
Financial report 2021
Stichting European Journalism
Centre
Maastricht

28 March 2022

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Compilation report issued 28 March 2022

Management Board's report

The management board's report is available at the office in Maastricht.

Financial statements

Balance sheet as at 31 December 2021

(After proposal distribution of result)

Assets

		<u>31 December 2021</u>		<u>31 December 2020</u>	
		€	€	€	€
<i>Fixed assets</i>					
Property, plant and equipment	1				
Leasehold improvements		65,975		98,962	
Other fixed assets		13,780		14,608	
			79,755		113,570
<i>Current assets</i>					
Receivables	2				
Trade receivables	3	32,613		60,315	
Taxes and social security charges	4	10,215		9,988	
Other receivables, prepayments and accrued income	5	50,728		49,903	
			93,556		120,206
Cash and cash equivalents	6		3,770,643		3,342,157
Total assets			<u>3,943,954</u>		<u>3,575,933</u>

Equity and liabilities

		<u>31 December 2021</u>		<u>31 December 2020</u>	
		€	€	€	€
Reserves	7		795,036		917,929
Provisions	8				
Provision for dismantling costs		7,884		5,913	
Provision for value added taxes payable	9	15,000		38,077	
			22,884		43,990
Current liabilities	10				
Trade payables		354,545		787,484	
Payables relating to taxes and social security contributions	11	34,142		48,613	
Construction contracts	12	2,566,000		1,656,837	
Other liabilities and accrued expenses	13	171,347		121,080	
			3,126,034		2,614,014
Total equity and liabilities			<u>3,943,954</u>		<u>3,575,933</u>

Income statement for the year 2021

		2021	2020
		€	€
<i>Net Turnover</i>		1,693,816	6,530,444
Changes in projects in progress		1,330,891	260,804
<i>Total operating income</i>		3,024,707	6,791,248
Cost of raw materials		1,648,703	4,907,165
Expenses of employee benefits	14	1,186,482	1,666,735
Depreciation of property, plant and e- equipment		44,499	59,662
Other operating expenses	15	251,257	303,015
<i>Total of sum of expenses</i>		3,130,941	6,936,577
<i>Total of operating result</i>		(106,234)	(145,329)
Interest and similar expenses	16	(16,659)	(25,884)
<i>Total of result after tax</i>		(122,893)	(171,213)

Notes to the financial statements

Entity information

Registered address and registration number trade register

The registered and actual address of Stichting European Journalism Centre is Petrus Regoutplein 1 F 02, 6211 XX in Maastricht. Stichting European Journalism Centre is registered at the Chamber of Commerce under number 41078390.

General notes

The most important activities of the entity

The operations of Stichting European Journalism Centre are mainly comprised of:

- the presentation of a European Meeting place for journalists, fostering the exchange of experiences and opinions and developing projects of common interest;
- the providing of a further education institute for working journalists, editors and proprietors as well as specialization centre for advanced students;
- the providing of services and expertise to third parties in the media world.

Disclosure of estimates

In applying the principles and policies for drawing up the financial statements, the directors of Stichting European Journalism Centre make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

Disclosure of changes in accounting policies

Compared with previous year, there have been no changes in the accounting policies applied.

Conversion of amounts denominated in foreign currency

The financial statement is presented in euros, which is the functional and presentation currency of Stichting European Journalism Centre.

Transactions in foreign currencies are stated in the financial statements at the exchange rate of the functional currency on the transaction date.

Monetary assets and liabilities in foreign currencies are converted to the closing rate of the functional currency on the balance sheet date. The translation differences resulting from settlement and conversion are credited or charged to the income statement.

Non-monetary assets valued at historical cost in a foreign currency are converted at the exchange rate on the transaction date.

Operating leases

The corporation has lease contracts whereby a large part of the risks and rewards associated with ownership are not for the benefit of or incurred by the corporation. The lease contracts are recognised as operational leasing. Lease payments are recorded on a straight-line basis, taking into account reimbursements received from the lessor, in the income statement for the duration of the contract.

Accounting principles

Property, plant and equipment

Property, plant and equipment are valued at historical cost or production cost including directly attributable costs, less straight-line depreciation based on the expected future life and impairments. Impairments expected on the balance sheet date are taken into account.

For obligations to restore the asset after use (dismantling cost) a provision is recognised for the expected amount at the time of capitalisation. This amount is recognised as part of the carrying amount of the asset against which a provision is formed for the full amount.

Impairment of non-current assets

On each balance sheet date, Stichting European Journalism Centre assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the recoverable amount of the asset is determined. If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. An impairment occurs when the carrying amount of an asset is higher than the recoverable amount; the recoverable amount is the higher of the realisable value and the value in use. An impairment loss is directly recognised in the profit and loss account while the carrying amount of the asset concerned is concurrently reduced.

The realisable value is initially based on a binding sale agreement; if there is no such agreement, the realisable value is determined based on the active market, whereby usually the prevailing bid price is taken as market price. For the determination of the value in use, an estimate is made of the future net cash flows in the event of continued use of the asset / cash-generating unit; these cash flows are discounted.

If it is established that an impairment that was recognised in the past no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been reported. An impairment of goodwill is not reversed.

Construction contracts

Projects in progress consist of long term projects which are performed for clients. The projects in progress are carried at project revenue generated, which is comprised of project costs incurred. Where appropriate, recognized losses and progress billings are deducted from project contracts. Project contracts are recognized as a current liability where progress billings exceed project revenue.

Receivables

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is valued at nominal value.

Provisions

Provisions are measured at the best estimate of the amount that is necessary to settle the obligation as per the balance sheet date. The other provisions are carried at the nominal value of the expenditure that is expected to be necessary in order to settle the obligation, unless stated otherwise.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Revenue recognition

Net turnover comprises the income from projects in progress. When progression is made on a project the revenue and also these cost are taken into account.

When the outcome of a contract can be estimated reliably, contract revenue and costs are recognized as revenue and costs in the income statement under the percentage-of-completion method. The stage of completion is measured by reference to the contract costs incurred up to the balance sheet date as a percentage of total estimated costs for each contract. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized as revenue in the income statement only to the extent of contract costs incurred that are likely to be recoverable; contract costs are recognized as expenses in the period in which they were incurred. When the outcome of a contract can be estimated reliably, revenue is recognized using the percentage-of-completion method by reference to the services provided up to the balance sheet date.

Profit or loss is determined as the difference between contract revenue and contract costs. Contract revenue comprises the initial amount agreed in the contract; variations in contract work, claims and incentive payments are also included in contract revenue to the extent that they may have been agreed with the customer and are capable of being reliably measured. Contract costs comprise costs that relate directly to the specific contract, costs that are attributable to contract activity in general and can be allocated to the contract, and such other costs as are specifically chargeable to the customer under the terms of the contract.

The zero profit method is applied as profit is not a goal neither an expectation. If it is probable that total contract costs will exceed total contract revenue, any expected excess of total contract costs over total contract revenue for the contract is recognized as an expense immediately within cost of sales. The provision for the loss is recognized within construction contracts.

Wages

The benefits payable to personnel are recorded in the income statement on the basis of the employment conditions.

Applied policy of pension costs

Stichting European Journalism Centre applies the liability approach to account for all pension schemes. The premium payable during the reporting year is recorded as an expense. The contributions are recorded as personnel costs from the date that they become payable. Prepaid contributions are reported as accrual if this results in a repayment or a reduction in future payments. Contributions that are not yet paid are included as a liability in the balance sheet.

Depreciation of property, plant and equipment

Tangible fixed assets are depreciated from the date of initial use over the expected future economic life of the asset. Future depreciation is adjusted if there is a change in estimated future useful life.

Gains and losses from the occasional sale of property, plant or equipment are included in depreciation.

Other operating expenses

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

Interest expenses and related expenses

Interest expenses are recognised on a pro rata basis, taking account of the effective interest rate of the liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

Notes to the balance sheet

1 Property, plant and equipment

	<i>Leasehold improve- ments</i>	<i>Other fixed assets</i>	<i>Total</i>
	€	€	€
Balance as at 1 January 2021			
Cost or manufacturing price	164,936	80,879	245,815
Accumulated depreciation	(65,974)	(66,271)	(132,245)
Book value as at 1 January 2021			
	98,962	14,608	113,570
Movements			
Additions	0	10,684	10,684
Depreciation	(32,987)	(11,512)	(44,499)
Balance movements			
	(32,987)	(828)	(33,815)
Balance as at 31 December 2021			
Cost or manufacturing price	164,936	91,565	256,501
Accumulated depreciation	(98,961)	(77,785)	(176,746)
Book value as at 31 December 2021			
	65,975	13,780	79,755

Property, plant and equipment: Economic life

	<i>Property, plant and equipment</i>
Start of the range of the depreciation rate of property, plant and equipment	20.00
End of the range of the depreciation rate	33.00

2 Receivables

Accounts receivable all have a remaining term to maturity of less than one year, unless stated otherwise. The fair value of the accounts receivable is close to the carrying amount, given the current nature of the accounts receivable and the fact that, where necessary, provisions for bad debt have been recognised.

3 Trade receivables

	<u>31-12-2021</u>	<u>31-12-2020</u>
	€	€
Trade receivables	32,613	60,315

4 Taxes and social security charges

	<u>31-12-2021</u>	<u>31-12-2020</u>
	€	€
Wage tax Belgium	4,843	8,019
Value added tax	5,372	1,969
	<u>10,215</u>	<u>9,988</u>

5 Other receivables, prepayments and accrued income

	<u>31-12-2021</u>	<u>31-12-2020</u>
	€	€
Retention money	31,832	36,334
Other debtors	6,589	0
Other receivables and prepaid expenses	12,307	13,569
	<u>50,728</u>	<u>49,903</u>

6 Cash and cash equivalents

	<u>31-12-2021</u>	<u>31-12-2020</u>
	€	€
Triodos Bank	3,750,055	3,326,458
ING Bank N.V.	19,438	14,411
Cash in hand	1,150	1,288
	<u>3,770,643</u>	<u>3,342,157</u>

The cash and cash equivalents are at the Foundation's free disposal.

7 Reserves

Other reserve

	<u>2021</u>	<u>2020</u>
	€	€
Balance as at 1 January	917,929	1,089,142
Appropriation of result	(122,893)	(171,213)
Balance as at 31 December	<u>795,036</u>	<u>917,929</u>

8 Provisions

Other provisions

	<u>31-12-2021</u>	<u>31-12-2020</u>
	€	€
Provision for dismantling costs	7,884	5,913
Provision for value added taxes payable	15,000	38,077
	<u>22,884</u>	<u>43,990</u>

Provision for dismantling costs

	<u>2021</u>	<u>2020</u>
	€	€
Balance as at 1 January	5,913	3,942
Increase taken to result	1,971	1,971
Balance as at 31 December	<u>7,884</u>	<u>5,913</u>

Provision for value added taxes payable

	<u>2021</u>	<u>2020</u>
	€	€
Balance as at 1 January	38,077	61,103
Decrease other provision	(23,077)	(23,026)
Balance as at 31 December	<u>15,000</u>	<u>38,077</u>

The provision for the value added taxes payable was taken into account for the expected payment to the Tax Authorities regarding the value added taxes investigation. The Tax Authorities and Stichting European Journalism Centre has come to an agreement where that the assessments for the year 2016-2018 now fully have been paid and the provision could be released. However, the remaining provision is currently held for the value added taxes assessment over 2019-2021.

10 Current liabilities

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the book value due to their short-term character.

11 Payables relating to taxes and social security contributions

	<u>31-12-2021</u> €	<u>31-12-2020</u> €
Wage tax Netherlands	34,142	48,613

12 Construction contracts

	<u>31-12-2021</u> €	<u>31-12-2020</u> €
Advances received for construction contracts	2,888,141	5,257,882
Capitalised expenses for not yet provided services of construction contracts	(322,141)	(3,601,045)
	<u>2,566,000</u>	<u>1,656,837</u>

The constructions contracts where the work performed exceeds the recognised progress billings (positive value) is EUR 173,399 (2020: EUR EUR 124,720). The constructions contracts where the performed work is lower then the recognised progress billings (negative value) is EUR 497,285 (2020: EUR 1,781,557).

In addition, Stichting European Journalism Centre received a prepayment of a project starting in 2022 for an amount of EUR 2,240,054 which has been presented as part of the project-position.

13 Other liabilities and accrued expenses

	<u>31-12-2021</u> €	<u>31-12-2020</u> €
Repayment obligation COVID-subsidies	103,520	42,366
Holiday allowance	53,464	53,378
Other payables	14,363	25,336
	<u>171,347</u>	<u>121,080</u>

Contingent assets and liabilities

Disclosure of off-balance sheet commitments

The management has started an investigation after the high result in 2017 on its own initiative into the possible tax liability for the corporate income tax. The results of this investigation are not yet known at the time of the finalization of the annual accounts. Any tax liability may have a negative effect on the capital and result, with a maximum impact of approximately EUR 100,000.

The opinion of the management is that there is no tax liability and that the high result of 2017 is exceptional.

Disclosure of operating leases

The property rental commitments for 2022 amount to approximately EUR 27,000 for the Maastricht office and approximately EUR 6,000 for the Brussels office. The rental commitment for the Maastricht office at 31 December 2022 amounts to approximately EUR 46,000 and has an average remaining maturity of 1 years and 8 months. The rental commitment for the Brussels office at 31 December 2022 falls fully due within one year.

Notes to the profit and loss account

14 Expenses of employee benefits

	<u>2021</u>	<u>2020</u>
	€	€
Wages and salaries	929,749	1,246,000
Social security charges	164,047	308,242
Pension contributions	92,686	112,493
	<u>1,186,482</u>	<u>1,666,735</u>

Wages and salaries

	<u>2021</u>	<u>2020</u>
	€	€
Premium transfer allowance	934,687	999,797
Severance pay	(4,938)	246,203
	<u>929,749</u>	<u>1,246,000</u>

Average number of employees

2021

	<u>Number</u>
Average number of employees	17.00

2020

	<u>Number</u>
Average number of employees	24.00

15 Other operating expenses

	<u>2021</u>	<u>2020</u>
	€	€
Other expenses of employee benefits	48,299	36,352
Housing expenses	59,119	97,056
Selling expenses	238	0
Office expenses	37,190	41,185
General expenses	100,706	86,964
Board costs	7,239	6,070
Business development	16,668	30,646
Other expenses	(18,202)	4,742
	<u>251,257</u>	<u>303,015</u>

16 Interest and similar expenses


	<u>2021</u>	<u>2020</u>
	€	€
Other interest expenses	16,659	25,884

Maastricht, 28 March 2022
Stichting European Journalism Centre


V. Partal Montesinos
Chairman


L. Boering
Director


J. van havers
Finance Director


V. Kaimaki
Vice-chairwoman

A. Kuusk
Boardmember


M. Riederer
Boardmember


L. Johansson
Boardmember





Accountant's compilation report

To: The board of Stichting European Journalism Centre

The financial statements of Stichting European Journalism Centre, Maastricht, have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at 31 December 2021 and the income statement for the year then ended 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 4410, 'Compilation engagements', which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are 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 you 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 Stichting European Journalism Centre. 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). You 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 as confidential.

Utrecht The Netherlands, 28 March 2022

PricewaterhouseCoopers Compliance Services B.V.

Richard Kraan

R.M.J. Kraan RA

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