

**Financial statements for the period January
1, 2014 through December 31, 2014**

**Foundation "Stichting Financiering
Koninklijk Concertgebouworkest"**

Amsterdam

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Annual report

General information

Statutory name: Stichting Financiering Koninklijk Concertgebouworkest

Vested: Amsterdam

Legal form: Foundation

Management

The management consists of

J.D.J. Raes

Board of management

The board of management consists of

A.L. van Lynden van Sandenburg, Chairman

P. Schnabel, Treasurer

C.P.A.J. Leenaars

H.M. Rieken

Principal activities

The foundation's objectives are to obtain financial funds – other than government grants – to support the Foundation "Stichting Koninklijk Concertgebouworkest" in order to develop the highest possible level, of the most extensive repertoire.

Board of management decision

During fiscal year 2014 and begin 2015 the board of management has made no decisions with significant influence on the financial statements.

Net Assets

The debit balance of € 4,346 for the period 2014 is transferred to the Other reserves that, as of December 31, 2014 amounts to € 745,292. The other reserves are free of disposable for the principal activities of the foundation.

Amsterdam, March 26, 2015

The Management,

J.D.J. Raes

Financial statements

**1 Balance sheet as of December 31, 2014
(before appropriation of the result for the year)**

		<u>December 31, 2014</u>		<u>December 31, 2013</u>	
	Notes	€	€	€	€
<i>Current assets</i>					
Receivables	4.1				
Current account "Koninklijk Concertgebouworkest"			103,501		289,448
Other receivables			121,744		120,180
Cash and bank balances	4.2		889,389		698,854
			<u>1,114,634</u>		<u>1,108,482</u>
Net Assets	4.3				
Other reserves		740,946		731,779	
Unallocated results		<u>4,346</u>		<u>9,167</u>	
			745,292		740,946
Short-term liabilities	4.4				
Amounts received in advance			369,342		367,536
			<u>1,114,634</u>		<u>1,108,482</u>

2 Profit and loss account for the period January 1, 2014 through December 31, 2014

		2014	2013
	Notes	€	€
Revenues			
Sponsorship	5.1	1,089,781	1,412,000
Interest income	5.2	4,486	9,308
		<u>1,094,267</u>	<u>1,421,308</u>
Expenditures			
Contribution to the Foundation " <i>Stichting Koninklijk Concertgebouworkest</i> ":			
Sponsor expenses		40,140	70,141
Supplied admission- and season tickets		282,500	300,000
Expenses sponsor concerts		40,000	242,000
Contribution fees guest directors, soloists, choirs and special projects	5.4	727,281	800,000
		<u>1,089,921</u>	<u>1,412,141</u>
Excess of revenue over expenditures		<u>4,346</u>	<u>9,167</u>

3 General notes

3.1 Accounting Year

The fiscal year 2014 covers the period January 1, 2014 through December 31, 2014.

3.2 Principal activities

The foundation's objectives are to obtain financial funds – other than government grants – to support the Foundation “Stichting Koninklijk Concertgebouworkest” in order to develop the highest possible level, of the most extensive repertoire.

3.3 Basis of accounting

The financial statements are prepared in accordance with Guideline for annual reporting 640 ‘Not-for-profit organisations’ of the Dutch Accounting Standards Board. These principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

3.4 Summary of significant accounting policies

General

Unless indicated otherwise, assets and liabilities are stated at nominal value.

Receivables

The receivables are stated at face value. A provision for doubtful accounts is deducted, when necessary.

Income, costs and expenses

Income represents sponsor income as well as all other benefits that are recognized in the fiscal year in which they are realised and earned. Costs and expenses represent expenses related to the year in which these occurred.

4 Notes to the balance sheet

4.1 Receivables

Current account "Stichting Koninklijk Concertgebouworkest"

The current account "Stichting Koninklijk Concertgebouworkest" represents the balance to be settled with "Stichting Koninklijk Concertgebouworkest". At year end 2014 the account has a balance of € 103,501 (prior year € 289,448).

Other receivables

Other receivables of € 121,744 (prior year € 120,180) represent sponsor income € 119,118 to be received on December 31, 2014 and bank interest to be received € 2,626.

4.2 Cash and bank balances

Represents cash at bank, payable on demand.

	December 31, 2014	December 31, 2013
	€	€
ING Bank N.V., current account	265,371	82,196
ING Bank N.V., MKB-extra account	624,018	616,658
	<u>889,389</u>	<u>698,854</u>

4.3 Net assets

	December 31, 2014	December 31, 2013
	€	€
Other reserves	740,946	731,779
Unallocated results of the fiscal period	4,346	9,167
Net Assets	<u>745,292</u>	<u>740,946</u>

4.4 Short-term liabilities

Advances and prepayments

Account represents sponsor income received in advance (€ 369,342; prior year € 367,536). The amount is received in 2014 and concerns sponsor income for the financial year 2015.

5 Notes to the profit and loss account

5.1 Sponsorship

Represents the received sponsorship of:

- ING Groep
- Unilever
- PwC
- De Brauw Blackstone Westbroek
- Allen & Overy
- Stibbe
- Loyens & Loeff
- KLM

These contributions of € 1,089,781 (prior year € 1,412,000) are recognized as revenue in fiscal period 2014.

The sponsor contract agreed in 2014 with KLM comprises a barter transaction. KLM has the obligation to provide €150,000 worth of tickets in 2015.

5.2 Interest income

	January 1, 2014 through December 31, 2014	January 1, 2013 through December 31, 2013
	€	€
Interest on deposits	4,486	8,433
Interest on current-account	-	875
	<u>4,486</u>	<u>9,308</u>

5.3 Analyses of variances between budget and realisation

No budget has been included in the profit and loss account. Due to the fact that the organisation does not use the budget as a primary monitoring tool for the expenses, based on RJ 640, it is not mandatory to include the budget in the financial statements. The organisation's expenses are primarily based on the need for funding from the Stichting Koninklijk Concertgebouworkest.

5.4 Contribution fees guest directors, soloists, choirs and specials projects

Represents the contribution to the fee of guest conductors, soloists and choirs of € 727,281 (prior year € 800,000).



Independent auditor's report

To the board of management of Stichting Financiering Koninklijk Concertgebouworkest

We have audited the accompanying financial statements 2014 of Stichting Financiering Koninklijk Concertgebouworkest, Amsterdam, which comprise the balance sheet as at 31 December 2014, the profit and loss account for the year then ended and the notes, comprising a summary of accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Guideline for annual reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the foundation's preparation and fair presentation of the financial statements 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 foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Ref.: e0350317

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Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Stichting Financiering Koninklijk Concertgebouworkest as at 31 December 2014, and of its result for the year then ended in accordance with the Guideline for annual reporting 640 “Not-for-profit organisations” of the Dutch Accounting Standards Board.

Amsterdam, 26 March 2015
PricewaterhouseCoopers Accountants N.V.

Original has been signed by W. Poot RA

Other information

Appropriation of the result

The debit balance of revenues over expenditures for the period January 1, 2014 through December 31, 2014 of € 4,346 is presented in the balance sheet under unallocated results, pending designation by the board.

Management proposes to designate these funds to "other reserves". It is expected that the board will approve and will designate these funds to "other reserves".

Appendix

Details on profit and loss accounts

	<u>2014</u>	<u>2013</u>
	€	€
Sponsored expenses		
Sponsor co-ordination	-	30,000
Additional sponsoring expenses	40,000	40,000
Other expenses	140	141
	<u>40,140</u>	<u>70,141</u>
Supplied admission and season tickets		
Concert series Amsterdam	139,200	130,000
Concerts Amsterdam	63,800	20,000
Concerts The Netherlands	9,500	-
Opera performances Amsterdam	-	-
Concerts foreign countries	70,000	150,000
	<u>282,500</u>	<u>300,000</u>
Expenses sponsored concerts		
ING Group	40,000	242,000
	<u>40,000</u>	<u>242,000</u>