

Financial accounts - December 31, 2019

European Neuro Muscular Centre
(a foundation under Dutch Law)

Lt. Gen. van Heutszlaan 6
3743 JN Baarn

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Activity report

The annual impact report is available at the office of the foundation.

A PDF version of this report can be downloaded from the ENMC website (www.enmc.org).

Balance sheet as at December 31, 2019*After proposal profit appropriation*

		<u>31-12-2019</u>	<u>31-12-2018</u>
		€	€
ASSETS			
Current assets			
Other receivables	1	27.029	11.860
Cash at banks	2	<u>477.725</u>	<u>507.136</u>
		<u>504.754</u>	<u>518.996</u>
EQUITY AND LIABILITIES			
Equity	3	312.558	294.234
Provisions			
Workshop provisions	4	155.762	176.212
Current liabilities			
Other payables	5	<u>36.434</u>	<u>48.550</u>
		<u>504.754</u>	<u>518.996</u>

Statement of income and expenses for the year 2019

	2019	<i>Budget</i> 2019	2018
	€	€	€
Income			
Member contributions	210.000	210.000	210.000
Associated member contributions	10.000	5.000	5.000
Company Forum contributions	91.151	77.436	77.425
Other contributions	22.165	5.000	3.724
Total income	<u>333.316</u>	<u>297.436</u>	<u>296.149</u>
Expenses			
Personnel expenses	144.090	149.000	143.436
Housing expenses	11.421	11.500	11.300
Activity expenses	115.233	137.000	157.814
Organizational expenses	44.365	42.800	43.248
Total operating expenses	<u>315.109</u>	<u>340.300</u>	<u>355.798</u>
Operating result	18.207	-42.864	-59.649
Interest income	117	500	193
Net result	<u>18.324</u>	<u>-42.364</u>	<u>-59.456</u>
Appropriation of result			
Continuity reserve	-	-	-
Reserve for 25th anniversary - withdrawal	-3.131	-	-14.848
Reserve for 25th anniversary - release	-4.012	-	-
Reserve for additional workshop costs - withdrawal	-29.845	-31.000	-48.000
Other free reserves	55.312	-11.364	3.392
	<u>18.324</u>	<u>-42.364</u>	<u>-59.456</u>

Cashflow statement for the year 2019

	2019		2018	
	€	€	€	€
Operating result		18.207		-59.649
Adjustment for:				
Movement in provisions		-20.450		94.060
Changes in working capital:				
Other accounts receivable	-15.169		-10.335	
Current liabilities	-12.116		-8.728	
		-27.285		-19.063
Cash flow from operating activities		-29.528		15.348
Interest received		117		193
Cash movement		-29.411		15.541
Balance as at beginning of the financial year		507.136		491.595
Movement during the financial year		-29.411		15.541
Balance at the end to the financial year		477.725		507.136

Notes to the financial accounts

Registered address and registration number trade register

The registered and actual address of The European Neuro Muscular Centre is Lt. Gen. Van Heutszlaan 6, 3743 JN in Baarn. The foundation is registered at the trade register under number 41190058.

General

This report was prepared in accordance with Guideline C1 for the reporting of Small sized non-profit organizations as published by the Dutch Accounting Standards Board (Raad voor de Jaarverslaggeving).

The financial accounts are drawn up in Euros.

Activities

The European Neuro Muscular Centre (ENMC) in Baarn was founded on 24 November, 1992 under Dutch Law. The objective of the foundation is to promote research in the field of diagnosis and treatment of neuromuscular diseases and to collect and distribute useful and reliable information about these diseases. To meet this objective, the foundation mainly organizes workshops which are its core business. The workshops are held in the Netherlands.

The foundation is financed and steered by a number of National Patient Associations for neuromuscular diseases in Europe. In addition, it receives co-support from other neuromuscular organizations and from multiple companies developing treatments and diagnostic tools for patients with neuromuscular conditions.

The foundation has its statutory seat in Baarn and holds its office in the building of Spierziekten Nederland.

Accounting policies in respect of the valuation of assets and liabilities

General

Assets and liabilities are accounted at historical costs and unless stated otherwise are shown at their nominal value.

Accounts receivable

The accounts receivable are valued at amortised cost price which generally equals the nominal value. Provisions deemed necessary for possible bad losses are deducted. These provisions are determined by individual assessment of receivables.

Provisions

Unless stated otherwise the other provisions are valued at the face value of the expenditures that are expected to be necessary for settling the related obligations.

Current liabilities

The current liabilities are valued at amortised cost price which generally equals the nominal value.

Accounting policies in respect of result determination

General

The result represents the difference between the contributions received and the expenses and other charges for the year. The results on transactions are recognized in the year in which they are realized and/or approved. The approved transactions concern the estimated expenses of workshops approved in this year and of the committed contributions of new co-sponsors.

Other operating expenses

Expenses are taken into account under the historical cost convention and allocated to the period concerned.

Activity expenses

Expenses are taken into account at the historical cost. Provisions (best estimate of the expected costs) are made for workshops that are approved but not yet completed at the end of the year. The workshops expenses consist of actually paid expenses as well as of approved costs for workshops.

Principles of the cash flow summary

The cash flow statement is prepared according to the indirect method.

The funds in the cash flow statement consist of cash.

Interest received is entered under the cash flow from operating activities.

Notes to the balance sheet**Current assets****1 Other receivables**

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
Other receivables and accrued assets		
Contributions	25.000	11.667
Prepaid expenses	1.912	-
Bank interest	<u>117</u>	<u>193</u>
	<u>27.029</u>	<u>11.860</u>

2 Cash at banks

ING Top rente 68.44.14.880	100.986	130.590
ING RC 68.44.14.880	<u>376.739</u>	<u>376.546</u>
	<u>477.725</u>	<u>507.136</u>

3 Equity

Continuity reserve	200.000	200.000
Reserve for 25th anniversary	-	7.143
Reserve for additional workshop costs	-	29.845
Other free reserves	<u>112.558</u>	<u>57.246</u>
	<u>312.558</u>	<u>294.234</u>

From the Other free reserves, provisions for new ENMC projects being developed in 2020, will be deducted. A minimum of € 25.000 will remain in Other free reserves to be able to cover unexpected costs.

	<u>2019</u>	<u>2018</u>
	€	€
Continuity reserve		
Balance as at January 1	200.000	200.000
Appropriation of result	<u>-</u>	<u>-</u>
Balance as at December 31	<u>200.000</u>	<u>200.000</u>

The continuity reserve is established to be able to execute approved workshops, in case of a shortfall in raising the necessary funds. The level is set on € 200.000 by the Executive Committee (April 14, 2016), which is the amount necessary to keep the office running and perform the approved workshops for one year.

	<u>2019</u>	<u>2018</u>
	€	€
Reserve for 25th anniversary		
Balance as at January 1	7.143	21.991
Appropriation of result: Expenses paid in the bookyear	-3.131	-14.848
Appropriation of result: Release in favor of other free reserves	<u>-4.012</u>	<u>-</u>
Balance as at December 31	<u><u>-</u></u>	<u><u>7.143</u></u>

This specific purpose reserve of € 30.000 for the 25th anniversary is established by the Executive Committee (October 28, 2016) to pay for different events in 2017, 2018 and 2019 organised by the ENMC to celebrate the 25th anniversary of the ENMC. Extra income (€ 8.527) was generated by Audentes Therapeutics. In 2019, the last payment of € 3.131 related to publications of the Milan meeting was done. In total, € 34.515 was spent on these 25th anniversary events, which created a positive net result of € 4.012. This 25th anniversary provision was closed at 31-12-2019; the remaining amount of this reserve of € 4.012 was released and transferred to Other Free Reserves.

	<u>2019</u>	<u>2018</u>
	€	€
Reserve for additional workshop costs		
Balance as at January 1	29.845	77.845
Appropriation of result: Expenses paid in the bookyear	-	-
Appropriation of result: Release in favor of provision workshops (extra costs: 9 workshops x € 2.000)*	-16.845	-22.000
Appropriation of result: Ninth workshop	-13.000	-13.000
Appropriation of result: One of the three extra-budgetary workshops approved in 2018 (see minutes ExC meeting November 2018) of € 13.000	<u>-</u>	<u>-13.000</u>
Balance as at December 31	<u><u>-</u></u>	<u><u>29.845</u></u>

*This workshop related reserve is created to approve 9 workshops per year instead of the budgeted 8 workshops and to allocate an extra € 2.000 per workshop to improve the meeting venue facilities, to cover wheelchair accessible facility costs and costs of travel for participants who have no funding possibilities.

Due to the withdrawals from this provision in previous years, there was just not enough balance to include 2K extra for the last workshop (259). For workshop 259, € 845 instead of € 2.000 was taken from this reserve and € 1.155 has been charged to the result 2019.

The specific purpose reserve of € 93.000 for additional workshop costs was established by the Executive Committee on October 28, 2016.

At 31 December 2019 this reserve was closed.

	<u>2019</u>	<u>2018</u>
	€	€
Other free reserves		
Balance as at January 1	57.246	53.854
Appropriation of result: Two extra workshops	-	-18.000
Appropriation of result	<u>55.312</u>	<u>21.392</u>
Balance as at December 31	<u><u>112.558</u></u>	<u><u>57.246</u></u>

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
4 Workshop provisions		
Workshop 236	-	1.653
Workshop 237	-	1.200
Workshop 238	-	4.179
Workshop 239	-	14.780
Workshop 240	-	15.000
Workshop 241	-	15.000
Workshop 242	-	15.000
Workshop 243	-	15.000
Workshop 244	-	15.000
Workshop 245	-	4.400
Workshop 246	3.621	15.000
Workshop 247	4.373	15.000
Workshop 248	1.416	15.000
Workshop 249	13.398	15.000
Workshop 250	1.287	15.000
Workshop 251	11.667	-
Workshop 252	15.000	-
Workshop 253	15.000	-
Workshop 254	15.000	-
Workshop 255	15.000	-
Workshop 256	15.000	-
Workshop 257	15.000	-
Workshop 258	15.000	-
Workshop 259	15.000	-
	<u>155.762</u>	<u>176.212</u>

Based on the average actual costs of the last 10 workshops held at the Courtyard Marriott hotel (€ 13.552), a new workshop provision number was proposed at the Executive Committee meeting of 14 November 2019: It was decided to install a provisional amount of € 14.000 per workshop as of 1 January 2020.

	<u>2019</u>	<u>2018</u>
	€	€
Workshop 236 (administratively closed)		
Balance as at January 1	1.653	15.000
Provision	-	-
Expenses paid in the bookyear	-682	-13.347
Not declared	-971	-
	<u>-</u>	<u>1.653</u>
Balance as at December 31	<u>-</u>	<u>1.653</u>

	2019	2018
	€	€
Workshop 237 (administratively closed)		
Balance as at January 1	1.200	15.000
Provision	-	-
Additional provision	-	265
Expenses paid in the bookyear	-135	-14.065
Not declared	-1.065	-
	<u>-</u>	<u>1.200</u>
Balance as at December 31	<u>-</u>	<u>1.200</u>
Workshop 238 (administratively closed)		
Balance as at January 1	4.179	15.000
Provision	-	-
Expenses paid in the bookyear	-1.268	-10.821
Not declared	-2.911	-
	<u>-</u>	<u>4.179</u>
Balance as at December 31	<u>-</u>	<u>4.179</u>
Workshop 239 (administratively closed)		
Balance as at January 1	14.780	-
Provision	-	15.000
Expenses paid in the bookyear	-11.338	-220
Not declared	-3.442	-
	<u>-</u>	<u>14.780</u>
Balance as at December 31	<u>-</u>	<u>14.780</u>
Workshop 240 (administratively closed)		
Balance as at January 1	15.000	-
Provision	-	15.000
Expenses paid in the bookyear	-13.453	-
Not declared	-1.547	-
	<u>-</u>	<u>15.000</u>
Balance as at December 31	<u>-</u>	<u>15.000</u>
Workshop 241 (administratively closed)		
Balance as at January 1	15.000	-
Provision	-	15.000
Expenses paid in the bookyear	-11.853	-
Not declared	-3.147	-
	<u>-</u>	<u>15.000</u>
Balance as at December 31	<u>-</u>	<u>15.000</u>
Workshop 242 (administratively closed)		
Balance as at January 1	15.000	-
Provision	-	15.000
Expenses paid in the bookyear	-10.030	-
Not declared	-4.970	-
	<u>-</u>	<u>15.000</u>
Balance as at December 31	<u>-</u>	<u>15.000</u>

	2019	2018
	€	€
Workshop 243 (administratively closed)		
Balance as at January 1	15.000	-
Provision	-	15.000
Expenses paid in the bookyear	-16.341	
Additional expenses	1.341	-
Balance as at December 31	<u>-</u>	<u>15.000</u>
Workshop 244 (administratively closed)		
Balance as at January 1	15.000	-
Provision		15.000
Expenses paid in the bookyear	-11.620	-
Not declared	-3.380	-
Balance as at December 31	<u>-</u>	<u>15.000</u>
Workshop 245 (administratively closed)		
Balance as at January 1	4.400	-
Provision	-	5.000
Expenses paid in the bookyear	-1.930	-600
Not declared	-2.470	-
Balance as at December 31	<u>-</u>	<u>4.400</u>
Workshop 246		
Balance as at January 1	15.000	-
Provision		15.000
Expenses paid in the bookyear	-11.379	-
Balance as at December 31	<u>3.621</u>	<u>15.000</u>
Workshop 247		
Balance as at January 1	15.000	-
Provision		15.000
Expenses paid in the bookyear	-10.627	-
Balance as at December 31	<u>4.373</u>	<u>15.000</u>
Workshop 248		
Balance as at January 1	15.000	-
Provision		15.000
Expenses paid in the bookyear	-13.584	-
Balance as at December 31	<u>1.416</u>	<u>15.000</u>
Workshop 249		
Balance as at January 1	15.000	-
Provision		15.000
Expenses paid in the bookyear	-1.602	-
Balance as at December 31	<u>13.398</u>	<u>15.000</u>

	2019	2018
	€	€
Workshop 250		
Balance as at January 1	15.000	-
Provision		15.000
Expenses paid in the bookyear	<u>-13.713</u>	<u>-</u>
Balance as at December 31	<u>1.287</u>	<u>15.000</u>
Workshop 251		
Balance as at January 1	-	-
Provision	15.000	-
Expenses paid in the bookyear	<u>-3.333</u>	<u>-</u>
Balance as at December 31	<u>11.667</u>	<u>-</u>
Workshop 252		
Balance as at January 1	-	-
Provision	15.000	-
Expenses paid in the bookyear	<u>-</u>	<u>-</u>
Balance as at December 31	<u>15.000</u>	<u>-</u>
Workshop 253		
Balance as at January 1	-	-
Provision	15.000	-
Expenses paid in the bookyear	<u>-</u>	<u>-</u>
Balance as at December 31	<u>15.000</u>	<u>-</u>
Workshop 254		
Balance as at January 1	-	-
Provision	15.000	-
Expenses paid in the bookyear	<u>-</u>	<u>-</u>
Balance as at December 31	<u>15.000</u>	<u>-</u>
Workshop 255		
Balance as at January 1	-	-
Provision	15.000	-
Expenses paid in the bookyear	<u>-</u>	<u>-</u>
Balance as at December 31	<u>15.000</u>	<u>-</u>
Workshop 256		
Balance as at January 1	-	-
Provision	15.000	-
Expenses paid in the bookyear	<u>-</u>	<u>-</u>
Balance as at December 31	<u>15.000</u>	<u>-</u>

	<u>2019</u>	<u>2018</u>
	€	€
Workshop 257		
Balance as at January 1	-	-
Provision	15.000	-
Expenses paid in the bookyear	-	-
	<u> </u>	<u> </u>
Balance as at December 31	<u>15.000</u>	<u> </u>
Workshop 258		
Balance as at January 1	-	-
Provision	15.000	-
Expenses paid in the bookyear	-	-
	<u> </u>	<u> </u>
Balance as at December 31	<u>15.000</u>	<u> </u>
Workshop 259		
Balance as at January 1	-	-
Provision	15.000	-
Expenses paid in the bookyear	-	-
	<u> </u>	<u> </u>
Balance as at December 31	<u>15.000</u>	<u> </u>
Current liabilities		
	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
5 Other payables		
Payable for glossy	2.000	2.000
Rental and service charges SN	11.300	11.300
Creditors	3.021	17.913
Accounting and audit fees	6.714	4.616
Wage tax	8.379	8.920
Pension premium	1.074	-
Accrued holiday allowance	3.946	3.801
Payables to organisers of workshop administratively closed	-	-
	<u> </u>	<u> </u>
	<u>36.434</u>	<u>48.550</u>

The creditors balance consists of declarations / invoices that are dated in the current year but are only paid in the following year. The creditors balance in 2018 was relatively high since end December 2018, a number of large invoices had been received (Marriott 9K, Research Director 5K), which were paid in 2019. At the end of 2019 the creditors balance mainly concerns travel expenses that will be paid at the beginning of 2020.

The accounting item consists of the reservation for NBC accountants and the costs for administration for the 4th quarter of 2019. At the end of 2018, NBC had already sent an advance invoice for the 2018 audit check. This advance has been deducted from the reservation as of December 31, 2018. As of December 31, 2019, no advance invoice had yet been sent, which makes the reservation higher than last year.

Subsequent events

Regarding the Corona crisis, we have some doubt about the continuity of the organization, but not to the extent that there is reasonable doubt. It is expected that the organization will not have to use the government-provided facilities since ENMC has a continuity reserve in the bank in case of short-fall of income due to Corona or other emergencies.

Notes to the statements of activities

	<u>2019</u>	<i>Budget</i> <u>2019</u>	<u>2018</u>
	€	€	€
6 Member contributions			
Deutsche Gesellschaft für Muskelkranke (Germany)	30.000	-	30.000
Muscular Dystrophy UK (United Kingdom)	30.000	-	30.000
Muskelsvindfondene (Denmark)	30.000	-	30.000
Telethon Foundation (Italy)	30.000	-	30.000
Association Française contre les Myopathies (France)	30.000	-	30.000
Schweizerische Stiftung für die Erforschung der Muskelkrankheiten (Switzerland)	30.000	-	30.000
Prinses Beatrix Spierfonds (The Netherlands)	15.000	-	15.000
Spierziekten Nederland (The Netherlands)	15.000	-	15.000
Total budget member contributions	<u>-</u>	<u>210.000</u>	<u>-</u>
	<u>210.000</u>	<u>210.000</u>	<u>210.000</u>
7 Associated member contributions			
Finnish Neuromuscular Association (Finland)	5.000	5.000	5.000
Österreichische Muskelforschung (Austria)	<u>5.000</u>	<u>-</u>	<u>-</u>
	<u>10.000</u>	<u>5.000</u>	<u>5.000</u>
8 Company Forum contributions			
Sanofi Genzyme	20.000	-	20.000
Roche	20.000	-	-
Santhera Pharmaceuticals	5.000	-	15.000
CSL Behring	20.000	-	19.990
Amicus Therapeutics	5.000	-	5.000
Sanquin	-	-	1.500
Ionis Pharmaceuticals	4.484	-	4.268
Biogen	6.667	-	6.667
AveXis	5.000	-	5.000
WallacOy/PerkinElmer	5.000	-	-
Total budget Company Forum	<u>-</u>	<u>77.436</u>	<u>-</u>
	<u>91.151</u>	<u>77.436</u>	<u>77.425</u>

	2019	<i>Budget</i> 2019	2018
	€	€	€
9 Other contributions			
SMA Europe (workshop 244)	5.000	-	-
MDA USA (workshop 244)	4.364	-	-
MAP Nemaleine MD-UK project (workshop 250)	700	-	-
A Foundation Building Strength (AFBS) (workshop 250)	5.400	-	-
Valerion Therapeutics (workshop 251)	4.480	-	-
Maze Therapeutics (workshop 251)	2.221	-	-
ZonMw	-	-	3.724
Total budget other contributions	-	<u>5.000</u>	-
	<u>22.165</u>	<u>5.000</u>	<u>3.724</u>

In 2019, 29% of the total income was received from companies and 4,6% from non-companies (neuromuscular patient organisations and fundraising organisations). The ENMC aims to maximize the level of income from companies to 30% of the total income.

10 Personnel expenses

Salaries	98.848	-	91.519
Social charges	19.941	-	18.700
Pensions	13.016	-	15.899
Movement to accrual holiday allowance	7.154	-	6.717
Insurance sickleave current year	3.730	-	5.694
Total budget salaries	-	144.000	-
Other personnel expenses	<u>1.401</u>	<u>5.000</u>	<u>4.907</u>
	<u>144.090</u>	<u>149.000</u>	<u>143.436</u>

Average numbers of employees

During the year 2019 ENMC employed, converted to full-time equivalents, on average 1,5 employees (2018: average 1,5).

11 Housing expenses

Office rental and services	<u>11.421</u>	<u>11.500</u>	<u>11.300</u>
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	<u>2019</u>	<i>Budget</i> <u>2019</u>	<u>2018</u>
	€	€	€
12 Activity expenses			
Workshop 235	3.131		11.292
Workshop 237	-		265
Workshop 239	-		15.000
Workshop 240	-		15.000
Workshop 241	-		15.000
Workshop 242	-		15.000
Workshop 243	-		15.000
Workshop 244	-		15.000
Workshop 245	-		5.000
Workshop 246	-		15.000
Workshop 247	-		15.000
Workshop 248	-		15.000
Workshop 249	-		15.000
Workshop 250	-		15.000
Workshop 251	15.000	15.000	-
Workshop 252	15.000	15.000	-
Workshop 253	15.000	15.000	-
Workshop 254	15.000	15.000	-
Workshop 255	15.000	15.000	-
Workshop 256	15.000	15.000	-
Workshop 257	15.000	15.000	-
Workshop 258	15.000	15.000	-
Workshop 259	15.000	15.000	-
Literature analysis	-		-1.085
Expenses for ENMC symposium at ICNMD	-	-	3.556
Expenses for additional workshop costs	-	2.000	-
Additional amounts previous workshops	264	-	134
Non-declared amounts previous years	<u>-23.162</u>	-	<u>-26.348</u>
	<u>115.233</u>	<u>137.000</u>	<u>157.814</u>

In 2019, ENMC made a budget provision for nine (9) workshops to be approved in the two review rounds. In April four (4) and in November five (5) workshop applications were approved.

	<u>2019</u>	<i>Budget</i> <u>2019</u>	<u>2018</u>
	€	€	€
13 Organizational expenses			
Research committee/ director	15.105	17.000	16.550
Audit costs and payroll accounting	8.228	9.000	8.870
Website and IT	1.017	1.300	4.159
Executive Committee	3.186	2.500	2.370
Marketing	4.282	3.500	3.738
Congress expenses	5.805	4.000	1.273
Office costs - Baarn	1.834	3.000	2.366
Bank expenses	1.407	-	1.024
Travelling expenses	2.988	-	2.371
Insurance premium	513	-	527
Other	-	2.500	-
	<u>44.365</u>	<u>42.800</u>	<u>43.248</u>

Baarn, May 25, 2020
European Neuro Muscular Centre

Dr. A.I.M. Breukel-van der Kooi
Managing Director

INDEPENDENT AUDITOR'S REPORT

To: The management and board of European Neuro Muscular Centre

A. Report on the audit of the financial statements 2019 included in the annual report

Our opinion

We have audited the financial statements 2019 of European Neuro Muscular Centre, based in Baarn.

In our opinion the accompanying financial statements give a true and fair view of the financial position of European Neuro Muscular Centre as at 31 December 2019, and of its result for 2019 in accordance with the Guideline for annual reporting C1 'Small- sized-not-for-profit organisations' of the Dutch Accounting Standards Board.

The financial statements comprise:

- 1 the balance sheet as at 31 December 2019;
- 2 the profit and loss account for 2019;
- 3 the notes comprising 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 European Neuro Muscular Centre in accordance with the *Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (VIO)*, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the *Verordening gedrags- en beroepsregels accountants (VGBA)*, Dutch Code of Ethics).

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

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 Impact report.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

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 Impact report in accordance with the Guideline for annual reporting C1 'Small-sized-not-for-profit organisations' of the Dutch Accounting Standards Board.

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 Guideline for annual reporting C1 'Small-sized-not-for-profit organisations' 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 assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

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

- 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 company'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.

Volendam, May 25, 2020

NBC Audit Services B.V.

W.J.T. Jonk RA