

**STICHTING FOODWATCH NEDERLAND
AT AMSTERDAM**

FINANCIAL REPORT 2013

BALANCE SHEET ON THE 31st OF DECEMBER 2013
(after allocation of the result)

	<u>31 December 2013</u>	<u>31 December 2012</u>
ASSETS		
FIXED ASSETS		
Intangible fixed assets		
Information technology	633	0
	<u>633</u>	<u>0</u>
Tangible fixed assets		
Office renovation	2.102	4.100
Office inventory	7.817	9.907
	<u>9.919</u>	<u>14.007</u>
CURRENT ASSETS		
Receivables		
Debtors	44.755	12.127
Other receivables and accrued assets	4.495	2.718
	<u>49.250</u>	<u>14.845</u>
Cash and banks	60.032	22.940
	<u>60.032</u>	<u>22.940</u>
Total	<u><u>119.834</u></u>	<u><u>51.792</u></u>

BALANCE SHEET ON THE 31st OF DECEMBER 2013
(after allocation of the result)

	<u>31 December 2013</u>	<u>31 December 2012</u>
CAPITAL		
Reserves and funds		
Contingency reserve	-280.474	-170.739
	<u>-280.474</u>	<u>-170.739</u>
LIABILITIES		
LONG-TERM LIABILITIES		
Loan	270.000	180.000
	<u>270.000</u>	<u>180.000</u>
CURRENT LIABILITIES		
Creditors	27.867	12.917
Taxes and social securities	15.681	12.434
Other liabilities and accruals	86.760	17.180
	<u>130.308</u>	<u>42.531</u>
Total	<u><u>119.834</u></u>	<u><u>51.792</u></u>

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR 2013

(Euro)

	<u>2013</u>	<u>Budget 2013</u>	<u>2012</u>
Income			
Income from direct fundraising	337.881	289.053	303.840
Revenues from third-party campaigns	6.667	6.667	7.651
Income from interest	582	0	0
Other income	687	2.000	962
Total income	<u>345.817</u>	<u>297.720</u>	<u>312.453</u>
Costs			
Goal of the organisation			
Knowledge development	90.571	78.136	57.977
Information exchange	120.761	104.181	77.302
Lobby and advocacy	60.381	52.091	38.651
	<u>271.713</u>	<u>234.408</u>	<u>173.930</u>
Cost of direct fundraising	111.766	129.427	65.891
Management and administration costs	72.073	55.001	73.348
Total costs	<u>455.552</u>	<u>418.836</u>	<u>313.169</u>
Net result	-109.735	-121.116	-716
Appropriation of net result charged to			
Contingency reserve	-109.735		-716
Percentage direct fundraising	33,08%		21,69%
Implementation rate	78,57%		55,67%

GENERAL PRINCIPLES APPLIED IN DRAWING UP THE FINANCIAL STATEMENTS

General

The financial statements are in accordance with Guideline for annual reporting 650 "Charity organisations" of the Dutch Accounting Standards Board.

Accounting policies for the valuation of assets and liabilities

General

Assets and liabilities are stated at cost, unless indicated otherwise. Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value. Income and costs are accounted for on accrual basis. Profit is only included when realized on the balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Intangible and tangible fixed assets

The intangible and tangible fixed assets are stated at the historical costs and depreciated on the base of the estimated useful life. Depreciation is based on a percentage of the historical costs.

Receivables, cash, liabilities and accruals

Receivables, cash, liabilities and accruals are included at face value, less any provision for doubtful accounts. These provisions are determined by individual assessment of the receivables.

Result

The result is determined as the difference between the income and all corresponding costs that can be allocated to the financial year. Costs are determined, taken into account the valuation principles stated above and in the year in which they are foreseeable.

NOTES TO THE BALANCE SHEET ON THE 31st OF DECEMBER 2013*(Euro)***FIXED ASSETS****Intangible fixed assets**

	Information technology	Total
<u>Value at 1st of January 2013</u>		
Acquisition costs	0	0
Cumulative depreciation	<u>0</u>	<u>0</u>
Book value	<u><u>0</u></u>	<u><u>0</u></u>
<u>Additions in book value:</u>		
Investments	633	633
Depreciation	<u>0</u>	<u>0</u>
	<u><u>633</u></u>	<u><u>633</u></u>
<u>Value at 31st of December 2013</u>		
Acquisition costs	633	633
Cumulative depreciation	<u>0</u>	<u>0</u>
Book value	<u><u>633</u></u>	<u><u>633</u></u>

Tangible fixed assets

	Office renovation	Office Inventory	Total
<u>Value at 1st of January 2013</u>			
Acquisition costs	9.990	14.111	24.101
Cumulative depreciation	<u>-5.890</u>	<u>-4.204</u>	<u>-10.094</u>
Book value	<u><u>4.100</u></u>	<u><u>9.907</u></u>	<u><u>14.007</u></u>
<u>Additions in book value:</u>			
Investments	0	843	843
Depreciation	<u>-1.998</u>	<u>-2.933</u>	<u>-4.931</u>
	<u><u>-1.998</u></u>	<u><u>-2.090</u></u>	<u><u>-4.088</u></u>
<u>Value at 31st of December 2013</u>			
Acquisition costs	9.990	14.954	24.944
Cumulative depreciation	<u>-7.888</u>	<u>-7.137</u>	<u>-15.025</u>
Book value	<u><u>2.102</u></u>	<u><u>7.817</u></u>	<u><u>9.919</u></u>

The following depreciation rates are used for:

Office renovation: 20%

Office inventory: 20%

Website: 20%

	<u>31 dec 13</u>	<u>31 dec 12</u>
CURRENT ASSETS		
Other receivables and accrued assets		
Deposits	1.900	1.945
Prepaid Expenses	2.473	773
Others	122	0
	<u>4.495</u>	<u>2.718</u>
Cash and banks		
Triodos Bank, savings account	58.036	18.376
Triodos Bank, current account	1.207	3.366
Triodos Bank, current account donations	556	1.020
Cash	231	178
	<u>60.032</u>	<u>22.940</u>

NOTES TO THE BALANCE SHEET ON THE 31st OF DECEMBER 2013*(Euro)*

	<u>31 dec 13</u>	<u>31 dec 12</u>
CAPITAL		
Contingency reserve		
Balance at 1 st of January	-170.739	-170.023
Result	<u>-109.735</u>	<u>-716</u>
Balance at 31 st of December	<u><u>-280.474</u></u>	<u><u>-170.739</u></u>

LONG-TERM LIABILITIES

	<u>31 dec 13</u>	<u>31 dec 12</u>
Loan	<u>270.000</u>	<u>180.000</u>
	<u><u>270.000</u></u>	<u><u>180.000</u></u>

The interest rate of this long-term subordinated loan granted by foodwatch Germany is 0%. No assets are pledged as collateral. There is no redemption commitment.

CURRENT LIABILITIES**Taxes and social securities**

Wage tax and social contributions	<u>15.681</u>	<u>12.434</u>
	<u><u>15.681</u></u>	<u><u>12.434</u></u>

Other liabilities and accruals

Holiday allowance	6.760	6.674
Project liabilities	80.000	6.667
Others	<u>0</u>	<u>3.839</u>
	<u><u>86.760</u></u>	<u><u>17.180</u></u>

BREAKDOWN OF COSTS

	Goal of the organisation			Fundraising Income from direct fundraising	Management and administration	Total 2013	Budget 2013	Total 2012
	Research	Information	Lobby and advocacy					
Media and campaigns	36.345	48.459	24.230			109.034	87.250	68.828
Cost of fundraising				89.115		89.115	101.000	35.862
Staff costs	45.975	61.300	30.650	19.205	61.106	218.235	185.550	152.220
Costs of housing	2.795	3.726	1.863	1.167	3.715	13.267	13.830	13.091
Office and general costs	4.418	5.891	2.945	1.845	5.872	20.971	26.306	38.349
Depreciation	1.039	1.385	693	434	1.381	4.931	4.900	4.819
	90.571	120.761	60.381	111.766	72.073	455.552	418.836	313.169
Share	20%	27%	13%	25%	16%	100,00%		

Notes

The administrative base is consistently used over the years 2012 and 2013.

Regarding the attribution of costs to the goal of the organisation, concerning 'Media and campaigns' and 'Fundraising', respective hours of staff are incorporated.

In line with this policy the attribution of the costs of the overhead, involving management and administration, is based on the full time equivalents working on those particular aspects of our operations.

The costs of the overhead of foodwatch are built up as follows:

- * Staff costs
- * Cost of housing
- * Office and general costs
- * Depreciation

* The goal of the organisation is reach full transparency of the food production chain and protection of consumers against health risks and fraud.

* All efforts and costs to achieve financial support for the organisation are summarized under fundraising. In 2013 we invested in raising income from structural and single supporters, and major donors. The efforts made with respect to raising revenues from third party-campaigns date from 2012.

* The header management and administration shows the costs made in order to manage and control the internal processes and the administration. Although essential, these costs do not directly contribute to the goal of the organisation, nor to fundraising.

NOTES TO STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR 2013

Income from direct fundraising

	2013	Budget 2013	2012
Structural and single supporters	118.093		54.964
Major asset fund	135.000		190.000
foodwatch Germany	69.788		58.876
Stichting Energo	10.000		0
Triodos Foundation	5.000		0
	<u>337.881</u>	<u>289.053</u>	<u>303.840</u>

The income from overall fundraising has increase by more than 11% compared to 2012. Yet, the income from structural and single supporters has increased by 114%. In addition, a diversification of income categories can be seen. It can be concluded that in 2013 foodwatch has made considerable steps towards reaching its financial independence.

Revenues from third-party campaigns

Greenpeace	6.667		3.333
Stichting Natuur & Milieu	0		2.159
Vereniging Milieudefensie	0		2.159
	<u>6.667</u>	<u>6.667</u>	<u>7.651</u>

The revenues from third-party campaigns have been comparable to 2012.

Cost of direct fundraising

Telemarketing	77.206		27.894
Administration of supporters	11.909		7.968
	<u>89.115</u>	<u>101.000</u>	<u>35.862</u>

foodwatch Nederland has optimized its fundraising strategy by investing in telemarketing.

Media and campaigns

Campaigns	60.709		24.244
Media	<u>48.325</u>	<u> </u>	<u>44.584</u>
	109.034	87.250	68.828

foodwatch has attributed more budget to campaigns than in 2012, resulting in public and political debate on the topics raised, an increased following and significant media attention.

Staff costs

Gross salaries	170.998		126.956
Social contributions	24.283		20.446
Pension premium	5.367		2.745
Other personnel costs	<u>17.587</u>	<u> </u>	<u>2.073</u>
	218.235	185.550	152.220

In 2012 3,3 fte's were contracted on a permanent base, whereas in 2013 this concerned 3,4 fte's, excluding two temporary contracts for researchers. The average salary of the director has been € 58.031 in 2013.

Cost of housing

Office rent	7.331		7.180
Cleaning	3.684		4.110
Energy costs	1.701		1.184
Other	<u>551</u>	<u> </u>	<u>617</u>
	13.267	13.830	13.091

foodwatch Nederland is renting an office on the Fizeaustraat 23 in Amsterdam.

Office and general costs

Travel	5.133		4.457
Representation	118		1.808
Cost of Board	436		40
Contributions and subscription	1.129		631
Telephone	922		535
Administration	3.323		22.075
Audit costs	6.329		6.716
Bank costs	1.389		1.186
Other costs	<u>2.191</u>	<u> </u>	<u>902</u>
	20.971	26.250	38.349

In 2013 we realized a reduction in administration costs.

Depreciation

Depreciation of office renovation	1.998		1.998
Depreciation of office inventory	<u>2.933</u>	<u> </u>	<u>2.821</u>
	4.931	4.900	4.819

Clarification

This report has been made up on the 30th of June 2014 and is in line with the intentions and policies of foodwatch Nederland in 2013.

P.E. Hohnen (President)

Th. W.E.A. Bode (Treasurer)

M. Wolfschmidt (Secretary)

Auditors



To the board of directors of:
Stichting foodwatch Nederland

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INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial report 2013 of Stichting foodwatch Nederland, which comprise the balance sheet as at December 31 2013, the statement of income and expenditure for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of the financial report and for the preparation of the management board report, both in accordance with the Guideline for annual reporting 650 'Charity organisations'. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Auditors



Opinion with respect to the financial statements

In our opinion, the financial report give a true and fair view of the financial position of Stichting foodwatch Nederland as at December 31, 2013 and of its result for the year then ended in accordance with the Guideline for annual reporting 650 'Charity organisations'.

Unaudited corresponding figures

We have not audited the financial report 2012. Consequently, we have not audited the corresponding figures included in the profit and loss account.

's-Hertogenbosch, July 16, 2014

Baker Tilly Berk N.V.

Signed

drs. E.W.J.A. van Druten
Auditor