

**ANNUAL REPORT 2013**

**STICHTING EUROPEAN CLEFT ORGANISATION**

**DEN HAAG**

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**European Cleft Organisation Den Haag**

To the board of Stichting European Cleft Organisation  
Mariendijk 43  
2675 SX Honselersdijk

Subject : Annual report 2013  
Reference : 0832/2013  
Date : Den Haag, 16 July 2014

Dear Sirs,

We hereby send you in draft the annual report regarding the financial statements for the year 2013 of your foundation.

**Compilation report on financial statements**

**No opinion included**

Because the activities of the provided engagement have not been finalized, we are not allowed to include an opinion in this report.

**General**

**Activities**

The activities of Stichting European Cleft Organisation are mainly improving healthcare concerning cleft, sharing information about treatment, raising funds.

**Board**

The board of the foundation:

President : Mr. G.W. Davies  
Secretary : Mr. A.D.G. Vorderman  
Treasurer : Mrs. M. Winkels-Ryan

**Tax**

The foundation has no taxable activities.  
Therefor the foundation has not an obligation to pay Value Added Tax (VAT).

**ANBI status**

The organisation received the ANBI status issued by the Dutch Authorities.

Your sincerely,

mr. P.K. Surjbalisingh  
HKS administratie- en belastingadvieskantoor

**FINANCIAL STATEMENTS 2013**

European Cleft Organisation Den Haag

| BALANCE SHEET AS PER                  | <u>31 December 2013</u> | <u>31 December 2012</u> |
|---------------------------------------|-------------------------|-------------------------|
|                                       | €                       | €                       |
| <b>ASSETS</b>                         |                         |                         |
| <b>Computers</b>                      |                         |                         |
| Computers                             | 1.051                   | 1.051                   |
| Depreciation                          | <u>-300</u>             | <u>-88</u>              |
|                                       | 751                     | 963                     |
| <b>Debtors</b>                        |                         |                         |
| Stichting FARO                        | 0                       | 1.600                   |
| University Glasgow                    | 465                     | 465                     |
| Resurgens Foundation Project Funds    | <u>26.398</u>           | <u>21.014</u>           |
|                                       | 26.863                  | 23.079                  |
| <b>Current assets</b>                 |                         |                         |
| ING bank nr. 4466591                  | 4.944                   | 3.181                   |
| ING bank nr. 4466591 deposit          | <u>61.404</u>           | <u>79.066</u>           |
|                                       | 66.348                  | 82.247                  |
| <b>Receivables</b>                    |                         |                         |
| Interest ING bank nr. 4466591 deposit | 795                     | 1.538                   |
| Computer trade in                     | 300                     | 300                     |
| Subsidies COST Action                 | <u>822</u>              | <u>0</u>                |
|                                       | 1.917                   | 1.838                   |
|                                       | <u><u>95.879</u></u>    | <u><u>108.127</u></u>   |

| BALANCE SHEET AS PER                | <u>31 December 2013</u> | <u>31 December 2012</u> |
|-------------------------------------|-------------------------|-------------------------|
|                                     | €                       | €                       |
| <b>EQUITY AND LIABILITIES</b>       |                         |                         |
| <b>Capital</b>                      |                         |                         |
| Balance as per 1 January            | 101.797                 | 97.672                  |
| Result                              | <u>-10.657</u>          | <u>4.125</u>            |
| Balance as per 31 December          | 91.140                  | 101.797                 |
| <b>Current Liabilities</b>          |                         |                         |
| <b>Accrued Expenses</b>             |                         |                         |
| Bank costs                          | 29                      | 29                      |
| Project costs Spain                 | 0                       | 1.073                   |
| Subscriptions                       | 0                       | 79                      |
| Lecture fees E. Soutby              | 0                       | 2.000                   |
| Volunteer's Allowance 2012 and 2013 | 3.000                   | 0                       |
| Travel costs                        | 660                     | 8                       |
| Accrual website costs               | 0                       | 1.400                   |
| Private deposits                    | 0                       | 228                     |
| Accountant                          | <u>1.050</u>            | <u>1.513</u>            |
|                                     | 4.739                   | 6.330                   |
|                                     | <u><u>95.879</u></u>    | <u><u>108.127</u></u>   |

| INCOME & EXPENDITURE AS PER    | 2013           | 2012           |
|--------------------------------|----------------|----------------|
|                                | €              | €              |
| <b>Donations</b>               |                |                |
| Resurgens/Esperanza Foundation | 116.398        | 134.164        |
| Transforming Faces Canada      | 0              | 0              |
| ESF Scientific Programme       | 10.665         | 10.665         |
| ESF Gateway Digital Library    | 3.832          | 3.832          |
| General donations              | 1.500          | 2.022          |
| Subsidies                      | 5.006          | 3.392          |
|                                | <u>137.401</u> | <u>154.075</u> |
| <b>Projects costs</b>          |                |                |
| Romania                        | 0              | 5.781          |
| Bulgaria                       | 29.894         | 46.332         |
| Spain                          | 1.740          | 1.621          |
| ESF Scientific Programme       | 15.675         | 15.799         |
| ESF Gateway Digital Library    | 3.155          | 3.504          |
| Austrian Standards Office      | 15.000         | 0              |
| European Standards Initiative  | 0              | 339            |
| Planning & Control             | 29.900         | 29.900         |
| Travel & accomodation          | 6.420          | 0              |
|                                | <u>101.784</u> | <u>103.276</u> |
| <b>Expenditure</b>             |                |                |
| PR & fundraising               | 29.900         | 29.900         |
| Travel & Accommodation general | 6.697          | 6.005          |
| Rent office                    | 6.000          | 6.000          |
| Subscriptions                  | 372            | 669            |
| Computer                       | 99             | 115            |
| Legal and Professional Costs   | 500            | 0              |
| Accountant & Administration    | 1.534          | 1.964          |
| Office costs                   | 1.261          | 694            |
| Dutch Chamber of Commerce      | 0              | 24             |
| Website costs                  | 274            | 2.491          |
| Bankcosts                      | 220            | 262            |
| Depreciation computers         | 212            | 88             |
|                                | <u>47.069</u>  | <u>48.212</u>  |
| <b>Operating results</b>       | <u>-11.452</u> | <u>2.587</u>   |
| Transporting                   | -11.452        | 2.587          |

| <b>INCOME &amp; EXPENDITURE AS PER</b> | <b>2013</b> | <b>2012</b> |
|--|-------------|-------------|
|  | €           | €           |
| Transporting                           | -11.452     | 2.587       |
| <b>Financial results</b>               |             |             |
| Interest deposit                       | 795         | 1.538       |
| <b>RESULT</b>                          | -10.657     | 4.125       |

**Notes to the Financial Statements 2013:**

1. Significant Accounting Policies

(a) Statement of Compliance

These accounts have been prepared in accordance with all financial reporting standards applicable in the Kingdom of The Netherlands and accounting policies generally accepted in this jurisdiction.

A summary of the significant accounting policies adopted by Stichting European Cleft Organisation is set out below

(b) Basis of Preparation of the Accounts

(i) The purpose and use of Donations/Grants and Subsidies are approved by the Board of Directors during the quarterly board meetings of Stichting European Cleft Organisation.

(ii) The measurement basis used in the preparation of the accounts is an historical cost basis.

(c) Fixed Assets

Fixed assets of Stichting European Cleft Organisation are stated at cost less accumulated depreciation.

(d) Accounts Receivable and Prepayments

Accounts receivable and prepayments are recognized at fair value. Allowance for any doubtful debt is not applicable at this time.

(e) Donations and Grants

*Resurgens - Project Funds - Accounts Receivable*

Provision for project funds receivable represents final audited project expenditure less amounts received from project sponsors; as at year end. The charge for the year is in accordance with approved budgets authorized at the beginning of the financial year.

The fund is utilized for direct project expenditure and payment to the external project account is made in advance, with reimbursement from sponsors of core funds falling predominantly in subsequent financial years.

There is no sum included for management fees in respect of any project expenditure. Professional Fees for Project Planning and Control are calculated at Euro 25.000 per annum plus French TVA (Value Added Tax) at 20% of total fees for the year, in accordance with EU directives on taxation of services.

*Resurgens – Operating Core Funds*

Overall expenditure for the year is in accordance with approved budgets authorized at the beginning of the financial year. An analysis of minor variances between budget and actual expenditure is available from the Treasurer.

*European Science Foundation – Scientific Programme EuroCleftNET - Accounts Receivable*

Provision for ESF EuroCleftNET represents annual pledges to Stichting European Cleft Organisation, by nominated partners, in the amount of Euro 10.675 per annum (2011-2015) for the abovementioned scientific programme. Accounts receivable reflect outstanding amounts as at year end

The fund is utilized for direct project expenditure and payment on account is made in advance, with reimbursement of contributions falling predominantly within the financial year.

There is no sum included for remuneration in respect of ESF EuroCleftNET and a full list of ESF partners is available from the Treasurer.

*European Science Foundation - Gateway - Accounts Receivable*

ESF Gateway grants represent the covenant to Stichting European Cleft Organisation by the European Science Foundation for the purposes of the abovementioned digital library, the Gateway.

The fund is utilized for direct project expenditure and payment on account is made in advance, with reimbursement of contributions falling predominantly within the financial year.

There is no sum included for remuneration in respect of ESF EuroCleftNET for the current financial period.

*Subsidies*

See Appendix I

(f) Contractual Obligations

(i) Professional Fees

The Board of Directors of Stichting European Cleft Organisation is personally liable for a full three month's fees in respect of EURL Gareth Davies in the amount of Euro 15.000,00 (fifteen thousand euros) inclusive of TVA (Value Added Tax) in the event of sickness, disability or termination of contract. Mr Davies also has personal insurance to cover a variety of eventualities for the purposes of income protection beyond this period and is fully insured for social purposes in his country of residence.

(ii) European Science Foundation EuroCleftNET

The annual covenant including pledge by nominated partners, is in the amount of Euro 15.675 per annum (2011-2015).

(g) Interest Income

Interest income from bank deposits is accrued as per the ING Bank Statement of Interest pertaining to the financial year.

2. Professional Fees

Stichting European Cleft Organisation is run almost entirely by volunteers, with no employees. Specific expertise is remunerated on a project basis and the following professional fees are payable on an ongoing basis.

(a) Fees for Public Relations and Fundraising are payable to EURL G. Davies, and are calculated at Euro 25.000 per annum plus French TVA (Value Added Tax) at 20% of total fees for the year, in accordance with EU directives on taxation of services. A copy of the Attestation for EURL Gareth Davies is available from the Treasurer.

(b) Fees for Project Planning and Control are payable to EURL G. Davies, and are calculated at Euro 25.000 per annum plus French TVA (Value Added Tax) at 20% of total fees for the year, in accordance with EU directives on taxation of services. A copy of the Attestation for EURL Gareth Davies is available from the Treasurer.

3. Depreciation

Depreciation on fixed assets is calculated in accordance with Dutch accounting standards over a five year period.

4. Taxation

Stichting European Cleft Organisation is a registered charity of the Kingdom of The Netherlands with full ANBI status since inception in April 2007 and it is therefore exempt from Income Tax. As per a directive by the Dutch Tax Authorities (Belastingdienst) an exemption has also been granted from registration for the purposes of BTW (Value Added Tax).

A copy of the ANBI Certificates and the Authorisation for exemption from registration for BTW are available from the Treasurer.

5. Travel and Accommodation – Project Expenditure

Expenditure directly related to travel and accommodation for specific project activity is shown as a separate entity. In contrast to 2012, this expenditure was included with individual project costs. For the purposes of clarity, this is now reflected as a single generic project cost.

Appendix I

i) European Science Foundation – ESF EuroCleftNET - Network for Orofacial Clefts Research (2011-2015).

The treatment of ECO's donation to the EuroCleftNET scientific programme has been altered from 2012.

Contributions received from partners will forthwith be treated as donations and the corresponding ECO contribution to the scientific programme of € 15.675 per annum will be reflected in full as expenses in the Income and Expenditure Account.

ii) ESF European Cleft Gateway Digital Library

The treatment of the University of Dundee's donation to the digital library Gateway programme also reflects the above protocol. Contributions received will forthwith be treated as donations and the corresponding expenses pertaining to the digital library will be reflected in full as expenses in the Income & Expenditure Account.

**Annual report confirmation**

**Den Haag, 16 July 2014**

President: Mr. G.W. Davies

Secretary: Mr. A.D.G. Vorderman

Treasurer: Mrs. M. Winkels-Ryan