



Stichting European Journalism Centre
T.a.v. dhr. Van Havere
Petrus Regoutplein 1 F 02
6211 XX MAASTRICHT

26 april 2019

Referentie: 31019898/RK

Betreft: jaarrekening en publicatiestukken 2018

Geachte heer Van Havere,

Hierbij ontvangt u een exemplaar van de jaarrekening 2018, voorzien van onze getekende samenstellingsverklaring d.d. 26 april 2019.

Ondertekening en vaststelling van de jaarrekening

Eén exemplaar van de jaarrekening dient te worden ondertekend door het bestuur van de stichting. Deze jaarrekening dient te worden vastgesteld in een algemene vergadering en de vaststelling dient te worden genotuleerd. Indien de jaarrekening niet binnen 45 dagen na de datum van afgifte van onze samenstellingsverklaring wordt vastgesteld, vervalt onze toestemming om de jaarrekening inclusief onze samenstellingsverklaring te gebruiken. Wij verzoeken u in dat geval met ons contact op te nemen om de situatie te bespreken.

Gebeurtenissen na balansdatum

Overigens wijzen wij erop dat, indien tot de algemene vergadering omstandigheden (gebeurtenissen na balansdatum) blijken die aanpassing van de jaarrekening noodzakelijk maken, een dergelijke aanpassing nog vóór de algemene vergadering moet worden gemaakt op grond van het bepaalde in artikel 2: 362 lid 6 en artikel 2: 392 lid 1 letter g BW.

Voor nadere informatie kunt u contact opnemen met de heer Ad de Regter van ons kantoor.

Hoogachtend,
PricewaterhouseCoopers Compliance Services B.V.

Richard M.J. Kraan

Drs. R.M.J. Kraan RA
partner

Bijlagen

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Financial report 2018
**Stichting European Journalism
Centre
Maastricht**

26 April 2019

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Management Board's report

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

Financial statements

Balance sheet as at 31 December 2018

(After proposal distribution of result)

Assets

		<u>31 December 2018</u>		<u>31 December 2017</u>	
		€	€	€	€
<i>Fixed assets</i>					
Tangible fixed assets					
	1			0	
Leasehold improvements		164,936			
Other fixed assets		61,627		56,051	
			226,563		56,051
<i>Current assets</i>					
Projects in progress					
			0		12,600
Receivables					
Trade receivables	2			439,937	
Taxes and social security charges	3	87,434		6,349	
Other receivables, prepayments and accrued income	4	4,359			
	5	107,002		86,704	
			198,795		532,990
Cash at banks and in hand	6		3,145,623		2,718,963
Total assets			<u>3,570,981</u>		<u>3,320,604</u>

Shareholders' equity and liabilities

		<u>31 December 2018</u>		<u>31 December 2017</u>	
		€	€	€	€
Equity	7		1,119,951		1,095,415
Provisions					
Other provisions	8		1,971		0
Current liabilities	9				
Accounts payable			747,544		1,178,414
Taxes and social security charges	10		22,298		23,893
Projects in progress	11		526,923		0
Other liabilities and accrued expenses	12		1,152,294		1,022,882
			<u>2,449,059</u>		<u>2,225,189</u>
Total equity and liabilities			<u>3,570,981</u>		<u>3,320,604</u>

Income statement for the year 2018

		2018		2017
		€	€	€
<i>Net Turnover</i>				
		4,837,290		4,315,407
Movements in projects in progress		(539,523)		1,076,676
		<hr/>		<hr/>
<i>Total operating income</i>		4,297,767		5,392,083
Cost of sales		2,425,595		3,682,499
Salaries and wages		1,094,731		738,446
Social security charges		176,347		129,564
Pension contributions		63,179		59,424
Depreciation of tangible fixed assets	13	20,981		7,539
Other operating expenses	14	492,583		354,902
		<hr/>		<hr/>
<i>Total operating expenses</i>		4,273,416		4,972,374
		<hr/>		<hr/>
<i>Operating result</i>		24,351		419,709
Financial income and expense	15	185		1,072
		<hr/>		<hr/>
		24,536		420,781
		<hr/>		<hr/>

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 Oranjeplein 106, 6224 KV 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 statement is 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 property, plant and equipment

As at each balance sheet date, the Company tests whether there are any indications of assets being subject to impairment. If any such indications exist, the recoverable amount of the asset is determined. If this proves to be impossible, the recoverable amount of the cash-generating unit to which the asset belongs is identified.

An asset is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and value in use. An impairment loss is directly recognised in the income statement while the carrying amount of the asset concerned is concurrently reduced.

Fair value less costs to sell is determined based on the active market. For the purposes of determining value in use, cash flows are discounted. An impairment loss is directly expensed in the income statement.

If it is established that a previously recognised impairment loss no longer applies or has declined, the increased carrying amount of the assets in question is not set any higher than the carrying amount that would have been determined had no asset impairment been recognised.

Construction contracts

Projects in progress are carried at project revenue generated, which is comprised of project costs incurred. Where appropriate, recognised losses and progress billings are deducted from project contracts. Project contracts are recognised 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. Provisions for pension are valued on the basis of actuarial principles. 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.

Other provisions

Other kinds of provision are included in accordance with the nominal value of the expenditure which is expected to be necessary to settle the obligations.

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 construction contracts.

When the outcome of a contract can be estimated reliably, contract revenue and costs are recognised 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 recognised as revenue in the income statement only to the extent of contract costs incurred that are likely to be recoverable; contract costs are recognised as expenses in the period in which they were incurred. When the outcome of a contract can be estimated reliably, revenue is recognised 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.

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 recognised as an expense immediately within cost of sales.

The provision for the loss is recognised 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.

Other interest income and related income

Interest income are recognised on a pro rata basis, taking account of the effective interest rate of the assets to which they relate.

Notes to the balance sheet

1 Tangible fixed assets

	<i>Leasehold improve- ments</i>	<i>Other fixed assets</i>	<i>Total</i>
	€	€	€
Balance as at 1 January 2018			
Acquisition costs	0	243,801	243,801
Cumulative depreciation	0	(187,750)	(187,750)
Book value as at 1 January 2018	0	56,051	56,051
Movements			
Investments	164,936	26,557	191,493
Depreciation	0	(20,981)	(20,981)
Balance movements	164,936	5,576	170,512
Balance as at 31 December 2018			
Acquisition costs	164,936	270,358	435,294
Cumulative depreciation	0	(208,731)	(208,731)
Book value as at 31 December 2018	164,936	61,627	226,563
Depreciation percentages	20	20 - 33,33	

The leasehold improvements are deployed in December 2018, the depreciation will start in January 2019.

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>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Trade receivables	108,358	439,937
Provision for doubtful debts	(20,924)	0
	<u>87,434</u>	<u>439,937</u>

4 Taxes and social security charges

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Social security contributions	4,354	4,214
Pension contributions	5	2,135
	<u>4,359</u>	<u>6,349</u>

5 Other receivables, prepayments and accrued income

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Prepaid cost on projects	43,433	29,348
Retention money	42,962	33,386
Other receivables and prepaid expenses	20,607	23,970
	<u>107,002</u>	<u>86,704</u>

6 Cash at banks and in hand

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Deutsche Bank AG	3,009,831	2,528,899
Triodos Bank	119,587	174,903
ING Bank N.V.	14,850	14,850
Cash in hand	1,355	311
	<u>3,145,623</u>	<u>2,718,963</u>

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

7 Equity

Other reserve

	<u>2018</u>	<u>2017</u>
	€	€
Balance as at 1 January	1,095,415	674,634
Appropriation of result	24,536	420,781
Balance as at 31 December	1,119,951	1,095,415

8 Provision for dismantling costs

	<u>2018</u>	<u>2017</u>
	€	€
Balance as at 1 January	0	0
Decrease taken to result	1,971	0
Balance as at 31 December	1,971	0

9 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.

10 Taxes and social security charges

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Wage tax	22,298	23,893

11 Projects in progress

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Capitalized expenses project contracts	(2,295,537)	0
Progress billings	2,822,460	0
	526,923	0

The constructions contracts where the work performed exceeds the recognised progress billings (positive value) is EUR 52,246 (2017: EUR 356,843). The constructions contracts where the performed work is lower then the recognised progress billings (negative value) is EUR 579,169 (2017: EUR 344,243).

12 Other liabilities and accrued expenses

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Prepayments for projects	887,227	935,088
Holiday allowance	119,560	65,434
Grants payable	100,000	0
Other payables	45,507	22,360
	<hr/>	<hr/>
	1,152,294	1,022,882
	<hr/>	<hr/>

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 2019 amount to EUR 26,000 for the Maastricht office and EUR 41,100 for the Brussels office.

The rental commitment for the Maastricht office at 31 December 2018 amounts to EUR 121,333 and has an average remaining maturity of 4 years and 8 months.

The rental commitment for the Brussels office at 31 December 2018 amounts to EUR 147,275 and has an average remaining maturity of 3 years and 7 months.

Notes to the profit and loss account

Average number of employees

2018

Average number of employees	<u>Number</u> 21.40
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2017

Average number of employees	<u>Number</u> 14.00
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13 Depreciation of tangible fixed assets

	<u>2018</u> €	<u>2017</u> €
Other fixed assets	20,981	7,539

14 Other operating expenses

	<u>2018</u> €	<u>2017</u> €
Other staff expenses	47,405	65,641
Housing expenses	120,844	96,170
Office expenses	50,900	47,861
General expenses	109,245	82,995
Board costs	9,031	16,657
Business development	150,471	44,517
Other expenses	4,687	1,061
	<u>492,583</u>	<u>354,902</u>



Accountant's compilation report

To: The management 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 2018 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, 26 April 2019

PricewaterhouseCoopers Compliance Services B.V.

Richard M.J. Kraan

R.M.J. Kraan RA

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15 Financial income and expense

	<u>2018</u>	<u>2017</u>
	€	€
Interest and similar income	185	1,072
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Maastricht, 26 April 2019
Stichting European Journalism Centre

V.Partal Montesinos
Chairman



V.Kaimaki
Vice-chairwoman



L.Johansson



M.Riederer



A.Kuusk

C.H.Becket

