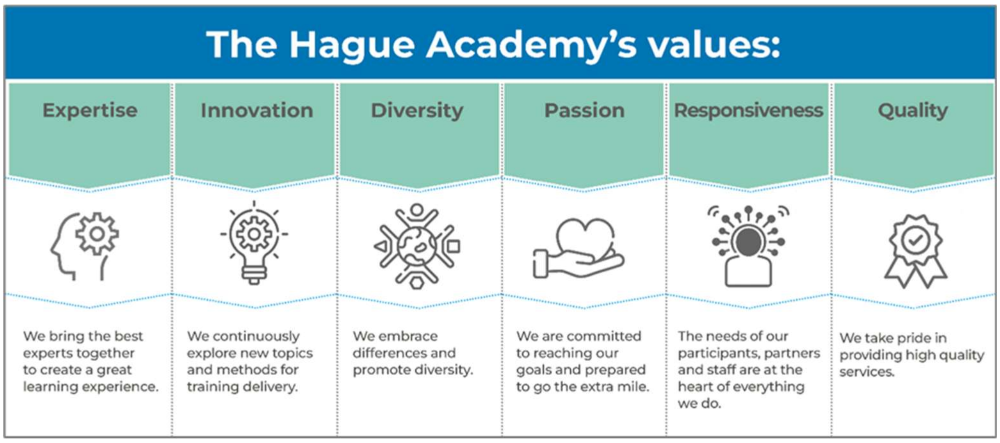

Figure 3 Our values

2.4. Our impact

In 2024, over 1,700 persons from more than 60 countries took part in our training programmes.

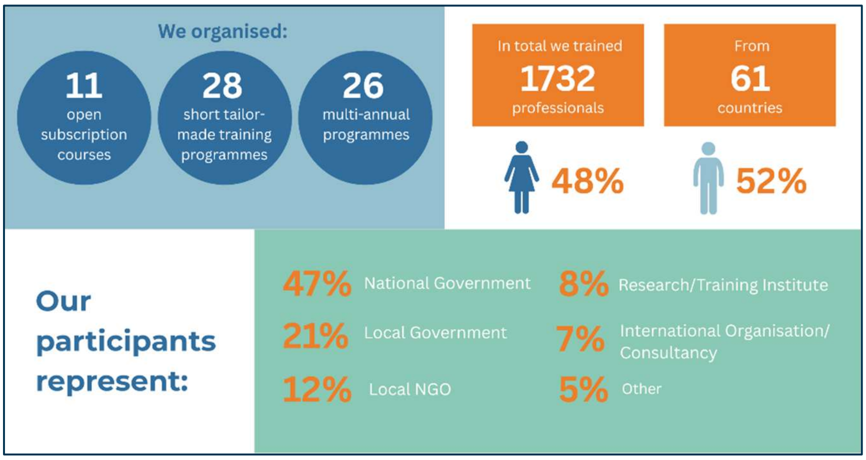

Figure 4 Overview training programmes and participants 2024

The percentage of participants working for national government was higher than the percentage for local government staff: 47% versus 21%. In 2023, this was about 30% for both categories. This shift may have to do with the termination of the Nuffic-scholarships, that enabled quite some local government practitioners to join our courses. Also, multi-year donor funded programmes focused mainly on national level staff while programmes aimed at the local level were phasing out. 12% of the participants work for a local civil society organisation, and the remaining participants came from international donor and development organisations or training and knowledge institutes. The percentage of male and female participants was almost equal.

The Figure below shows that most participants (50%) came from the Middle East and North Africa region (MENA), 18% from the other part of Africa (31% in 2023), 7% from Asia (13% in 2023), 8% from Europe and 19% (2% in 2023) from the Americas. The figure below shows that most participants (50%) came from the Middle East and North Africa region (MENA), 18% from the other part of Africa, 7% from Asia, 8% from Europe and 19% from the Americas. The relatively large percentage for the Americas compared to the2% in 2023 has to do the programme we conduct in Aruba, Curaçao and St Maarten.

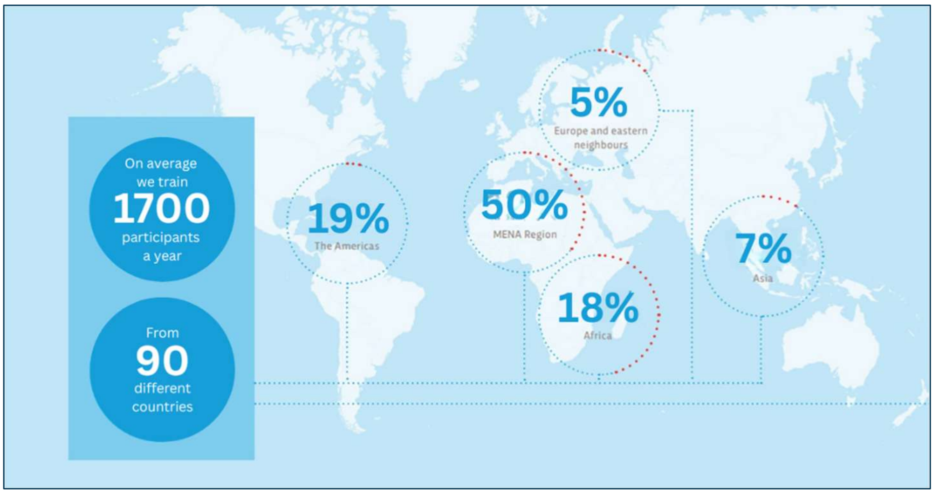

Figure 5 Our course participants form a sustainable network of practitioners around the world

Participant satisfaction

In 2024, participants rated our programmes with an average score of 4.6 out of 5. Moreover, 99% of the participants thought the training was applicable to their work and 98% would recommend it to others. The balance between theory and practice scored 4.4, an indication that we continue to be able to deliver training that is practice oriented, interactive and demand driven.

Long-term impact

Our training programmes help practitioners developing their knowledge and skills, so that they become more effective in realising long-term, positive change within their organisations and communities. We aim to inspire them and motivate them for their work back home, which they do under often challenging circumstances, as is expressed in the quote from a Palestinian participant below. Finally, we offer participants a sustainable, international network of experts and practitioners for them to exchange experiences and ideas long after the training has ended.

> *“Thank you for this opportunity that allowed us to get of a glimpse, however small, of the cultures of different people, how countries are managed, and how human beings gain value. This visit will be a pivotal moment in my life.*
>
> *I have seen things I have not witnessed in our own countries and societies: culture, development and creativity. I have seen how human intellect is utilised and invested in. We will return to our homeland with big and numerous dreams. True, we may not be able to achieve them given the pain, occupation and corruption of our governments, but at least we can change ourselves. Perhaps we can start with that change.*
>
> *Maybe I won’t be able to change much, as much of my life has already passed, but perhaps my children will have a future and enough time to accomplish what I could not”*

Our open courses impact survey of 2024 shows, like in previous years, that the courses are successful in supporting change initiatives by participants. Almost all participants (98%) started change actions after returning to their home country. About two-third of the participants say their actions were very or even extremely successful. Three-quarters say the training contributed very much or extremely to the success. Change actions aimed at involving new stakeholders (63%), adapting or creating new policies (50%), adapting an existing project (72%), initiating a new project (40%), and sharing knowledge with colleagues, managers or external stakeholders (90%).

Our courses also proved to be very effective in creating a professional network of practitioners. In the impact survey, more than three quarters of the participants indicate they are still in touch with their fellow participants regularly (more than five times a year).

3. Open subscription courses

As mentioned in the introduction, the Dutch Ministry of Foreign Affairs announced that the Orange Knowledge Programme (OKP), implemented by Nuffic, would end mid-2024. Since we received more than 100 OKP-scholarships in the year before, this decision had a substantial effect on the income from our open courses. A new Dutch funded programme for higher and vocational education would be tendered in 2024, but was put on hold until the new government had decided on its priorities. In March 2025, it became clear that all funds for higher and vocational training were ended.

The loss of OKP-scholarships impacted the open courses in the second half of 2024. We had to cancel the second Integrity & Anti-corruption and the courses Migration & Local Authorities and Conflict & Local Security. In total we organised twelve open subscription courses with 85 Nuffic-scholars while we budgeted for 143. 71 came in the first half of the year and 14 in the second half (without OKP scholarships). Moreover, the number of self-paying participants was the lowest since the Corona-affected year 2022. The main reason for this was the lack of promotion capacity due to the absence of a communication manager until September. Compared to 2023, the number of participants was reduced with about one-third: from 233 to 146.

Participants open courses 2020 – 2024

Funding	**2024**	**2023**	**2022**	**2021**	**2020**
Self-sponsored	53	94	50	75	68
Nuffic-scholars	85	135	151	165	94
TfG-scholars	8	4	0	0	1
TOTAL	**146**	**233**	**201**	**240**	**163**

Living Lab Scheveningen, course Digital Transformation in the Public Sector

4. Tailor Made training programmes

In 2024, The Hague Academy implemented several multi-year programmes: the Matra Rule of Law training programme for EU-pre-accession countries, the Shiraka training programmes for the MENA-region, the 'We Are Able!'-programme on disability inclusion in Africa and the Nuffic-programmes in Burkina Faso and Somalia. We also contributed to multi-year programmes managed by partners, such as the SDLG-programme by VNG International and the rural development programme in Georgia,. We did shorter training trajectories for the government in Aruba, Curacao and St Maarten, for local authorities and NGOs in Yemen, Jordan and Palestine, for mayors of The Philippines, and for the Dutch embassies in Burkina Faso and Mozambique.

4.1 Capacity building in EU pre-accession countries

The MATRA-fund of the Ministry of Foreign Affairs, serves to strengthen the rule of law and democracy in EU candidate countries. The Hague Academy implements the Matra Rule of Law Training programme already since 2012. In 2024, together with the Netherlands Helsinki Committee and Leiden Law School, implemented the first training programmes under a new 5-year contract. In this new programme, The Hague Academy is responsible for the annual courses on Integrity of Civil Servants, Management of Public Services and Democratic Institutions.

We started a new multi-year training programme on Transitional Justice in Ukraine together with Asser Institute, the Dutch NGO Uprights and the Ukrainian High School of Governance, as part of the Ukraine Accountability programme managed by IDLO.

In Georgia, we cooperate with the Georgian NGO 'Innovations and Reform Center' in a EU funded project focused on the economic development of two mountainous regions. In 2024, we delivered a two different training workshops on local economic development in Georgia.

Workshop 'Rural Development in Mountainous Georgia', December 2024.

4.2 Training in the MENA-region

The Shiraka programme, funded by the Dutch Ministry of Foreign Affairs, supports societal transformation in the MENA-region. As part of the programme, The Hague Academy delivers annual thematic training programmes for civil servants, develops training on demand, and engages in Government-to-Government cooperation. For the MENA-scholarship programme by Nuffic, we delivered training and coaching for partners in Yemen, Jordan, Palestine and Iraq.

Shiraka-training and G2G-cooperation
In 2024, The Hague Academy implemented the following Shiraka programmes for civil servants in the MENA-region, under the framework contracts with the Netherlands Enterprise Agency RVO:

- Local Governance
- Social Affairs & Employment (in collaboration with CNV International)
- Water Management (in collaboration with Wageningen University)
- E-government (in collaboration with PBLQ)
- Ecosystems for Entrepreneurs.

In addition to these annual courses, tailor made trainings were organised on **desalination** for a high level delegation from Yemen, **water management in residential areas** for civil servants from Morocco, and **climate smart water management in agriculture** for civil servants from Tunisia.

Furthermore, we organised exchange visits for a government delegation from Qatar about **Social Dialogue** and for the Oman **Human Rights Committee**.

Peacebuilding in Yemen
In this Nuffic OKP-programme we trained staff and stakeholders from the NGO ‘SOS Foundation’ in Aden. Topics of discussion were sustainable peacebuilding in post-conflict Yemen as well as the development of a long-term operational strategy of the organisation. The programme was a follow up to our previous cooperation in the Women, Peace and Security programme in Yemen.

Youth Leadership in Iraq
This Nuffic funded programme aimed to support aspiring youth leaders from NGOs, government and businesses through hybrid training activities on leadership, campaigning strategies, and political organisation, and facilitated international dialogue and networking with Dutch political youth leaders.

Digital learning in Jordan
Another Nuffic OKP-programme focused on digital learning for Luminus Technical University College (LTUC) in Jordan. This training was a follow-up to a previous Training of Trainer-programme that focused on refugee learning.

Study visit of Palestinian delegation to TU Delft's Green Village

Water services in Palestine
To enhance planning strategies for water service delivery and promote better water governance in the West Bank, a training programme in The Netherlands was organised for local authorities in Palestina, which was funded through the Nuffic MSP-programme. The impact of the training went beyond the technical knowledge transfer and skills development, as can be learned from one of the participants:

> *"I tried to make the most of every minute in this country. Some might have thought I came for leisure or sightseeing, but that is not what I had in mind. I was looking for how this country achieved such development and progress. I was studying the nature and the mindset of the people. I was searching for things to bring back to my country so I can tell everyone that investing in human intellect yields this results, whereas investing in the pockets of people results in poverty and the ruin of a country."*

4.3 Advocacy for disability inclusion

In 2024 we sustained the results of the 'We Are Able!'-programme that is implemented by a consortium with ZOA (lead), VNG International, See You, Leprazending and ADF in six African countries: Burundi, DR Congo, Ethiopia, South Sudan, Sudan and Uganda. The programme is funded under the 'Power of Voices'-partnership with the Dutch Ministry of Foreign Affairs.

Our training activities aimed at inclusion of the needs and interests of persons with disabilities in local policies, in collaboration with a local trainers' pool. The Hague Academy trained local governments as well as organisations for persons with disabilities (ODPs). We organised workshops on the Local Inclusion Agendas that were developed, reviewed and implemented by the local authorities. In 2024, the focus was on lobby and advocacy to take the local results to a higher level and influence national laws and policies. Despite the war in Sudan, we were able to implement activities with the local partners in the relatively safe areas.

Training participants in the We Are Able!-programme, Ethiopia.

4.4 Training local governments in Africa

In 2024 we delivered training activities in Africa for VNG International and for local government partners in Somalia and Burkina Faso.

Sustainable Development through improved Local Governance (SDLG)
The Hague Academy is a key partner in the programme ‘Sustainable Development through Improved Local Governance’ managed by VNG International. We contribute to the training component of this programme, that runs in several countries. For the programme in Mali, we delivered two online courses: one on Water & Conflict and one on Lobby & Advocacy. We also started a Training of Trainers on local migration management together with the Kenya School of Governance, for the SDLG-programme in Kenya. Furthermore, we implemented a training in Garowe and Qardho in Somalia (Puntland) on local economic development (LED) as a foundation for setting up a LED-forum in both districts.

Burkina Faso
As part of a Nuffic OKP-programme in Burkina Faso, we trained five communes in the province of Comoé on inclusive local economic development and entrepreneurship for 25 policy and technical officers. The participants worked on an economic action plan for which they received coaching. The programme also included a Training-of-Trainers element.

Somalia
Another Nuffic OKP-programme aimed to train government officials at different levels on inclusive land governance, on the request of the Somali Federal Ministry of Public Works. The programme was implemented as part of the United Nations Saameynta Joint Programme of IOM, UN Habitat and UNDP. As a result of the training, the participants developed an action plan for each member state, outlining their next steps in achieving inclusive land governance.

4.5 Training government staff in the Caribbean

For the Dutch Ministry of Interior and Kingdom Relations, The Hague Academy developed and implemented training programmes on project management for civil servants from Aruba, Curacao and St Maarten. The programmes, implemented with local trainer/coaches, consisted of in-person and online training as well as coaching.

Group activity at the project management training in Aruba.

4.6 Training local governors from the Philippines

In 2024, we signed a Memorandum of Understanding with the Development Academy of The Philippines. As part of the cooperation, we organised two one-week training programmes on Local Economic Development with mayors and staff members of several municipalities. We also organised a one week for a delegation from the League of Municipalities from The Philippines.

4.7 Training for donor and development agencies

For staff and stakeholders of the Dutch embassy in Burkina Faso we delivered a training on Local Economic Development, together with a local expert. For staff and stakeholders of the Dutch embassy in Mozambique, we delivered a training on tools for gender mainstreaming, also in cooperation with a local expert. End of 2024, we also acquired a new framework contract with the Dutch Ministry of Foreign Affairs in a consortium with PROOF consultants as lead. Through this framework contract, The Hague Academy can be asked to deliver on-demand training for Ministry staff, both in The Netherlands and at embassies abroad.

Participants networking at the Gender Mainstreaming Training in Mozambique.

5.Talent for Governance

As part of a Shiraka pilot-programme, we offered the Talent for Governance programme to eight young talented local government employees from the MENA-region. The talents were selected from a list of applicants that did not qualify for other Shiraka training programmes or Nuffic MSP-scholarships. The talents followed a training at The Hague Academy for Local Governance and afterwards did a three-day internship in a Dutch municipality or water authority. Internship hosts were the municipalities of Heumen, Aalten, Meerssen and Dijk & Waard, the water authority Noorderzijlvest, and the water company Waternet.

Because of the end of the OKP-programme, the Talent for Governance programme becomes increasingly relevant as an opportunity for local talent in developing and transitional countries to develop their practical knowledge and skills, learn from best practices in other countries, get inspired for their work back home, and establish international network.

To attract new internship municipalities, we attended the VNG congress in June 2024, which generated a list of 44 interested municipalities for 2025. In total we received an amount of € 8,000 from donations. A staff meeting was organised to generate new ideas for fundraising, for example by involving to the VNG Traineeship programme, study visit municipalities and provinces.

Talent Mohammed in conversation with civil servants at the municipality of Meerssen

6. Organisation

As part of the multi-annual strategy of The Hague Academy, our Annual Plan for 2024 included several actions to improve the quality of programmes, strengthen networks, increase visibility, work more efficiently and promote knowledge development. Although 2024 was a year full of training activities, significant progress was made on these strategic objectives.

6.1. Human Resources

2024 was a year of consolidation of the new back office and reorganisation of the management structure. The two Team Manager positions were combined in a Head of Programmes-position, after one of the Team Managers left in March. Three senior programme managers took over mentoring tasks as well as coordination of the integrity policy, travel security, and acquisition.

Due to two programme officers being promoted to programme manager, we hired a new programme officer in 2024. Since one programme manager left in March, we hired a new programme manager as well. Moreover, due to many new training assignments acquired, we hired a new programme manager from September. Our financial controller left in September. The financial officer took over and a new financial officer was hired. Finally, a new communication manager was hired to replace the previous one, who had been sick during most part of the year. The position was adjusted to reflect the increased focus on fundraising and self-paying participants for the open courses.

At the end of the year, the team consisted of 25 employees.

The Hague Academy team, December 2024.

Operational excellence
One priority for 2024 was to continue investing in operational excellence of training delivery, both content and logistics. We identified key performance indicators as a foundation for recruitment, onboarding, staff development and evaluation. We made several improvements to the recruitment process and created a pipeline of talented programme managers. The onboarding programme was further improved with new online modules and by setting clear learning objectives. Six to eight weeks after the start of the onboarding, achievement of learning goals is validated and additional needs are identified.

Following the quality audit in March 2024, our Partos-ISO certificate was recertified. The auditors were positive about the quality system and the continuous efforts to improve our work. Our quality coordinator carried out several internal audits as well, which led to several points of attention and proposals for improvement. Identified points of attention and proposed follow-up actions were discussed in management and staff meetings and led to adjustment of the procedures. We started to further develop our document management system by describing archiving rules and procedures. Furthermore, several workflows and standardised search reports were created and optimised in our business support system to make formal approval processes more efficient and transparent and improve management information.

Travel security
New programme staff attended the three-day HEAT-training or a refresher security training to prepare them for risks involved with travelling abroad. As part of our travel security policy, we paid extra attention to our crisis management structures and the skills needed in case of an emergency. To improve oversight, a security coordinator role was created, filled by a senior programme manager. To make approval steps for travelling abroad more transparent and efficient, a workflow request was created in Synergy. We also had our annual travel security meeting to update staff on recent developments, refine their understanding of the travel security policy, and collaboratively review and learn from security incidents.

Integrity and diversity
The Hague Academy’s integrity framework consists of our integrity policy, the Code of Conduct an a reporting procedure, supported by our integrity officer, three internal confidential advisors at VNG, two external confidential advisors and a whistleblower authority. To increase awareness of staff about the integrity framework and how it works in practice, two staff meetings were organised. During these meetings, staff of The Hague Academy did a refresher quiz about our Code of Conduct, practiced with the seven-step model to make morally right decisions and discussed in small groups some of the recurring dilemmas that colleagues face in their work practice. We also discussed ideas to make our Code of Conduct more practical by adding more guidance and tools for specific situations. Talking about common situations and shared experiences was appreciated by the team and provided valuable new insights to further improve our integrity policy.

We finalised our integrity reporting procedure, which is published on our internal integrity portal. The integrity portal contains policy documents (such as the Code of Conducts for staff and the Code of Conduct for participants), an integrity dilemma database, The Hague Academy’s integrity risk analysis, presentations and minutes of meetings. More attention to integrity policies and practical dilemmas was given in the onboarding programme for new staff.

We also continued implementing our equality and diversity policy, such as working towards a diverse workforce**,** mainstreaming equality and diversity in our training and scholarship programmes, and collecting data and reporting on equality and diversity in our training reports.

In 2024, we received one complaint, filed by a former staff member. After an investigation, the integrity officer concluded the complaint was unfounded and a letter was sent to the complainant.

Internal learning
In 2024, staff at The Hague Academy enhanced their expertise through numerous online and in-person events, along with targeted skills development on giving feedback, team collaboration, Code of Conduct adherence and dilemmas, travel security and crisis management, acquisition action planning. In our internal Training of Trainers sessions, programme managers discussed training module design, learning styles, improvisation tools, impactful communication, the use of interactive methods and case studies, and change management. The internal online learning platform was increasingly used, also for onboarding of new staff.

Furthermore, all staff members were trained on principles and practices of giving and receiving feedback. The training will be followed by two staff meetings to further define THA's vision on feedback, discuss the implementation in our daily work and introduce new ways of structural feedback, for example in project teams. This way, we aim to create a culture that is more open to providing and receiving feedback.

6.2 Acquisition, fundraising and communication

Main goal of the acquisition and fundraising strategy is to realise a stable, relevant and diverse portfolio while at the same time improving the effectivity and efficiency of acquisition support. Within this framework, programme managers developed personal acquisition plans to set priorities for specific themes or regions. To support them, acquisition workshops and brainstorm meetings were organised and they received coaching from the new senior programme manager.

We developed a system for managing our strategic contacts and piloted a more streamlined process for following up on training requests. We also started analysing the success rate of our acquisition efforts. In 2024, out of 28 programme proposals submitted, 68% were awarded. We also saw a shift from competitive tenders to more negotiated assignments.

Visibility
Apart from developing an acquisition strategy, The Hague Academy's multi-annual strategy plan 2021-2025 aims to increase our visibility. With the loss of OKP-scholarships and the need to attract more self-funded participants, this objective became all the more relevant. To increase the number of self-paying participants, we aim to extend our CRM-database, share more impact stories, and develop a new course brochure. Unfortunately, in 2024 we could not achieve our targets due to the absence of the communication manager who was sick for most of the year. A new communication manager started 15 September and prioritised increasing the outreach of our email-marketing for open courses.

To keep in touch with our alumni and encourage communities of practice in local governance, an online alumni event was organised in December. During this event, The Hague Academy's alumni ambassadors for all world regions were introduced. They shared practices and updates from their region and discussed with the participants how to find support for follow-up training and implementing their Back Home Action Plans.

Events and partnerships
In 2024, we attended and facilitated sessions on a.o. local climate resilience, urban security and land governance during events in The Netherlands an abroad. At the annual VNG-Congress, we successfully reached out to potential Dutch internship municipalities for the Talent or Governance-programme, which resulted in a list of 41 interested municipalities.

Moreover, we strengthened our partnerships by concluding a Memorandum of Understanding (MoU) with UCLG, FLACMA, the Development Academy of the Philippines and the High School of Public Governance of Ukraine. The MoUs encourage cooperation in developing courses and project proposals. Furthermore, The Hague Academy became partner of the International Observatory for Participatory Democracy and member of the steering committee of the Netherlands Democracy Coalition.

6.3. Social responsibility

Our social responsibility policy describes how we are looking after our employees and stakeholders, what we do to protect the environment and how we engage the community. The policy aligns with our HR policy (renumeration, personal development, health), our Code of Conduct, our Equality and Diversity Policy and our Travel Security Policy.

We organise almost all meetings with partners abroad online. However, in some cases Facec-to Face training is the preferred way of delivering training which requires staff travelling abroad. To reduce our ecological footprint, we have taken environmentally friendly measures such as agreements with our travel agency about CO2-compensation on our flights. For travel in the Netherlands and neighbouring countries, our policy encourages travel by public transport.

In our procurement policy, we prioritise suppliers that care for the environment and have a social policy. We work with hotel Court Garden that is qualified with the GAIA Green Award and the European ECO-label, and with catering provider Vitam, that applies a ‘zero-waste’-policy aimed at recycling food where possible. In the training programme in Curacao and Aruba, for example, social enterprises were hired to provide lunches.

7. Finances

The total turnover realised by The Hague Academy in 2024 is € 4.07 mln. This is € 872,000 less than budgeted. The difference is mainly caused by lower income from open courses (€ 807,000). The number of scholarships received was less than expected, leading to less income from open course fees as well as less compensation of travel and accommodation costs by scholarship participants (€ 246,000). Revenue from tailor made training is € 3.18 mln., which is € 281,000 less than budgeted. € 436,000 less was received for reimbursements of material costs (tickets, accommodation etc.) but € 155,000 more was received for manhours. Income for Talent for Governance is € 6,000 less than budgeted.

Total expenditures in 2024 are € 4.08 mln which is € 851,000 less than budgeted. For the open courses, as mentioned above, less material costs are spent mainly due to less (scholarship) participants. For tailor made training and Talent for Governance, material costs are less as well. The other operating expenses are € 152,000 less than budgeted: € 124,000 less for personnel costs and € 28,000 less for other expenditures.

The operating result in 2024 is - € 7,000 , which is € 21,000 less than budgeted. With an income from interest of € 9,000, the net income realised is € 1,710. This amount will be added to the general reserve of the foundation.

7.1. Sources of income

The figure below shows the sources of income in 2024. Compared to 2023, the percentage of revenue coming directly or indirectly from the Dutch Ministry of Foreign Affairs (MFA) decreased from 78% to 73%. This amount is generated from different sources within the Ministry: the strategic partnership programme Power of Voices, the MATRA-programme, Nuffic (scholarships and tailor made training) and RVO (Shiraka-training). Other subsidies made up 11% of the total revenue and came from the Dutch Ministry of Interior, GIZ and the EU. Income from other organisations (sponsors of open course participants and clients for on-demand training) were 16% and donations for Talent for Governance added up to 0,2%.

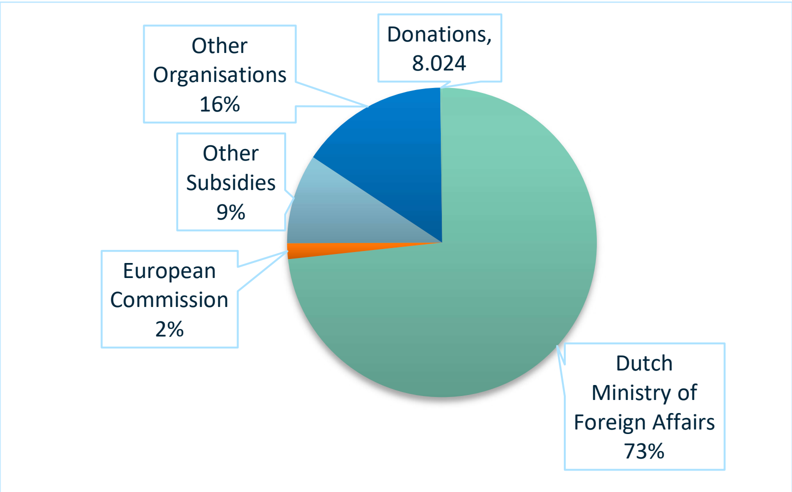

Figure 7 Sources of Income

7.2 Financial health

As of 31 December 2024, the financial position of The Hague Academy was as follows:

- the quick ratio for our liquidity position was 1.9
- the solvency ratio was 30%
- the amount to be received from debtors € 343,000
- the amount for creditors to be paid was € 145,834
- there is no need to make a provision for doubtful debts
- the continuity reserve is € 525,000.

The figures reflect the ability of The Hague Academy to carry the present current liabilities and support the continuity of the foundation. Considering the healthy financial position of the organisation, the financial statements have been prepared by the auditor on a going concern basis.

7.3. Risk management and in control statement

Our risk management framework has been set up to identify and analyse risks, their likelihood and impact as well as prevention and mitigation measures. Organisational risks are assessed and updated annually to incorporate the effects of mitigation measures and adapt and anticipate to the changing context.

Considering the national international developments in the past years, our risk analysis shows a different picture than in previous years, Where mitigation measures used to focus mainly on managing security risks, the focus has shifted more to income diversification through acquisition, fundraising and promotion.

Security risks
A risk for The Hague Academy is the security in countries of work, which may threaten the security of our staff and/or lead to postponement or cancellation of activities, and therefore less income. The management team monitors planning of staff closely, so that staff capacity can be adjusted in case of postponements or cancellations. Sometimes it is possible to shift to online alternatives. To mitigate staff security and health risks, we have taken preventive measures for staff travelling abroad. Staff and experts travelling for The Hague Academy follow the travel advice of the Ministry of Foreign Affairs and before planning their trip, prepare a detailed security analysis based on several reliable, international sources. Our travel security policy is updated and discussed with the staff annually. Staff also receive basic, advanced and refresher security trainings. Female staff follow special security training for female travellers. Furthermore, through simulations, we regularly test and improve our crisis management capacity in case of incidents abroad.

Fraud risks
The risk of fraud or mismanagement is considered low since THA has a solid financial control system in place with sufficient checks and balances. Moreover, we do not have local offices abroad and provide only very limited amounts to local partners that we work with. The Administrative and

Internal Control (AO/IC) document describes financial procedures and checks for approving sales and purchase invoices, payments (bank and cash), access to systems, and financial reporting. Automated workflows support the transparency of the procedures. Furthermore, all staff and experts hired by The Hague Academy's sign our Code of Conduct. New staff receive training and meetings are organised twice a year about the Code of Conduct and dilemmas in the workplace as a preventive measure. Since 2024, new staff must submit a 'VOG' (official certificate of conduct) by which the Dutch Minister of Legal Protection declares that the person has not been convicted for any crime relevant to the performance of his or her duties

Revenue risks
A potential risk for the future is the organisation's capacity for acquisition and fundraising, considering the context of decreasing budgets for development cooperation in The Netherlands and other donor countries, including the USA. With less donor funds available, and the scholarship programme of the Dutch Ministry of Foreign Affairs being terminated, it is likely that income from The Hague Academy's open courses will be less in the future. Moreover, the decrease of donor funding may impact opportunities for tailor made training as well. Mitigation measures are twofold. Firstly, we have invested more in expanding our customer database, course promotion, and targeted approaches to attract new, self-paying groups of participants for our open courses, a.o. by hiring a sales officer. In case this approach does not generate enough result, focus can be shifted more to tailor made training. Secondly, our acquisition and fundraising strategy, strategic relations management and internal training and coaching, are measures to strengthen the organisation's capacity for generating more (multi-annual) tailor made programmes.

In control statement
The Executive Board has acknowledged that The Hague Academy's management has mapped out organisational risks, the likelihood of these risks occurring and the possible impact and has taken appropriate mitigation measures, thereby minimising the occurrence of these risks. The administrative organisation and internal control system, as confirmed in the auditor's report, function at a professional level. The Board therefore has expressed its confidence that the foundation has sufficient control over the identified risks.

7.4. Future development

The table below, summarises the budgeted income and expenditures for 2025. The budget shows a turnover of € 4.05 mln, which is a decrease of € 894,000 compared to the budget of 2024, but almost equal to the realised income for 2024. We aim to catch up with the loss of scholarships by acquiring more self-paying participants and tailor made training programmes. Expenditures are budgeted at € 4.00 mln, reflecting a reduction of € 927,000 compared to 2024. As a result, the net income for 2025 is projected at € 48,071.

Budget		2025	2024
Income open courses	€	765,443	1,392,076
Income TMT projects	€	3,149,833	3,462,179
Donations	€	136,800	91,600
Total income	€	4,052,076	4,945,855
Material costs open courses	€	235,400	613,450
Material costs TMT projects	€	1,466,700	2,003,300
Material costs Talent for Governance	€	90,800	68,600
Personnel costs	€	1,920,624	1,930,911
Other operating and financial costs	€	291,481	315,439
Total expenses	€	4,005,005	4,931,700
Interest	€	1,001	13,125
Net income	**€**	**48,071**	**27,280**

Figure 8 Budget 2025 compared to 2024

In 2024, due to the loss of scholarships, we didn't manage to achieve the target of 19 participants. We assess it is more realistic to budget for 13 participants per course in 2025. Income from open subscription courses are expected to be € 627,000 less than in 2024 and material costs € 378,000 less, mainly due to less scholarships.

Income from hours for tailor made training is expected to increase with € 224,000 in 2025. But since income covering material costs (tickets, accommodation etc.) is budgeted € 536,000 less, the total budgeted income from tailor made training is € 312,000 lower than in 2024.

Donations from Talent for Governance are budgeted € 45,000 higher and materials costs € 22,000 lower than in 2024.

Personnel and other operating costs are estimated at € 2.21 mln, showing a decrease of € 34,000 compared to 2024. This reduction is primarily due to lower staff costs. The decrease of € 24,000 for 'other operating costs' is caused by a shift of expenditures for insurances for sick leave to 'personnel costs'. Income from interest is budgeted at € 1,000,

Long-term development

As indicated above, the development sector is facing considerable changes with considerable budget cuts from most donor countries, while at the same time budgets for international security are increasing. The direct impact on the future income of The Hague Academy relates mainly to the termination of the Nuffic scholarship programme. The other programmes (Shiraka for the MENA-region and MATRA for Eastern Europe) will continue until 2027, and the new MATRA-programmes for Albania and Moldova run until 2028. For 2025 and 2026, we also expect more work for the SDLG-programme from VNG International. Due to the budget cuts by the Ministry of Foreign Affairs for strategic partnerships, an extension of the 'We Are Able!' that runs until 2025 is not very likely. However, we will reach out to Nuffic's regional offices to explore future partnership opportunities. For the open subscription courses we are increasing our outreach and intensifying contacts with other potential sponsors. Furthermore, as part of our acquisition and fundraising strategy, we aim to diversify income, a.o. by focusing our acquisition efforts on other donors and clients such as the EU, charity funds and foreign training institutes, and by improving our strategic relations management. If the acquisition of new programmes stays behind, we have the flexibility to adjust our organisation and cut on costs accordingly. However, to sustain our positive impact on local governance worldwide and support as many practitioners as possible with knowledge, skills and inspiration, we aim to keep the level of income at the current level.

Governance

The Hague Academy for Local Governance is a foundation under Dutch law. The foundation is governed by an Executive Committee consisting of Pieter Jeroense as chair, Nathan Ducastel as treasurer and Janny Vlietstra as the third member of the Executive Board. Membership of the Board is voluntary and does not involve any form of financial compensation other than the reimbursement of expenses.

The Board appoints and supervises the director of the foundation. Cecile Meijs was appointed as director as of 1 October 2011. The director takes financial and operational decisions within the policies set by the Executive Committee. The salary of the director is in accordance with the renumeration policy of The Hague Academy, as established by the Board in 2008 and revised in 2011 and 2022. The remuneration policy describes the job positions at The Hague Academy and the accompanying salary scales.

8. Accounts

Balance sheet per 31 December 2024

(After appropriation of result)

in euros	2024		2023	
Receivables				
Debtors	342,759		226,337	
Taxes and social securities	-		45,866	
Other receivables	661,638		803,259	
		1,004,397		1,075,462
Cash at bank and in hand		900,883		1,177,732
Total current assets		1,905,280		2,253,194
Total assets		1,905,280		2,253,194

in euros	2024		2023	
Equity				
General reserve	524,677		522,967	
		524,677		522,967
Current liabilities				
Creditors	145,834		172,286	
Taxes and social securities	311,694		78,139	
Pensions	21,299		24,478	
Accruals and other liabilities	901,777		1,455,324	
		1,380,603		1,730,227
Total equity and liabilities		1,905,280		2,253,194

8.2 Profit and loss account

in euros	Actual 2024	Budget 2024	Actual 2023
Income			
Open courses	806,587	1,392,076	1,284,173
Tailor made projects	3,181,092	3,462,179	2,749,037
Donations	85,725	91,600	40,177
Total income	4,073,405	4,945,855	4,073,388
Material costs			
Open courses	367,072	613,450	582,585
Tailor made projects	1,567,491	2,003,300	1,300,552
Talent for Governance	52,157	68,600	24,952
Personnel expenses	1,806,299	2,022,378	1,887,414
Other expenses	287,584	315.438	274,546
Total expenses	4,080,603	4,931,699	4,070,049
Operating result	-7,198	14,155	3,338
Financial result			
Financial income	8,907	13,125	7,010
Financial expenses	-	-	-
	8.907	13,125	7,010
Total result	1,709	27,280	10,348

8.3 Cashflow statement 2024

in euros	2024	2023
Cashflow from regular activities		
Operating result	7,198-	3,338
Changes in working capital:		
Taxes	279,421	59,684-
Changes in receivables	25,198-	284,948-
Changes in liabilities	583,178 -	271,438
	278,559-	73,194-
	285,757-	69,856-
Received interest	8,907	7,010
Paid interest	-	-
	8,907	7,010
Cashflow from regular activities	276,850-	62,846-
Changes in cash at bank and in hand		
Amount cash at bank and in hand per January 1st	1,177,732	1,240,578
Amount cash at bank and in hand per December 31st	900,883	1,177,732
Changes in cash at bank and in hand	**276,849-**	**62,846-**

8.4 Notes to the accounts

The financial statements are prepared in accordance with the Guideline for annual reporting for small organisations not-for-profit (RJkC1) of the Dutch Accounting Standards Board.

Activities

The Hague Academy for Local Governance is a foundation based in The Hague that aims to strengthen local democracy worldwide. The foundation aims to achieve its goal by increasing knowledge and skills of people working in the field of local governance in developing and transition countries, by raising funds and offering practice oriented training and other projects that contribute to the goal of the foundation.

Principles of valuation
Receivables are included at nominal value, less any provision for doubtful accounts. These provisions are determined by individual assessment of the receivables.

The pension plan can be defined as a defined contribution plan. Contributions are included in the financial year in which the contributions are paid. Outstanding contributions are included in current liabilities.

Principles of revenue recognition
Income consists of:
- Subsidies, allocated to the financial year in proportion to the actual spent costs.
- Donations, included in the financial year in which the donations are received.
- Revenues for services rendered, included in the financial year in which these revenues are rendered.

Expenses are recognised in the year in which the expenses are incurred. Provisions for estimated losses, if any, are made in the period that such losses are determined.

Principles of the cash flow statement
The cash flow statement is drafted using the indirect method. Cash at bank and in hand consists of the amounts held at the bank accounts of the foundation. Received and paid interest is included in the cash flow from regular activities.

Related parties
The Hague Academy for Local Governance is an independent, non-governmental organisation. The foundation rents office space and facilities from the Association of Dutch Municipalities (VNG) at Nassaulaan 12 but is financially nor administratively related to the VNG.

in euros	2024	2023
Costs for housing and facilities paid to VNGI	282,248	422,436

Principles off-balance sheet
The off-balance sheet commitments regarding workplace, laptops, accounts, ICT support are included in a service agreement with VNG International. The renewal of the contract takes after three years with the possibility to end the commitments one month before end of the contract period with no further commitments.

Principles after balance date
After balance date, no remarkable developments have taken place.

8.5 Notes to the balance sheet per 31 December 2024

in euros	2024	2023
Receivables		
Debtors	342,759	226,337
Taxes and social securities	-	45,866
Work in progress	613,586	732,942
Receivables others	12,712	12,062
Advances employees	10,265	2,000
Pre-paid costs	21,826	56,255
Fitness arrangements	3,250	
	1,004,397	1,075,462

Receivables
No provision for doubtful debts is deemed necessary.

in euros	2024	2023
Cash at bank and in hand		
Cash in hand	2,115	1,124
Banks	898,767	1,176,608
	900,883	1,177,732

Cash at bank and in hand
Cash at bank and in hand consists of amounts at the foundation's bank accounts. All amounts are free at disposal of the foundation.

in euros	2024	2023
Equity		
General reserve		
As at January, 1st	522,967	512,619
Current year result	1,710	10,348
As at December, 31st	524,677	522,967

in euros	2024	2023
Current liabilities		
Creditors	145,834	172,286
Taxes and social securities	311,694	78,139
Pensions	21,299	24,478
Other current liabilities	35,252	31,280
Accruals	866,525	1,424,044
	1,380,603	1,730,227

Accruals		
Work in progress	756,139	1,312,890
Accrued Holiday allowance	57,596	59,510
Accrued Holidays	52,790	51,644
Net salaries	-	-
	866,525	1,424,044

8.6 Notes to the profit and loss account

	Actual	Budget	Actual
in euros	2024	2024	2023
Income			
Income open courses	806,587	1,392,076	1,284,173
Income tailor made projects	3,181,092	3,462,179	2,749,037
Donations Talent for Governance	85,725	91,600	40,177
Total	4,073,405	4,945,855	4,073,388
Material costs			
Material costs open courses	367,072	613,450	582,585
Material costs tailor made projects	1,567,491	2,003,300	1,300,552
Talent for Governance	52,157	68,600	24,952
Total	1,986,720	2,685,350	1,908,089

Income and expenditures open courses

In 2024, we organised eleven Face-to-Face courses. The end of the Nuffic OKP-scholarship programme in the second half of the year significantly impacted our results. We had in total 83 Nuffic-sponsored participants, 60 participants less than budgeted. The number of self-paying participants was less than budgeted: 43 participants less. In total, revenues from open courses are € 806,587, which is € 585,488 below budget. The material costs for implementing the open courses are 246,378 less than budgeted.

Income and expenditures tailor made projects

In total, the turnover from tailor made training is € 3.18 mln, which is € 281,187 less than budgeted. This is result of € 435,809 less income for reimbursement of material costs (tickets, accommodation etc.) which is partially compensated by an increase of € 154,623 due to a higher number of realised productive days. Overall, the income from manhours reached 111% of the budgeted amount.

Talent for Governance
For the Talent for Governance programme, we received donations from six municipalities, in total € 8,000 (budgeted € 9,000). These donations and RVO funding were used for fundraising activities, organising the talent programmes, the placement of eight participants in four open training courses, tickets, visa and accommodation in The Netherlands. The material costs were budgeted at € 66,000 (nine talents) and actually amounted to € 51,941 and manhours for fundraising were higher as well.

	Actual	Budget	Actual
in euros	**2024**	**2024**	**2023**
Personnel expenses			
Wages and salaries	1,275,142	1,375,665	1,344,841
Social security premiums	243,316	247,014	242,630
Pension premiums	184,566	205,613	205,629
Travel and accommodation	22,556	19,000	19,250
Services third parties	13,860	9,120	13,860
Other employee costs	66,859	74,500	60,989
NOW-grant	-	-	215
	1,806,299	1,930,911	1,887,414

Personnel expenses
Total personnel expenses are € 125,612 less than budgeted. Wages and salaries are € 100,523 lower than budgeted due to several staff changes. Social security premiums are € 3,698 less than budgeted and pension costs € 21,047, related to the lower salary costs. Home-work travel costs are € 3,556 higher than budgeted. Other employee costs are € 7,641 lower, mainly because of less expense for staff education.

in euros	Actual 2024	Budget 2024	Actual 2023
Other expenses			
Housing	74,720	74,720	63,532
Office costs	108,953	142,718	117,911
Auditing	25,399	21,000	23,307
Communication and fundraising	23,477	38,000	33,649
Other costs	55,035	39,000	36,147
	287,584	315,438	274,546

Other expenses
Office costs are below the budgeted amount, mainly due to lower costs for maintenance of software and ICT support. Auditing costs are higher because of increased prices of our suppliers. Communication expenditures are lower than budgeted, mainly due to less communication activities as a result of the absence of the communication manager for most part of the year and lower costs for participation in conferences in 2024.

in euros	Actual 2024	Budget 2024	Actual 2023
Financial result			
Financial income	8,907	13,125	7,010
Financial expenses	-	-	-
	8,907	13,125	7,010

Financial result
We have received an interest on the savings account of nearly € 8,907, which is € 4,218 less than budgeted, mainly because of lower balance on the account in the second part of the year.

Staff members
Per end of 2024 23,3 fte staff were working for the foundation.

Renumeration of executives
The renumeration of the current members of the executive board which are included in the current year financial statements amounts to € 0.

Appropriation of result
The result for 2024 amounts to € 1,710 and will be added to the general reserve.

Subsequent events
Between the time of preparing the financial statements and the balance sheet date there have been no events that give a different view on the annual result for 2024.

8.7 Auditor’s opinion

See next pages.

VISSER VISSER

INDEPENDENT AUDITOR'S REPORT

To: The board of Stichting The Hague Academy for Local Governance

Report on the audit of the financial statements 2024 included in the annual report

Our opinion
We have audited the financial statements 2024 of Stichting The Hague Academy for Local Governance based in The Hague.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting The Hague Academy for Local Governance as at 31 December 2024 and of its result for 2024 in accordance with the Guideline for annual reporting for small organisations not-for-profit (RJk C1) of the Dutch Accounting Standards Board.

The financial statements comprise:

1. the balance sheet as at 31 December 2024;
2. the profit and loss account for 2024; 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 Stichting The Hague Academy for Local Governance 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 for Professional Accountants).

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

Report on the other information included in the annual report
The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

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 the information regarding the management report and the other information as required by the Guideline for annual reporting for small organisations not-for-profit (RJk C1) of the Dutch Accounting Standards Board.

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 Guideline for annual reporting for small organisations not-for-profit (RJk C1) 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 the Guideline for annual reporting for small organisations not-for-profit (RJk C1) of the Dutch Accounting Standards Board.

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 Guideline for annual reporting for small organisations not-for-profit (RJk C1) 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 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 misstatements, whether due to fraud or error, 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 scepticism 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.

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

Gouda, June 24, 2025

Visser & Visser Audit and Assurance B.V.

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B.G. Schutte MSc RA