

issued to:
the Board of Management of
Exarc
Boutenslaan 161 B
5644 TV Eindhoven

Re:
financial report 2015

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Reference number: 97.00699.0

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To: Exarc

1 Compilation report

The financial statements of Exarc in Eindhoven have been compiled by us using the information provided by the association committee. The financial statements comprise the balance sheet as at 31 december 2015 and the statement of revenue and expenditure for the year 2015 with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Dutch law, including the Dutch Standard 4410H, 'Compilation engagements', which is applicable to accountants. The standard requires us to assist the association committee in the preparation and presentation of the financial statements in accordance with Maak hier een keuze. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, the association committee responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that the association committee have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding of Exarc in Eindhoven. We have not performed any audit or review procedures which would enable us to express an opinion or a conclusion as to the fair presentation of the financial statements.

During this engagement we have complied with the relevant ethical requirements prescribed by the 'Verordening Gedrags- en Beroepsregels Accountants' (VGBA). the association committee and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us by the association committee as confidential.

2 General data

2.1 Business data of the corporation

legal form	vereniging
company address	Boutenslaan 161 B, 5644 TV Eindhoven
statutory name	Exarc
trade name	Exarc
Chamber of Commerce	Eindhoven under number 17279629
	M. Tapavicki-Ilic
	J.J. Baena Preysler
	L.L.M. Eekhout
	M. Schmidt
	W. Schindler III
	M. Stefani
director	A. Pdraig Joseph O'Sullivan

If you need any further information, please do not hesitate to contact us.

Veldhoven, 7 februari 2016

Yours sincerely,

ABAB Accountants B.V.

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke extending to the right.

J.P.M. Castelijns AA

Exarc in Eindhoven

1 Balance sheet as at 31 december 2015 (after result appropriation)

ASSETS

	31 december 2015		31 december 2014	
	€	€	€	€
Current assets				
Receivables, prepayments and accrued income				
debtors	1.168		945	
other receivables, prepayments and accrued income	4.632		1.086	
		5.800		2.031
Cash and cash equivalents		7.821		22.898
		<u>13.621</u>		<u>24.929</u>

EQUITY AND LIABILITIES

	31 december 2015		31 december 2014	
	€	€	€	€
Shareholders' equity				
funds for special purposes	-		17.824	
other reserves	11.437		6.156	
		11.437		23.980
Current liabilities				
<i>non-interest bearing liabilities</i>				
creditors	-		70	
other liabilities	2.184		879	
		2.184		949
		13.621		24.929

2 Statement of revenue and expenditure for 2015

	2015	2014
	€	€
<i>Revenues</i>		
net turnover	37.243	31.080
<i>Expenses</i>		
spent on openarch (cc)	17.824	6.596
spent on openarch (own)	3.517	8.284
general expenses	10.651	14.951
	<u>31.992</u>	<u>29.831</u>
Operating result	<u>5.251</u>	<u>1.249</u>
<i>Financial income and expenses</i>		
interest receivable and similar income	347	403
interest payable and similar charges	317	259
	<u>30</u>	<u>144</u>
Surplus	<u><u>5.281</u></u>	<u><u>1.393</u></u>
Appropriation of the result		
<i>Addition to / withdrawal from:</i>	<u>2015</u>	<u>2014</u>
Destination funds OpenArch	17.824	8.070
Profit appropriation include other reserves	-12.543	-6.677
Total	<u><u>5.281</u></u>	<u><u>1.393</u></u>

3 Notes to the financial statements

3.1 General accounting principles for the preparation of the financial statements

Applicable reporting system

In terms of the provisions in the Dutch Civil Code (Part 9 of book 2), the legal entity is not a association to which the provisions in Part 9 of book 2 of the Dutch Civil Code apply.

Financial instruments

General

Certain financial instruments are used in the normal business operations of the company. Those instruments are accounted for in the balance sheet as assets and liabilities. The financial instruments incorporated in the balance sheet mainly consist of accounts receivable and cash items. Based on the aforementioned financial instruments, the company will be exposed to interest and credit risks.

In principle, the control of the interest rate risk is based on the financing of fixed assets and part of the cash items with equity capital, provisions and long-term debts.

The rest of the current assets are financed with short-term debt, including bank overdrafts, with variable interest rates. Given the interest rate risk to which the company is exposed, the company did not use financial instruments to hedge the risks over the current financial year (or in the previous financial year).

3.2 Principles of valuation for assets and liabilities

General

The valuation of assets and liabilities takes place under the historical cost convention, unless presented otherwise. Assets and liabilities that are not mentioned hereinafter are presented in the balance sheet at face value.

The principles have remained unchanged in comparison to the preceding year.

Financial instruments

Financial instruments included in the balance sheet are valued at fair value when first processed and at amortized cost price for subsequent valuations.

The amortized costs included the cost of the transaction in the valuation, with any surplus or discount when the contract or transaction was entered into, is entered as a credit or debit in the statement of income and expenditure for the duration of the contract. This means that the reserve or discount is not presented as a separate asset or liability.

The allocation to the statement of income and expenditure of the transaction costs, interest, surplus or discount is calculated on the basis of the effective interest method. Use of the effective interest method means that the interest income and charges are allocated to the relevant period, based on the effective interest rate, by means of an annuity calculation. If the linear amortization does not result in significant differences as regards the application of the effective interest method, linear amortization is applied.

Receivables, prepayments and accrued income

Debtors

Trade receivables are valued at fair value, which is equal to the cost on the date the transaction is first processed on the balance sheet and subsequently valued at amortized cost. The amortized cost is equal to the nominal value of the receivables. Provisions for potential bad debts are deducted from the value of the claim established in this way.

Long-term and short-term liabilities

All long- and short-term liabilities are valued at fair value, which is equal to the cost on the date the transaction, is first processed on the balance sheet. After this first processing, they are valued at amortized cost. The amortized cost is equal to the nominal value of the liabilities.

3.3 Principles for the determination of revenue and expenditure

Determination of revenue and expenditure

General

The result is determined as the difference between the realizable value of the proceeds of goods and services supplied in the financial year and the costs and other charges based on acquisition prices. Profits on transactions are accounted for in the year of realization; losses are accounted for in the year in which they become predictable, with due observance of the principles for provisions.

Revenue

The revenues contain all revenues from deliveries of goods and services to third parties, minus deductions and levied taxes. Income from the sale of goods is recorded in the statement of revenue and expenditure once all the important rights to economic benefits, as well as all important risks with respect to the goods have been transferred to the buyer. The cost prices of said goods are allocated to the same period. Income from services is included at such time as the services have been provided or pro rata based on the extent to which they have been provided. The cost prices of the services are allocated to the same period.

Expenses

The expenses are determined on the basis of purchase prices. Depreciations are calculated according to the principles described under the fixed assets.

Financial assets and liabilities

The interest income concerns the amount of interest received and to be received from third parties in the financial year.

The interest charges concern the amount of interest paid and to be paid in the financial year.

4 Additional notes to the items of the financial statements

4.1 Current assets

Receivables, prepayments and accrued income

All accounts receivable have a term of less than one year.

Cash and cash equivalents

Cash and cash equivalents are at the free disposal of the company and payable on demand.

4.2 Shareholders' equity

Funds for special purposes

The movements in the funds for special purposes are as follows:

	<u>Funds for special purposes 1</u> €
balance at beginning financial year	17.824
paid costs	-17.824
balance at close of financial year	<u>-</u>

Other reserves

The following movements have taken place in the other reserves:

	<u>31-12-2015</u> €
balance at beginning financial year	6.156
from profit appropriation	5.281
balance at close of financial year	<u>11.437</u>

The other reserves regard the retained profits.

Eindhoven, 12 March 2016

Directors board

M. Tapavicki-Ilic

M. Tapavicki-Ilic

J.J. Baena Preysler

J.J. Baena Preysler

L.L.M. Eekhout

L.L.M. Eekhout

M. Schmidt

M. Schmidt

W. Schindler III

W. Schindler III

M. Stefani

M. Stefani

A. Padraig Joseph O'Sullivan

A. Padraig Joseph O'Sullivan

Other information

Statement on the absence of the auditor's report

Within the boundaries set by article 2:396 paragraph 1 of the Dutch Civil Code, the company can be regarded as a small legal person. Under the exemption provisions of article 2:396 paragraph 7 of the Dutch Civil Code the audit as referred to in article 2:393 of the Dutch Civil Code is not mandatory. Therefore, no audit has been carried out aimed at issuing an opinion on the truth and fairness of the financial statements.

1 Specifications balance sheet at 31 december 2015

1.1 Current assets

Receivables, prepayments and accrued income

Debtors

The balance can be specified as follows:

	<u>31-12-2015</u>	<u>31-12-2014</u>
	€	€
debtors' balance at year-end financial year	1.168	945
minus: provision for possible bad debts	-	-
	<u>1.168</u>	<u>945</u>

Other receivables, prepayments and accrued income

The other receivables, prepayments and accrued income can be specified as follows:

	<u>31-12-2015</u>	<u>31-12-2014</u>
	€	€
Prepaid expenses	4.632	1.086
	<u>4.632</u>	<u>1.086</u>

Cash and cash equivalents

The cash and cash equivalents are specified as follows:

	<u>31-12-2015</u>	<u>31-12-2014</u>
	€	€
Rabobank 1515.84.133	2.186	107
Rabobank 3179.899.298	5.000	22.500
PayPal	635	291
	<u>7.821</u>	<u>22.898</u>

1.2 Current liabilities

Creditors

The balance of the creditors is composed as follows:

	<u>31-12-2015</u>	<u>31-12-2014</u>
	€	€
Creditors	-	70
	<u>-</u>	<u>70</u>

Other liabilities

The other liabilities can be specified as follows:

	<u>31-12-2015</u>	<u>31-12-2014</u>
	€	€
Contribution received in advance	921	485
Accountant	1.263	394
	<u>2.184</u>	<u>879</u>

2 Specifications to the statement of revenue and expenditure for the year ended 2015

	2015	2014
	€	€
<i>Net turnover</i>		
Donations	216	1.862
Contribution current year	17.150	17.373
Journal Digest advertise current year	700	1.492
Journal (EuroREA) sales current year	1.038	111
Publications Income	315	30
OpenArch EU funds	-	1.173
OpenArch common costs	17.824	969
OpenArch Destination funds	-	8.070
	<u>37.243</u>	<u>31.080</u>
<i>Spent on openarch (cc)</i>		
OpenArch communication manager (cc)	5.082	5.082
OpenArch Audit (cc)	4.235	-
OpenArch hosting, domains and SOLR (cc)	1.013	855
OpenArch websites (cc)	6.100	-
OpenArch PR material (cc)	894	-
OpenArch meetings and workshops (cc)	500	-
OpenArch external contacts (cc)	-	659
	<u>17.824</u>	<u>6.596</u>
<i>Spent on openarch (own)</i>		
OpenArch hosting, domains and SOLR (own)	227	484
OpenArch journal digest (own)	2.242	4.860
OpenArch PR material (own)	-	1.816
OpenArch Flat Fee (own)	539	346
OpenArch steering committee (own)	509	207
OpenArch meetings and workshops (own)	-	571
	<u>3.517</u>	<u>8.284</u>

	2015	2014
	€	€
<i>General expenses</i>		
Secretariat volunteers	3.000	4.500
EXARC journal volunteers	1.487	1.647
PR website	12	30
PR material	682	213
Publications Costs	-	2.756
Postage journal orders	231	-
Postage journal members	1.043	691
Postage journal authors and editors etc.	148	133
Postage journal as PR (free)	16	-
Postage new members	48	184
Postage PR other	103	287
Postage administration and other	87	218
Office costs supplies	10	173
Office costs administration	144	117
Office costs gifts	-	54
Accountant	1.529	1.553
Accountant previous year	-	401
Staff travel	342	228
Staff subsistence	565	368
External / board travel	497	493
External / board subsistence	707	905
	<u>10.651</u>	<u>14.951</u>
<i>Interest receivable and similar income</i>		
Interest banks	133	222
Added transaction costs	214	181
	<u>347</u>	<u>403</u>
<i>Interest payable and similar charges</i>		
Bank costs Rabobank	225	176
Bank costs PayPal	92	83
	<u>317</u>	<u>259</u>