



MUSICIANS WITHOUT BORDERS



FINANCIAL REPORT 2020

FINANCIAL REPORT 2020

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ABOUT MUSICIANS WITHOUT BORDERS

Musicians Without Borders (MWB) is a non-profit Netherlands-based foundation that uses the power of music to bridge divides, connect communities and heal the wounds of war.

Stichting Musicians Without Borders

Tolhuisweg 1
1031 CL Amsterdam
The Netherlands

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FINANCIAL SUMMARY

In 2020, Musicians Without Borders entered a new 3-year strategic cycle. The organization strives for the realization of three main goals: to grow impact, to maintain quality and pursue professionalization, and to preserve its ethos (principles, integrity and community). To achieve these goals MWB's strategic plan focused on strengthening current programs while developing new partnerships and projects; increasing visibility and investing in advocacy; and engaging with new academic, arts and human rights partners and further developing its global platform, art27. To maintain and ensure the quality and professionalism of its actions and programs, the organization continues to invest in professionalization of its staff and trainers, increasing 'in house' expertise and liaising with external advisors.

While the organization was prepared to work toward these objectives, 2020 was the year of the pandemic, and COVID-19 had a strong impact on projects, activities, fundraising, advocacy and the daily work of implementation. Suddenly forced to adapt to a completely new context, the organization invested time and resources in rethinking strategies to continue its programs.

Thanks to new technologies and existing in-house expertise, it was possible to shift many activities to a virtual environment, adapting to the organization's international training, capacity building, and advocacy and continuing to build new regional partnerships. Unavoidably, some projects and activities, especially those involving travel (e.g. advocacy, conferences) and in-person training, were suspended or postponed. The main focus shifted toward enabling local teams to continue and strengthening the infrastructures supporting their work.

The impact of the pandemic is reflected in the financial results, with the realization of about 80% of the budget. The total income raised reflected a significant decrease in comparison with the total income raised over the previous year (2020: € 821,758 vs 2019: €1,065,656). The overall decrease in expenditures, compared to 2019, was about 16% (2020: €857,330 vs 2019: 1,020,002). Despite the decrease in funds, the 2020 organizational result confirms Musicians Without Borders's concentration of expenditures on objectives (88% of total expenditures spent on objectives). These include Musicians Without Borders' projects and programs, its training and development program, and its awareness-raising and advocacy work.

The positive results from past years allowed MWB to consolidate its reserves, which ensured the organization's operations throughout 2020 and into 2021. The organization commits to maintain sufficient reserves necessary and appropriate for continued sustainability. We close an exceptional year with hope for a return to in-person activities, but also faith that we will navigate whatever reality emerges from this period and continue to find ways to bring the power of music to people in need of connections. For more information about the foundation, its organization, activities and events, please refer to Musicians Without Borders' Annual Report 2020, published on our website.

BALANCE SHEET AS AT DECEMBER 31, 2020

(After appropriation of results)

ASSETS

| | 2020 € | 2019 € |
|---------------------------------|----------------|----------------|
| Current Assets | | |
| Receivables and Prepayments (1) | 66,246 | 62,530 |
| Cash at Bank (2) | 336,316 | 323,320 |
| Total Assets | 402,562 | 385,850 |

RESERVES AND LIABILITIES

RESERVE AND FUNDS

Reserves

| | | |
|---------------------------------------|----------------|----------------|
| General Reserve (3) | 146,282 | 115,346 |
| Allocation Reserves (3) | 40,000 | 30,000 |
| Allocation Funds (3) | 86,062 | 162,570 |
| | 272,344 | 307,916 |
| Current Liabilities (4) | 130,218 | 77,934 |
| Total reserves and liabilities | 402,562 | 385,850 |

STATEMENT OF INCOME AND EXPENSES FOR 2020

INCOME

| | Actual 2020 € | Budget 2020 € | Actual 2019 € |
|-------------------------------|------------------|------------------|------------------|
| Income own fundraising (5) | 616,570 | 773,000 | 826,449 |
| Income from governments (5.1) | 205,188 | 266,000 | 239,207 |
| Total Income | 821,758 | 1,039,000 | 1,065,656 |

EXPENSES

Expenditures on objectives (6)

| | | | |
|-----------------------------------|----------------|------------------|----------------|
| Information and Education | 128,172 | 120,823 | 137,139 |
| Music projects | 627,813 | 886,373 | 765,970 |
| Expenditures on objectives | 755,985 | 1,007,196 | 903,109 |

Expenditures on fundraising (6)

| | | | |
|------------------------------------|---------------|---------------|---------------|
| Costs of direct fundraising | 51,262 | 77,517 | 73,795 |
| Costs of bank accounts | 2,822 | 2,853 | 2,572 |
| Expenditures on fundraising | 54,084 | 80,370 | 76,367 |

Overhead and administration (6)

| | | | |
|--------------------------------------|--------|--------|--------|
| Costs of overhead and administration | 47,261 | 60,870 | 40,526 |
|--------------------------------------|--------|--------|--------|

| | | | |
|--|-----------------|------------------|------------------|
| Total expenses | 857,330 | 1,148,436 | 1,020,002 |
| Result before allocation of reserve | - 35,572 | - 109,436 | 45,653 |

| | Actual 2020 | Budget 2020 | Actual 2019 |
|--|-------------|-------------|-------------|
| Total costs of direct fundraising in % of Income from direct fundraising | 9% | 10% | 9% |
| Total costs of management and administration in % of Total Income | 6% | 6% | 4% |
| Total expenditures on objectives in % of Total Income | 92% | 97% | 85% |
| Total expenditures on objectives in % of Total Expenditures | 88% | 88% | 89% |

PROPOSAL APPROPRIATION OF RESULT

Following the result appropriation proposed by the Executive Board, the result of 2020 will be processed as follows:

| | 2020 € | 2019 € |
|---|-----------------|---------------|
| Appropriation to General reserve | 30,936 | - 12,413 |
| Appropriation to Allocation Reserve and Funds | - 66,508 | 58,067 |
| Result | - 35,572 | 45,653 |

CASH FLOW OVERVIEW 2020

| | 2020 € | 2019 € |
|--|-----------------------|-----------------------|
| Cash flow from operational activities | | |
| Result | - 35,572 | 46,653 |
| Depreciations | - | - |
| Change in working capital: | | |
| - Changes in receivables and prepayments | -3,717 | 13,267 |
| - Changes in current liabilities | 52,285 | 8,458 |
| | <u>48,567</u> | <u>21,726</u> |
| | 12,996 | 67,379 |
| Cash flow from investment activities | | |
| Investment tangible fixed assets | - | - |
| | <u>-</u> | <u>-</u> |
| Net cash flow | 12,996 | 67,379 |
| Opening balance cash and cash equivalents | 323,320 | 255,941 |
| Closing balance cash and cash equivalents | <u>336,316</u> | <u>323,320</u> |

The cash flow overview is compiled according to the indirect method. Cash flows from foreign currencies are converted with the applicable exchange rate. The received and paid interest is included in the cash flow from operational activities.

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 Euros and will be compared by the board with the approved budget 2020 and the actual account 2020.

GENERAL NOTES FOR VALUATION ASSETS AND LIABILITIES

RECEIVABLES AND LIABILITIES

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

CASH FLOW OVERVIEW

The cash flow overview is compiled according to the indirect method. Cash flows from foreign currencies are converted with the applicable exchange rate. The received and paid interest is included in the cash flow from operational activities.

PRINCIPLES OF DETERMINATION OF RESULT

GENERAL

Revenues and expenses in the statement of income and expenses are allocated to the period to which they relate. The result is determined as the difference between income generated by contributions and other sources, 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 on fundraising" and "management and administration".

RECEIVABLES AND PREPAYMENTS (1)

Receivables from projects relate to projects that have been implemented in 2020, for which funds from donors are committed but not received as per 31 December 2020. All the receivables are expected to be received within one year. A provision for doubtful receivable is unnecessary.

RECEIVABLES AND PREPAYMENTS (1)

The receivables and prepayments are specified as follows:

| | 2020 € | 2019 € |
|---|---------------|---------------|
| Benefit, funds, donation still to receive (1.1) | 26,813 | 33,438 |
| Other receivables and prepayments (1.2) | 39,433 | 29,092 |
| Total | 66,246 | 62,530 |

Benefit, funds, donation still to receive (1.1)

| | 2020 € | 2019 € |
|---|---------------|---------------|
| Total amount of receivables for the projects and training | 18,937 | 31,090 |
| Total amount of receivables for the general organizational costs: | | |
| - Contributions and pledges | 3,500 | 1,214 |
| - Donations and gifts | 4,376 | 1,134 |
| | 26,813 | 33,438 |

Other receivables and prepayments (1.2)

| | 2020 € | 2019 € |
|---|---------------|---------------|
| Total amount of prepayments for the projects | 23,702 | 23,805 |
| Total amount of prepayments for the general organization costs: | | |
| - Prepayments referred to general costs (deposit, insurance, telephone and website domain registration) | 3,987 | 5,246 |
| - Other receivables – subsidies | 11,709 | |
| - Other receivables | 35 | 42 |
| | 39,433 | 29,092 |

CASH AT BANK (2)

The cash is freely available to the foundation.

| | 31/12/2020 | 31/12/2019 |
|--|----------------|----------------|
| | € | € |
| Petty cash – head office | 2,551 | 1,622 |
| Petty cash – projects | 1,227 | 2,486 |
| Triodos bank #586 #390 | 239,847 | 291,772 |
| ING bank – current and savings account – NL11INGB0008114842 | 81,723 | 19,480 |
| Rabobank Mitrovica Rock School current and savings account – NL03RABO0156184648 | 2,188 | 5,502 |
| PayPal | 8,780 | 2,458 |
| Total cash at bank | 336,316 | 323,320 |

EQUITY – RESERVES AND FUNDS (3)

ORGANIZATION'S RESERVES

General Reserve

The General Reserve is formed to face short and medium term risks and to ensure that the foundation can meet its obligations in the future. The Supervisory Board has determined that the desired level of this reserve based on the perceived risk should not be less than 10% of the budget of the following year. As of the end of the 2020 the Foundation's General Reserve is in line with this amount and will strive to preserve this level of reserve. The organization recognizes the importance of building a stable base of resources and not being dependent on day-to-day fundraising, especially as it is committed to multiple-year grants and partnerships, working in vulnerable contexts: unexpected changes or urgency to respond to may arise at any moment.

Allocation Reserve

Allocation reserves are funds with a specific purpose, for which the Executive Board determines a restriction on spending. Allocation reserves are not required to be paid by year-end. The Executive Board may remove the restriction on spending. There is no external obligation.

Allocation Funds

The Allocation Funds are designated by donors and must be spent on a specific purpose (i.e. project). The funds allocated are vital to the continuation of the Foundation's international projects.

The appropriated reserves and funds are as follows:

GENERAL RESERVE

The changes in the reserve is listed below:

| | 2020 | 2019 |
|------------------------------------|----------------|----------------|
| | € | € |
| Opening balance January 1 | 115,346 | 127,759 |
| Appropriated result | 30,936 | -12,413 |
| Closing balance December 31 | 146,282 | 115,346 |

ALLOCATION RESERVE AND FUNDS

The changes in the allocation reserve and funds are listed below:

| | | |
|--|----------------|----------------|
| Opening balance January 1 | 192,570 | 134,503 |
| Addition to Allocation Reserve and funds | -66,508 | 58,067 |
| Closing balance December 31 | 126,062 | 192,570 |

Allocation funds

| | 2020 € | 2019 € |
|--|----------------|----------------|
| Western Balkans – Mitrovica Rock School – Music Connects | 14,433 | 57,549 |
| Palestine Community Music | 4,465 | 19,942 |
| Rwanda Youth Music | 31,066 | 46,771 |
| Welcome Notes | 19,605 | 27,000 |
| El Salvador – Armonia Cuscatleca | 6,454 | 2,995 |
| Training courses | - | 2,025 |
| Other funds | 10,039 | 6,288 |
| Subtotal Allocation Funds | 86,062 | 162,570 |
| Allocation reserves | | |
| Art27 | 30,000 | 20,000 |
| Western Balkans – Mitrovica Rock School – Music Connects | 10,000 | 10,000 |
| Total allocation reserves and funds | 126,062 | 192,570 |

CHANGE IN RESERVES AND FUNDS DURING THE YEAR 2020

| | 01/01/2020 € | Decrease € | Increase € | 31/12/2020 € |
|--|-----------------|----------------|---------------|-----------------|
| General reserve | 115,346 | 7,249 | 38,186 | 146,282 |
| Allocation reserve | 30,000 | 20,000 | 30,000 | 40,000 |
| Total reserves | 145,346 | 27,249 | 68,186 | 186,282 |
| Allocation funds | | | | |
| Western Balkans – Mitrovica Rock School – Music Connects | 57,549 | 57,549 | 14,433 | 14,433 |
| Palestine Community Music | 19,942 | 15,477 | - | 4,465 |
| Rwanda Youth Music | 46,771 | 15,705 | - | 31,066 |
| Welcome Notes Europe | 27,000 | 7,395 | - | 19,605 |
| El Salvador – Armonia Cuscatleca | 2,995 | 2,995 | 6,454 | 6,454 |
| Training courses | 2,025 | 2,025 | - | - |
| Other | 6,288 | 5,476 | 9,227 | 10,039 |
| Total allocation funds | 162,570 | 106,622 | 30,114 | 86,062 |
| Total reserves and funds | 307,916 | 133,871 | 98,300 | 272,344 |

CURRENT LIABILITIES (4)

The current liabilities are specified as follows:

| | 2020 | 2019 |
|---|----------------|---------------|
| | € | € |
| Operational costs still to pay (4.1) | 78,307 | 51,961 |
| Grants and donations received in advance (4.2) | 26,230 | - |
| Personnel liabilities (4.3) | 25,681 | 25,973 |
| | 130,218 | 77,934 |
| Operational costs still to pay (4.1) | | |
| Accounts payable – projects countries | 56,577 | 40,063 |
| Accounts payable – head office | 21,730 | 11,898 |
| Total | 78,307 | 51,961 |
| Benefits, funds, donations received in advance (4.2) | | |
| Donations received for project and development | 25,000 | - |
| Other funds received in advance | 1,230 | - |
| Total | 26,230 | - |
| Personnel liabilities (4.3) | | |
| Funds for vacations | 15,260 | 14,121 |
| Employment taxes | 10,421 | 11,852 |
| Total | 25,681 | 25,973 |

Liabilities refer to all the costs which the organization has incurred to implement the project and run the activities during the year 2020. All liabilities are short term and are expected to be paid within one year.

Obligations that are not included in the Balance Sheet. The annual liability for rent of the main office is € 14,656. Rent is paid in advance at the end of every month.

NOTES TO THE STATEMENT OF INCOME AND EXPENSES

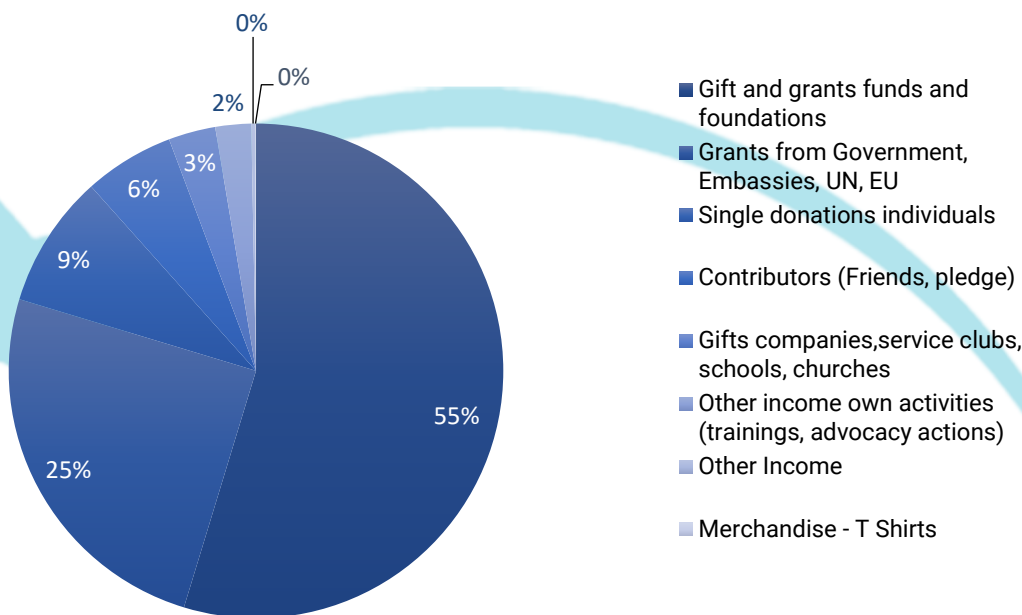
INCOME OWN FUNDRAISING (5)

| | Actual 2020 | Budget 2020 | Actual 2019 |
|-------------------------------------|----------------|------------------|------------------|
| | € | € | € |
| Donations, gifts and grants | 548,380 | 621,000 | 714,306 |
| Contributions and pledges | 48,455 | 88,000 | 53,966 |
| Other income own activities | 17,627 | 62,000 | 50,027 |
| Other income | 1,561 | - | 1,371 |
| Merchandise | 547 | 2,000 | 752 |
| Donations in kind | - | - | 6,028 |
| Total income own fundraising | 616,570 | 773,000 | 826,449 |
| Grants from governments (5.1) | 205,188 | 266,000 | 239,207 |
| Interest income | - | - | - |
| Total income | 821,758 | 1,039,000 | 1,065,656 |

| Income | 2020 | | 2019 | |
|--|----------------|-------------|------------------|-------------|
| | € | % | € | % |
| Donations, gifts and grants from funds and foundations | 449,574 | 55% | 521,109 | 49% |
| Grants from government, embassies, UN, EU | 205,188 | 25% | 239,207 | 22% |
| Single donations individuals | 71,546 | 9% | 113,715 | 11% |
| Contributors (Friends, pledge) | 48,455 | 6% | 53,966 | 5% |
| Gifts from companies, service clubs, schools, churches | 25,259 | 3% | 65,088 | 6% |
| Other income own activities | 19,188 | 2% | 53,957 | 5% |
| Partner organizations | - | 0% | 10,464 | 1% |
| Donations in kind | - | 0% | 6,028 | 1% |
| Other income | 2,000 | 0% | 1,371 | 0% |
| Merchandise | 547 | 0% | 752 | 0% |
| Total income | 821,758 | 100% | 1,065,656 | 100% |

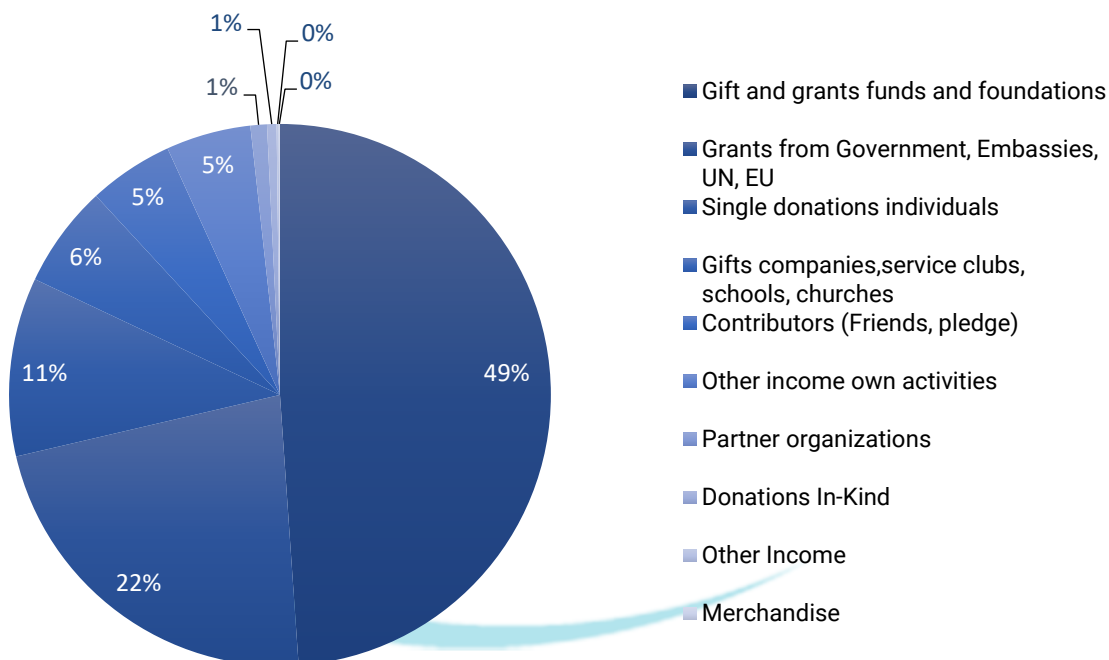
INCOME 2020

Total: € 821,758



INCOME 2019

Total: € 1,065,656



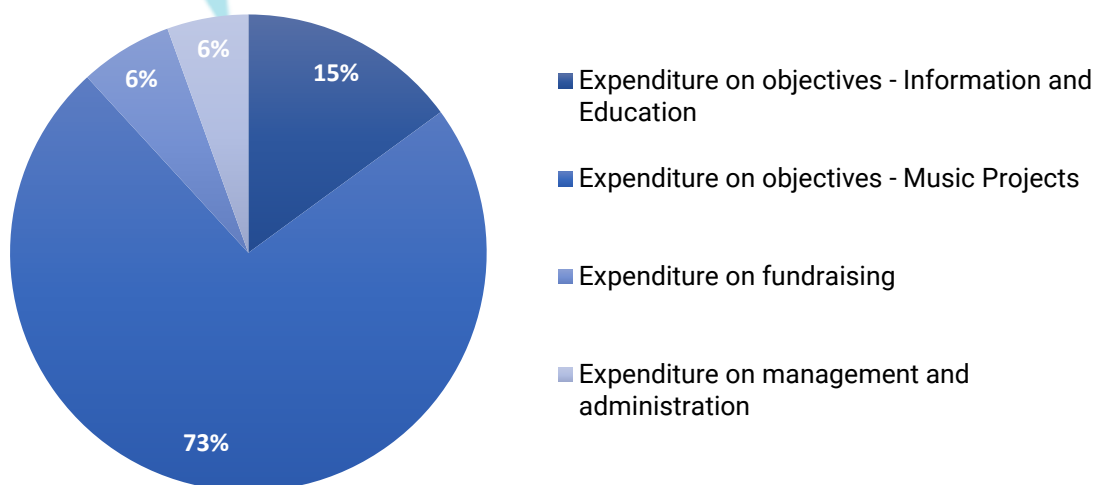
NOTES TO THE ALLOCATION OF EXPENSES (6)

| | Objectives | | Fundraising | |
|----------------------------|---------------------------|-----------------|--------------------|-----------------------|
| | Information and Education | Music (project) | Direct fundraising | Cost of bank accounts |
| | € | € | € | € |
| Work done by third parties | 7,494 | 35,775 | | |
| Staff cost (6.1) | 73,135 | 212,854 | 40,714 | |
| Bank costs and interest | | | | 2,822 |
| Office and general costs | 10,832 | 5,514 | 10,548 | |
| Project costs | 36,711 | 373,670 | | |
| | 128,172 | 627,813 | 51,262 | 2,822 |

| | Management and administration | | Total | | | | |
|----------------------------|-------------------------------|----------------|-------------|------------------|-------------|------------------|-------------|
| | € | Total 2020 | | Budget 2020 | | Total 2019 | |
| | | € | % | € | % | € | % |
| Work done by third parties | 138 | 43,407 | 5% | 41,056 | 4% | 46,020 | 9% |
| Staff cost (6.1) | 33,356 | 360,058 | 42% | 448,872 | 39% | 390,505 | 29% |
| Bank costs and interest | | 2,822 | 0% | 1,600 | 0% | 2,572 | 0% |
| Office and general costs | 13,768 | 40,661 | 5% | 71,334 | 6% | 47,239 | 4% |
| Project costs | | 410,381 | 48% | 585,574 | 51% | 533,666 | 58% |
| | 47,261 | 857,330 | 100% | 1,148,436 | 100% | 1,020,002 | 100% |

TOTAL EXPENDITURE 2020

| | Total | |
|---|----------------|-------------|
| | € | % |
| Expenditure on objectives – Information and Education | 128,172 | 15% |
| Expenditure on objectives – Music Projects | 627,813 | 73% |
| Expenditure on fundraising | 54,084 | 6% |
| Expenditure on management and administration | 47,261 | 6% |
| Total expenditure | 857,330 | 100% |



STAFF COSTS (6.1)

| | 2020 | 2019 |
|--|----------------|----------------|
| | € | € |
| Salaries and wages | 360,604 | 332,783 |
| Social security and pension | 61,626 | 57,477 |
| Subtotal | 422,231 | 390,260 |
| Other costs employees | 489 | 244 |
| Benefit WAZO (maternity/paternity leave) | -30,393 | |
| Subsidies NOW 1.0 | -32,268 | |
| Total | 360,058 | 390,505 |
| | FTE's | FTE's |
| Employees | 7.8 | 7.1 |

SALARIES AND WAGES OF MANAGEMENT

Below is a breakdown of salary and wage of the management in 2020:

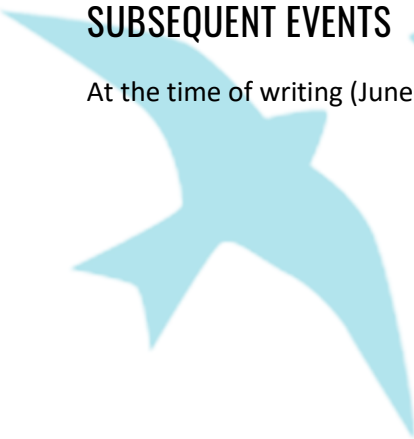
| | |
|------------------------------------|--------------------------|
| Name | L.J. Hassler |
| Function | Executive Board/Director |
| Employment | |
| Contract | Permanent |
| Hours | 40 |
| Part-time rate | 100 |
| Period | 1/1-31/12/2020 |
| Salary | |
| Salary (gross) | 50,616 |
| Holiday payment | 4,049 |
| Total | 54,665 |
| Social security (wg partl) | 3,900 |
| Taxable allowances | - |
| Pensions (wg partl) | 9,996 |
| Other | - |
| Payments termination of employment | - |

APPROPRIATION OF RESULT

On March 3, 2021 the Supervisory Board of Stichting Musicians Without Borders, pursuant of the Article of Association, has discussed Financial Statement of 2020 and the appropriation of result by the Executive Board.

SUBSEQUENT EVENTS

At the time of writing (June 2021) the Foundation is awaiting the final auditor's report.



INDEPENDENT AUDITOR'S REPORT

To: The board of directors and supervisory board of Stichting Musicians Without Borders

A. Report on the audit of the financial statements 2020 included in the annual report

Our opinion

We have audited the financial statements of Stichting Musicians Without Borders based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting Musicians Without Borders as at 31 December 2020 and of its result for 2020 in accordance with the 'RJ-Richtlijn 650 Fondsenwervende instellingen' (Guideline for annual reporting 650 'Fundraising organisations' of the Dutch Accounting Standards Board).

The financial statements comprise:

1. the balance sheet as at 31 December 2020;
2. the profit and loss account for 2020; and
3. the notes comprising of 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 of 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 Stichting Musicians Without Borders 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:

- Directors' report;
- Other information as required by Dutch laws and regulations.

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 Directors' report in accordance with the 'RJ-Richtlijn 650 Fondsenwervende instellingen' (Guideline for annual reporting 650 'Fundraising organisations' of the Dutch Accounting Standards Board).

C. Description of responsibilities regarding the financial statements

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the 'RJ-Richtlijn 650 Fondsenwervende instellingen' (Guideline for annual reporting 650 'Fundraising 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.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement 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 scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- 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 entity'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 the supervisory board 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.

Hilversum, October 25, 2021

KAMPHUIS & BERGHUIZEN
Accountants/Belastingadviseurs

W.G.

T. Wagenaar AA