



Annual Report

To the board of

Stichting Musicians without Borders, Alkmaar

On financial statements 2011



Index

Annexes

Compilation report	3
Balance sheet as at December 31, 2011	3
Statement of income and expenses for the year 2011	4
Cash flow overview 2011	6
Notes to financial statements	7
Notes to the balance	9
Notes to the statement of income and expenses	12

Total pages: 16



Tel: +31 (0)33 455 94 00
Fax: +31 (0)33 455 98 15
amersfoort@bdo.nl
www.bdo.nl

BDO Accountants & Belastingadviseurs B.V.
P.O. Box 1418, 3800 BK Amersfoort
Henry Dunantstraat 34, 3822 XE Amersfoort
The Netherlands

Compilation report

Stichting Musicians Without Borders
Attn. L.J. Hassler
Spoortstraat 38
1815 BK ALKMAAR

Amersfoort, December 12, 2012

Dear Board of Directors,

Hereby we offer you the annual report 2011 of Stichting Musicians Without Borders, Alkmaar.

Introduction

In accordance with your instructions we have compiled the financial statements 2011 Stichting Musicians Without Borders, Alkmaar, which comprise the balance sheet as at December 31, 2012, the statement of income and expenses for the year 2011 and the notes.

Management's responsibility

The distinctive feature of a compilation engagement is that we compile financial information based on information provided by management of the entity. Management is responsible for the accuracy and completeness of the information provided and the financial statements based thereon.

Accountant's responsibility

Our responsibility as accountant is to perform our engagement in accordance with Dutch Law, including professional and ethical requirements issued by our professional institute.

In accordance with the professional standard applicable to compilation engagements, our procedures were limited primarily to gathering, processing, classifying and summarizing financial information. Furthermore we have evaluated the appropriateness of the accounting policies which are used to compile the financial statements, based on the information provided by management. The nature of our procedures does not enable us to express any assurance on the true and fair view of the financial statements.



Confirmation

Based on the information provided to us, we have compiled the financial statements using the accounting policies as included in Part 9 of Book 2 of the Dutch Civil Code.

Amersfoort, December 12, 2012

BDO Accountants

Was signed

J. van Rumt RA

Stichting Musicians without Borders, Alkmaar

Balance sheet as at December 31, 2011
(After appropriation of result)

A s s e t s

	<u>2011</u>	<u>2010</u>
	€	€
Fixed assets		
Tangible fixed assets (1)		
Other fixed assets	20	255
	<u>20</u>	<u>255</u>
Receivables and prepayments (2)	12,045	18,745
Cash at bank (3)	92,026	110,851
Total assets	<u>104,091</u>	<u>129,851</u>

R e s e r v e s a n d l i a b i l i t i e s

Reserves and funds

Reserves		
Continuity reserve (4)	-	-
Allocation reserve	71,227	93,934
	<u>71,227</u>	<u>93,934</u>
Current liabilities (5)	32,864	35,917
Total reserves and liabilities	<u>104,091</u>	<u>129,851</u>

Statement of income and expenses for the year 2011

	Actual 2011	Budget 2011	Actual 2010
	€	€	€
Income			
Income from direct fundraising (6)	363,119	460,810	500,472
Income from bankaccounts	2,324	-	512
Total income	365,443	460,810	500,984
Expenses			
Expenditures on objectives (7)			
- Information and education	16,362	-	23,401
- Music projects	293,794	380,991	306,736
Expenditures for generate income (7)			
- Costs of direct fundraising	27,321	20,500	25,268
- Costs of bankaccounts	1,960	-	-
Overhead and administration (7)			
- Costs of overhead and administration	48,713	46,081	38,973
Total expenses	388,150	447,572	394,378
Result	(22,707)	13,238	106,606
Total costs of direct fundraising in % of Income from direct fundraising	8.1	4.4	5.0
Total costs overhead and administration in % of Total income	13.3	10.0	7.8
Total expenditures on objectives in % of Total income	84.9	82.7	65.9

Result appropriation

	Actual 2011	Actual 2010
	<u>€</u>	<u>€</u>
Continuity reserve	-	12,672
Allocation reserve	(22,707)	93,934
	<u>(22,707)</u>	<u>106,606</u>

Cash flow overview 2011

	2011		2010	
	€	€	€	€
Cash flow from operational activities				
Result		(22,707)		106,606
Depreciations		235		851
Changes in working capital:				
– changes in receivables and prepayments	6,700		21,093	
– changes in current liabilities	(3,053)		(40,129)	
		3,647		(19,036)
		(18,825)		88,421
Cash flow from investment activities				
Investments tangible fixed assets	-		-	
		-		-
Net cash flow		(18,825)		88,421
Opening balance cash and cash equivalents		110,851		22,430
Closing balance cash and cash equivalents		92,026		110,851

Notes to financial statements

General

The annual accounts are drawn up according to the accounting principles generally accepted in the Netherlands pursuing RJ 650 (Fundraising Organizations). The annual account is in Euro's and will be compared by the board with the approved budget 2011 and the actual account 2011.

In the year 2011 there has been made a change in the presentation of the positions in the financial statements. Unlike previous years, the funds received and cost spent in the year 2011 are recognized as revenue resp. costs in the year of receipt resp. payment. The costs spent on the projects are recorded as "cost projects" in the Statement of Income and Expenses. The estimate of the expected future project costs from the year 2011 is completely expressed in a reserve. This method of presentation gives a better understanding of the positions in the financial statements. In 2010, under "other liabilities" an amount of € 148.000 had been recorded as "project contributions still to spend". This item will be processed, in accordance with the above, in the Statement of Income and Expenses as income and will be recorded as Reserves and Funds by the appropriation of result.

General notes for valuation assets and liabilities

Tangible fixed assets

Tangible fixed assets are valued at historical purchase price less depreciation, determined on a straight line basis over the estimated useful economic lives of the assets concerned, taking into account any residual values.

Receivables and liabilities

Receivables are recognised at nominal value, less any provision of doubtful accounts. The current liabilities are recognized at nominal value.

Principles of determination of result

General

Revenue and expenses in the statement of income and expense are allocated to the period in which they relate. The result is determined as the difference between income generated by contributions and others, and the costs and other charges for the year.

Costs allocation

The expenses are attributed to the year to which they relate.

All costs are allocated among the cost categories "expenditures on objectives", "expenditures for generate income" and "overhead and administration". This was done by the VFI expressed breakdown of other costs.

Cash flow overview

The cash flow overview is put together according to the indirect method. Cash flows from foreign currencies are converted with the average exchange rate. Exchange rate differences are shown separately in the cash flow overview. The received and paid interest is included in the cash flow from operational activities.

Notes to the balance

Tangible fixed assets (1)

The changes in tangible fixed assets are listed below:

	Other fixed assets	Total	
	€	€	
Book value January 1, 2011	255	255	
Depreciation		235	235
Book value December 31, 2011	<u>20</u>	<u>20</u>	
Closing balance December 31, 2011			
Acquisition costs	255	255	
Accumulated depreciation	235	235	
	<u>20</u>	<u>20</u>	

The other fixed assets are depreciated over a life term of five years. The fixed assets are for the business.

Receivables and prepayments (2)

The receivables and prepayments are specified as follows:

	2011	2010
	€	€
Benefits/funds/donations still to receive	9,000	8,378
Donations still te receive from America	-	9,622
Other receivables and prepayments	3,045	745
Total	<u>12,045</u>	<u>18,745</u>

Cash at Bank (3)

The cash is freely available to the foundation.

Reserves (4)

The changes in the reserves are listed below:

	Continuity Reserve	Allocation reserve	Total
	€	€	€
Opening balance January 1, 2011	-	93,934	93,934
Appropriated result	-	(22,707)	(22,707)
Closing balance December 31, 2011	-	<u>71,227</u>	<u>71,227</u>

Continuity Reserve

The continuity reserve is formed to cover risks in the short term and to ensure that the foundation continue its obligations

Allocation Reserve

Allocation reserves are reserves for which the executive board determined a restriction on spending. Allocation reserves are not required to be paid by year-end 2011. The executive board may remove the restriction on spending.

The appropriated reserves are as follows:

- | | | |
|------------------------------|---|--------|
| • Project Matra | € | 57,448 |
| • Project Palestine Training | € | 13,779 |

Current liabilities (5)

The current liabilities are specified as follows:

	2011	2010
	€	€
Creditors	13,912	15,657
Operational costs still to pay	6,553	10,000
Benefits/funds/donations received in advance	5,400	-
Employment taxes	-	4,882
Other current liabilities	6,999	5,378
	<u>32,864</u>	<u>35,917</u>

Stichting Musicians without Borders, Alkmaar

Obligations that are not included in the balance sheet

Based in the rent agreements entered into, the annual rent liability amounts to € 7,200.

Notes to the statement of income and expenses

	2011	2010
	€	€
Income from direct fundraising (6)		
Income from projects	246,662	398,134
Benefits	73,603	68,270
Income own activities	35,125	30,653
Store/cd sales	1,406	2,962
Miscellaneous income	6,323	453
	<u>363,119</u>	<u>500,472</u>

Notes to the allocation of expenses (7)

	Objectives		Fundraising	
	Information and education	Music	Direct fundraising	Costs of bankaccounts
	€	€	€	€
Work done by third parties	-	55,603	-	-
Staff costs (7.1)	15,501	61,643	4,532	-
Rent and accommodation	861	3,463	172	-
Depreciation and interest	-	-	-	1,960
Office and general costs	-	173,085	22,617	-
	<u>16,362</u>	<u>293,794</u>	<u>27,321</u>	<u>1,960</u>
			Total	
	Overhead and administration	Total 2011	Budget 2011	Total 2010
	€	€	€	€
Work done by third parties	-	55,603	36,200	14,937
Staff costs (7.1)	21,324	103,000	108,792	174,495
Rent and accommodation	3,156	7,652	7,650	11,398
Depreciation and interest	-	1,960	235	851
Office and general costs	24,233	219,935	294,695	192,697
	<u>48,713</u>	<u>388,150</u>	<u>447,572</u>	<u>394,378</u>

	2011	2010
	€	€
Staff costs (7.1)		
Salaries and wages	92,754	149,667
Social security and pensions	10,246	24,828
	<u>103,000</u>	<u>174,495</u>
	fte's	fte's
Employees	<u>1.6</u>	<u>3.1</u>

Salaries and wages management

Below is a breakdown of the salaries and wages of the management in 2011:

Name	L. J. Hassler
Function	Director
Employment	
Contract	Onbepaald
Hours	36
Part-time rate	90
Period	1/1-31/12
Bezoldiging (EUR)	
Annual income	
Salary	44,064
Holiday payment	3,740
	<u>47,804</u>
Total	
Social security (wg partl)	7,380
Taxable allowances	0
Pensions (wg partl)	0
Other payments	0
Payments termination of employment	0
Total salary 2011 based on 0,9 fte	55,184
Total salary 2010 based on 0,9 fte	55,184

The annual income of € 47,804 from the director remains employed within the ceiling of € 55,905 scheme in the VFI. For an explanation of the policies and principles for management remuneration, refer to the annual report.

	2011	2010
	€	€
Office and general costs (7.2)		
Direct costs objectives	167,788	118,477
Travelling expenses	27,914	43,998
Costs accountant and administration	7,746	4,356
Direct costs fundraising	5,463	8,901
Other office and general costs	11,024	16,965
	<u>219,935</u>	<u>192,697</u>

Signature

Alkmaar, December 12, 2012
Stichting Musicians Without Borders

L.J. Hassler
Directrice

Other information

Audit statement

No audit has been performed in accordance with the statutory size exemption under Article 396, Title 9, Book 2, of the Dutch Civil Code.

Statutory provision regarding appropriation of result

The Annual General Meeting of Shareholders shall determine how much of the remaining profit will be added to reserves.

Proposal appropriation of result

Following the profit appropriation proposed by the Management Board and pursuant to the Articles of Association the loss for 2011 of € 22,707 will be deducted from:

- Allocation reserve € 22,707 -/-

Subsequent events

Until the date of this report there are no subsequent events.