

Stichting European Lawyers Foundation
The Hague

Interim financial report 2014

July 10, 2015

BELASTING & ADMINISTRATIE

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1. INTERIM REPORT

Stichting European Lawyers Foundation
Attn: the Board of Directors
Neuhuyskade 94
2596 XM THE HAGUE

Date

July 10, 2015

Reference

0085ADJ-2015.1401

Subject

Interim financial report 2014

Dear Board of Directors,

Herewith we send you the interim financial accounts 2014 of Stichting European Lawyers Foundation.

Introduction

Stichting European Lawyers Foundation was established on August 27, 2014. The foundation's first financial year ends on December 31, 2015. The financial report 2014/2015 must be prepared within six months after the financial year (so before June 30, 2016). The financial report contains at least a balance sheet, a statement of income and expenditure and notes to the financial statements.

For the period August 27, 2014 until December 31, 2014 we have compiled the interim financial statements of Stichting European Lawyers Foundation, The Hague, based on the information provided by the foundation's management.

The balance sheet as of December 31, 2014, the statement of income and expenditure 2014 and the notes are components of this interim report.

Scope

We have compiled the interim financial statements in accordance with Dutch law. Our procedures were limited primarily to gathering, processing, classifying and summarising financial information.

Should you have any questions, please feel free to contact us.

Yours sincerely,



MAEK Advies
Mr. M.C. Ruitenbeek MSc

1.1 Financial position

Below we provide an analysis of the foundation's financial position, based on the balance sheet.

| | 31.12.2014 | 31.12.2014 |
|--------------------------------------------------|------------|------------|
| | € | € |
| In short term available: | | |
| Receivables | 30.679 | |
| Cash and cash equivalents | 188.989 | |
| Total current assets | 219.668 | 219.668 |
| Less: current liabilities | | 9.310 |
| Working capital | | 210.358 |
| Fixed on long term: | | |
| Tangible fixed assets | 1.931 | |
| Funded with on long term available assets | | 1.931 |
| | | 212.289 |
| Funding occurred as follows: | | |
| Reserve and funds | | 62.289 |
| Long-term liabilities | | 150.000 |
| | | 212.289 |

2. INTERIM FINANCIAL STATEMENTS

2.1 Balance sheet as of December 31, 2014
(After result appropriation)

| | <u>31.12.2014</u> | |
|--------------------------------------|-------------------|-----------------------|
| ASSETS | € | € |
| Fixed assets | | |
| <i>Tangible fixed assets</i> | | |
| Office equipment | <u>1.931</u> | 1.931 |
| Current assets | | |
| <i>Receivables</i> | | |
| Taxes and premiums social insurance | 679 | |
| Other prepayments and accrued income | <u>30.000</u> | 30.679 |
| <i>Cash and cash equivalents</i> | | 188.989 |
| Total assets | | <u><u>221.599</u></u> |

2.1 Balance sheet as of December 31, 2014
(After result appropriation)

| | <u>31.12.2014</u> | |
|-------------------------------------|-------------------|-----------------------|
| LIABILITIES | € | € |
| Reserves and funds | | |
| Continuity and development reserve | <u>62.289</u> | 62.289 |
| Long-term liabilities | | |
| Other debts | <u>150.000</u> | 150.000 |
| Current liabilities | | |
| Accounts payable | 7.986 | |
| Taxes and premiums social insurance | 1.109 | |
| Accrued liabilities | <u>215</u> | |
| | | 9.310 |
| Total liabilities | | <u><u>221.599</u></u> |

2.2 Statement of income and expenditure 2014

| | 2014 |
|------------------------------------------------|----------------------|
| | € |
| Income | 104.248 |
| Total income | <u>104.248</u> |
| Expenses | |
| Wages and salaries | 16.589 |
| Social insurances | 2.436 |
| Other personnel costs | 12.302 |
| Depreciation tangible fixed assets | 50 |
| Project costs | 3.891 |
| Office costs | 2.114 |
| General costs | 4.577 |
| Total expenses | <u>41.959</u> |
| Result | <u><u>62.289</u></u> |
| Destination of the result | |
| Addition to continuity and development reserve | <u><u>62.289</u></u> |

2.3 Notes to the interim financial statements

GENERAL

Stichting European Lawyers Foundation was established on August 27, 2014. The foundation's first financial year ends on December 31, 2015.

Activities

The activities of Stichting European Lawyers Foundation, having its registered office at Neuhuyskade 94, The Hague primarily consist of:

- activities that relate to the exercise of the profession of lawyers, the development of the law and practice pertaining to the rule of law and administration of justice and substantive developments in the law itself, both at a European and international level as well as issues of justice policies in Europe;
- monitor actively the defence of the rule of law, the protection of fundamental and human rights and freedoms, including the right of access to justice and protection of the client, and the protection of democratic values inextricably associated with such rights.

The actual activities are carried out at Neuhuyskade 94, The Hague.

BALANCE SHEET VALUATION POLICIES

General

Valuation of assets and liabilities and determination of the result take place under the historical cost convention. Unless mentioned otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value.

Tangible fixed assets

The tangible fixed assets are valued at acquisition price or manufacturing costs, less the accumulated depreciation and any impairments. The depreciation is based on the expected useful life and is calculated on the basis of a fixed percentage of the acquisition price or manufacturing costs, taking into account any residual value. Depreciation is applied as from the moment the asset is put to use.

Depreciation percentages:

| | |
|------------------|------|
| Office equipment | 20 % |
|------------------|------|

Receivables

Upon initial recognition the receivables are recorded at the fair value and subsequently valued at the amortized cost. The fair value and amortized cost equal the face value. Provisions deemed necessary for doubtful accounts are deducted. These provisions are determined by individual assessment of the receivables.

Cash and cash equivalents

Cash and cash equivalents are valued at nominal value and, insofar as not stated otherwise, are at the free disposal of the foundation. Cash and cash equivalents relate to immediately due and payable withdrawal claims against credit institutions and cash resources.

2.3 Notes to the interim financial statements

Reserve and funds

Continuity and development reserve

Stichting European Lawyers Foundation wants to develop the organisation and ensure sustainability. Therefore the foundation wants to create a continuity and development reserve to cover operational and program costs.

Long-term liabilities

Long-term liabilities concern loans with a term of longer than one year.

Current liabilities

Current liabilities concern debts with a term of less than one year. Upon initial recognition the current liabilities are recorded at the fair value and subsequently valued at the amortized cost.

PRINCIPLES FOR THE DETERMINATION OF THE RESULT

General

The result is determined as the difference between income generated by contributions, subsidies, gifts and others, and the costs and other charges for the year. Income is recognised in the year in which it is realised.

Income

Income is recognised in the period it has been received or by contract agreed. Income that has a specific allocation are accounted for in the notes to the statement of income and expenditure.

Expenses

Expenses are recognised at the historical cost convention and are allocated to the reporting year in which they occurred. As the result of the aforementioned, in instance, income might not match with expenses and are in these cases processed via destination fund and/or reserves.

Employee benefits

Wages, salaries and social security contributions are recognized in the statement of income and expenditure on the basis of the conditions of employment to the extent that they are owed to employees.

Amortisation / depreciation

Amortisation / depreciation is calculated by means of fixed percentages of the purchase price, based on the expected useful life.

2.4 Notes to the balance sheet

ASSETS

FIXED ASSETS

Tangible fixed assets

A summary of the movements of tangible fixed assets is given below:

| | Office equipment | Total 2014 |
|-----------------------------|---------------------|---------------------|
| | € | € |
| Investments | 1.981 | 1.981 |
| Depreciations | (50) | (50) |
| Movements 2014 | <u>1.931</u> | <u>1.931</u> |
| Acquisition value | 1.981 | 1.981 |
| Accumulated depreciations | (50) | (50) |
| Book value as of 31.12.2014 | <u><u>1.931</u></u> | <u><u>1.931</u></u> |

CURRENT ASSETS

Receivables

| | |
|--------------------------------------------|-------------------|
| | <u>31.12.2014</u> |
| | € |
| Taxes and premiums social insurance | |
| Value added tax | 679 |
| | <u>679</u> |

| | |
|---------------------------------------------|-------------------|
| | <u>31.12.2014</u> |
| | € |
| Other prepayments and accrued income | |
| Amounts to receive | 30.000 |
| | <u>30.000</u> |

| | |
|----------------------------------|-----------------------|
| | <u>31.12.2014</u> |
| | € |
| Cash and cash equivalents | |
| ING, current account | 38.989 |
| ING, saving account | 150.000 |
| | <u><u>188.989</u></u> |

2.4 Notes to the balance sheet

LIABILITIES

RESERVE AND FUNDS

| | <u>2014</u> |
|-------------------------------------------|----------------------|
| | € |
| Continuity and development reserve | |
| Value as of 27.08.2014 | - |
| From result 2014 | <u>62.289</u> |
| Value as of 31.12.2014 | <u><u>62.289</u></u> |

LONG-TERM LIABILITIES

| | <u>31.12.2014</u> |
|--------------------|-----------------------|
| | € |
| Other debts | |
| Loan CCBE | <u>150.000</u> |
| | <u><u>150.000</u></u> |

The part of the other debts with a duration of longer than 5 years is € 150.000.

| | <u>2014</u> |
|------------------------|-----------------------|
| | € |
| <i>Loan CCBE</i> | |
| Value as of 27.08.2014 | - |
| Raised | <u>150.000</u> |
| Value as of 31.12.2014 | <u><u>150.000</u></u> |

The loan has a duration of thirty years. The interest rate is 2% in the period 2015 to 2017. The first repayment is due in October, 2021.

CURRENT LIABILITIES

| | <u>31.12.2014</u> |
|-------------------------|---------------------|
| | € |
| Accounts payable | |
| Trade debts | 2.872 |
| Net salaries | <u>5.114</u> |
| | <u><u>7.986</u></u> |

2.4 Notes to the balance sheet

| | |
|--------------------------------------------|---------------------|
| | <u>31.12.2014</u> |
| | € |
| Taxes and premiums social insurance | |
| Wage tax | <u>1.109</u> |
| | <u><u>1.109</u></u> |
| | <u>31.12.2014</u> |
| | € |
| Accrued liabilities | |
| Amounts to be paid | <u>215</u> |
| | <u><u>215</u></u> |

2.5 Notes to the statement of income and expenditure

| | 2014 |
|-------------------------------------------|----------------|
| | € |
| Income | |
| Projects | 31.652 |
| Nationals Bars' contributions | 31.485 |
| Municipality of The Hague | 30.000 |
| French Bars contribution | 11.111 |
| | <u>104.248</u> |
| Personnel costs | |
| Wages and salaries | 16.589 |
| Social insurances | 2.436 |
| Other personnel costs | 12.302 |
| | <u>31.327</u> |
| Other personnel costs | |
| Temporary employees | 5.192 |
| Reimbursement 30%-ruling | 7.110 |
| | <u>12.302</u> |
| Depreciation tangible fixed assets | |
| Office equipment | 50 |
| | <u>50</u> |
| Project costs | |
| Travel- and subsistence expenses | 3.891 |
| | <u>3.891</u> |
| Office costs | |
| Office equipment | 1.881 |
| Telecommunication | 181 |
| Costs of postage | 52 |
| | <u>2.114</u> |
| General costs | |
| Administrative costs | 1.870 |
| Website costs | 1.100 |
| Bank costs | 37 |
| Other general costs | 1.570 |
| | <u>4.577</u> |