

**Financial statements for the period
January 1, 2016 through December 31, 2016**

**Foundation "Stichting Financiering
Koninklijk Concertgebouworkest"**

Amsterdam

dubois + co
REGISTER ACCOUNTANTS
Amsterdam 30 MAR 2017
initials for identification purposes:

Contents

Annual report	2
Financial statements	4
1 Balance sheet as of December 31, 2016	5
2 Profit and loss account for the period January 1, 2016 through December 31, 2016	6
3 General notes	7
4 Notes to the balance sheet	8
5 Notes to the profit and loss account	9
Other information	11
Auditors' report	12
Appropriation of the result	14
Appendix	15
Details on profit and loss accounts	16

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

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 2016 and begin 2017 the board of management has made no decisions with significant influence on the financial statements.

Net Assets

The debit balance of € 3,437 for the period 2016 is transferred to the Other reserves that, as of December 31, 2016 amounts to € 752,804. The other reserves are free of disposable for the principal activities of the foundation.

Amsterdam, March 30, 2017

The Management,



J.D.J. Raes

dubois + co
REGISTERED ACCOUNTANTS

Amsterdam, 30 MAR 2017

initials for identification purposes:

Financial statements

1 Balance sheet as of December 31, 2016
(before appropriation of the result for the year)

		<u>December 31,</u> 2016		<u>December 31,</u> 2015	
	Notes	€	€	€	€
<i>Current assets</i>					
Receivables	4.1				
Current account "Koninklijk Concertgebouworkest"			0	398,077	
Other receivables			78,600	63,021	
Cash and bank balances	4.2		952,215	674,733	
			<u>1,030,815</u>	<u>1,135,831</u>	
Net Assets	4.3				
Other reserves		749,367		745,292	
Unallocated results		<u>3,437</u>		<u>4,075</u>	
			752,804	749,367	
Short-term liabilities	4.4				
Amounts received in advance			278,011	386,464	
			<u>1,030,815</u>	<u>1,135,831</u>	

2 Profit and loss account for the period January 1, 2016 through December 31, 2016

		2016	2015
	Notes	€	€
Revenues			
Sponsorship	5.1	1,340,192	1,131,967
Interest income	5.2	3,600	4,190
		<u>1,343,792</u>	<u>1,136,157</u>
Expenditures			
Contribution to the Foundation " <i>Stichting Koninklijk Concertgebouworkest</i> ":			
Contribution fees guest directors, soloists, choirs and special projects	5.4	987,898	826,436
Supplied admission- and season tickets		272,294	225,531
Expenses sponsor concerts		80,000	80,000
Other expenses		163	115
		<u>1,340,355</u>	<u>1,132,082</u>
Excess of revenue over expenditures		<u>3,437</u>	<u>4,075</u>

3 General notes

3.1 Accounting Year

The fiscal year 2016 covers the period January 1, 2016 through December 31, 2016.

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 for small organisations C1 ‘small non-profit organisations’ of the Dutch Accounting Standards Board.

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 2016 the account has a balance of nil (prior year € 398,077).

Other receivables

Other receivables of € 78,600 (prior year € 63,021) relate to sponsor income (€ 75,000) and accrued interest income (€ 3,600). The sponsor income has been settled in 2017 as part of a barter transaction.

4.2 Cash and bank balances

Represents cash at bank, payable on demand.

	December 31, 2016	December 31, 2015
	€	€
ING Bank N.V., current account	21,703	46,742
ING Bank N.V., savings account	930,512	627,991
	<u>952,215</u>	<u>674,733</u>

4.3 Net assets

	December 31, 2016	December 31, 2015
	€	€
Other reserves	749,367	745,292
Unallocated results of the fiscal period	3,437	4,075
Net Assets	<u>752,804</u>	<u>749,367</u>

4.4 Short-term liabilities

Advances and prepayments

Account represents sponsor income received in advance (€ 278,011; prior year € 386,464). The amount is received in 2016 and concerns sponsor income for the financial year 2017.

4.5 Off-balance sheet assets and liabilities

The foundation has long-term agreements with a number of sponsors. The rights arising from these contracts related to periods after 2016 and that have not been invoiced yet, are not shown on the balance sheet.

The annual income amounts to € 1,340,192 and the following amounts fall due:

- | | |
|-------------------------|-------------|
| - within 1 year | € 1,415,584 |
| - between 1 and 5 years | € 4,184,918 |
| - over 5 years | € 3,809,333 |

At December 31, 2016, the foundation has the obligation to provide admission and/or season tickets for approximately € 85.856.

5 Notes to the profit and loss account

5.1 Sponsorship

Represents the received sponsorship of:	contract-expiry date
- ING Groep	31 August 2026
- Unilever	31 December 2025
- De Brauw Blackstone Westbroek	31 August 2017
- Allen & Overy	31 August 2018
- Stibbe	31 August 2018
- Loyens & Loeff	31 August 2019
- PwC	31 August 2017
- KLM	31 December 2017
- Accenture	31 August 2019
- Arcadis	31 August 2021
- CBRE	31 August 2019

These contributions of € 1,340,192 (prior year € 1,131,967) are recognized as revenue in fiscal period 2016.

The sponsor contract agreed in 2016 with KLM comprises a barter transaction. KLM had the obligation to provide €150,000 worth of tickets in 2017.

5.2 Interest income

	January 1, 2016 through December 31, 2016	January 1, 2015 through December 31, 2015
	€	€
Interest on deposits	3,600	4,190
	<u>3,600</u>	<u>4,190</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, it is not mandatory to include the budget in the financial statements. The organisation's expenses are primary 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 € 947,898 (prior year € 786,436).

5.5 Related party transactions

The foundation has related-party transactions with Stichting Koninklijk Concertgebouworkest. All the financial funds obtained by the foundation are available to support Stichting Koninklijk Concertgebouworkest in order to develop the highest possible level, of the most extensive repertoire.

Other information

INDEPENDENT AUDITOR'S REPORT

To: The Management Board of Stichting Financiering Koninklijk
Concertgebouworkest.

A. Report on the audit of the financial statements 2016 included in the annual report

Our opinion

We have audited the financial statements 2016 of Stichting Financiering
Koninklijk Concertgebouworkest based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of
the financial position of Stichting Financiering Koninklijk Concertgebouworkest as
at 31 December 2016 and of its result for 2016 in accordance with the Guidelines
for annual reporting C1 Small not-for-profit organisations of the Dutch Accounting
Standards Board.

The financial statements comprise:

1. the balance sheet as at 31 December 2016;
2. profit and loss account for 2016; and
3. the notes comprising 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 on 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 Financiering Koninklijk Concertgebouworkest 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.

Oranje Nassaulaan 1
1075 AH Amsterdam
Postbus 53028
1007 RA Amsterdam

Telefoon 020 571 23 45
E-mail info@dubois.nl
www.dubois.nl
KvK nummer 34374865



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 the Management Board's report.

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 Management Board's report, in accordance with the Guidelines for annual reporting C1 Small not-for-profit organisations of the Dutch Accounting Standards Board.

C. Description of responsibilities regarding the financial statements

Responsibilities of the Board for the financial statements

The Board is responsible for the preparation and fair presentation of the financial statements, in accordance with the Guidelines for annual reporting C1 Small Not-for-profit organisations of the Dutch Accounting Standards Board is responsible for such internal control as the Board 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, the Board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board 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.

The Board 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.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment 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 e.g.:

- 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 company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board;
- 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 those charged with governance 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.

Amsterdam, 30 March 2017

Dubois & Co. Registeraccountants

Signed on original:
J.J.H.G. Stengs RA and K. Ait Boukdir RA

Appropriation of the result

The debit balance of revenues over expenditures for the period January 1, 2016 through December 31, 2016 of € 3,437 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>2016</u>	<u>2015</u>
	€	€
Supplied admission and season tickets		
Concert series Amsterdam	268,497	209,018
Concerts Amsterdam	-	-
Concerts The Netherlands	-	-
Opera performances Amsterdam	-	-
Concerts foreign countries	3,797	16,513
	<u>272,294</u>	<u>225,531</u>
Expenses sponsored concerts		
ING Group	80,000	80,000
	<u>80,000</u>	<u>80,000</u>
Other expenses		
Bankcharges	163	115
	<u>163</u>	<u>115</u>