

STICHTING CODAM

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2019

Contents

	page
Accountant's compilation report	4
General information	6
Balance sheet	8
Statement of income and expenditure	9
Cash flow statement	10
Accounting policies	11
Division of expenditure	12
Notes to the balance sheet	13
Notes to the statement of income and expenditure	15

ACCOUNTANT'S COMPILATION REPORT

ACCOUNTANT'S COMPILATION REPORT

To: Stichting Codam
Kattenburgerstraat 7
1018 JA Amsterdam

The financial statements of Stichting Codam at Amsterdam have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at December 31, 2019 and the statement of income and expenditure for the period ended December 31, 2019 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 the Guidance for annual reporting 650 "Fundraising Institutions" of the Dutch Accounting Standards Board. 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 Codam. 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, Dutch Code of Ethics). 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.

For further information on the nature and scope of a compilation engagement and the VGBA we refer you to www.nba.nl/uitleg-samenstellingsverklaring.

Heemstede, September 17, 2020

Van Noort Gassler & Co
On behalf of,



R. van Dijck MSc RA

GENERAL INFORMATION

General

Stichting Codam was incorporated on 26th September 2017 in the municipality of Amsterdam, the

Netherlands. The mission objectives is to provide education and skills training in computer programming to train those without jobs now for the jobs of tomorrow.

As a franchisee of the family of Ecole 42 Paris, the curriculum and learning processes have been replicated in the Netherlands to address the shortage of software engineers not just in the Netherlands but around the world. The appeal of the unique learning concept attracts a variety of students and especially those who have not thought about programming before.

Those that do not fit into the traditional education system or those that simply cannot afford an education. Codam offers a unique learning experience to a wider community.

Codam equips people with the right skills and knowledge to make a positive contribution to the world of work. We are convinced that with accessible and innovative education, we can reduce the shortage of software engineers and contribute to the realisation of a more diverse and inclusive tech sector.

Codam Board

The Codam Board is responsible for the management and financial matters of the Stichting and appointed on 26th September 2017.

Corinne Vigreux (Chair & Founder)

Harold Goddijn (Trustee)

Janneke Niesson (Trustee)

Ruben Nieuwenhuis (Trustee, Secretary)

Daniel Roos (Trustee, Treasurer)

Remuneration Policy

All Board members volunteer their time and do not receive any remuneration. They are entitled to be reimbursed for reasonable expenses in line with their attendance at meetings.

Policy Plan

To ensure the policies are met in providing digital skills learning to students aged 18 years and over. Stichting Codam is full funded by the Sofronie Foundation which is founded and funded by Corinne Vigreux. The funding is approved by the Sofronie Board members by grant. Funding includes Capital and Operating costs in managing the Codam building, equipment, staff and students.

Budget and Plan for 2020

The Board have agreed an annual budget of approximately EUR2.4m. Capital expenditure has been approved to install sound proofing, create a separate secure smaller access entry point for evening use and construction work for the auditorium. Plans also include recruiting a Business & Partnership Manager to manage ongoing work internships for students ready to embark on this phase of their learning. Discussions are ongoing to create an after-school computer club to compliment the learning at primary school and a summer activity camp for children aged 9 – 13 years old.

FINANCIAL STATEMENTS 2019

BALANCE SHEET AS AT DECEMBER 31, 2019

		DECEMBER 31, 2019		DECEMBER 31, 2018	
		€	€	€	€
ASSETS					
Non current assets					
Fixed assets	I		5.122.374		5.533.821
Current assets					
Receivables	II	340.172		38.216	
Cash at bank	III	<u>479.881</u>		<u>723.994</u>	
			820.053		762.210
Total assets			<u>5.942.427</u>		<u>6.296.031</u>

		DECEMBER 31, 2019		DECEMBER 31, 2018	
		€	€	€	€
RESERVES AND FUNDS AND LIABILITIES					
Reserves and funds					
Reserves					
Other reserves	IV		5.856.736		5.980.231
Current liabilities					
Accounts payable		26.207		288.285	
Other liabilities	V	21.333		9.951	
Accruals	VI	<u>38.151</u>		<u>17.564</u>	
			85.691		315.800
Total reserves and funds and liabilities			<u>5.942.427</u>		<u>6.296.031</u>

STATEMENT OF INCOME AND EXPENDITURE FOR THE PERIOD ENDED DECEMBER 31, 2019

INCOME	2019 Realised		2019 Budget		2018 Realised	
	€	€	€	€	€	€
Income from fundraising						
Gifts & Donations from other not-for-profit organisations	VII	2.500.000		2.500.000		6.100.000
Gifts and donations from private persons		-		-		900.000
		<u>2.500.000</u>		<u>2.500.000</u>		<u>7.000.000</u>
Other income		-		-		-
Total of income		<u>2.500.000</u>		<u>2.500.000</u>		<u>7.000.000</u>
EXPENDITURE						
Spend on objectives						
Subsidised students' expenditure	VIII	138.466		57.250		33.940
Education and marketing		<u>120.138</u>		<u>120.586</u>		<u>106.136</u>
		258.604		177.836		140.076
Cost of fundraising		-		-		-
Cost of management and administration	IX	2.364.891		2.416.186		879.693
Total of expenditure		<u>2.623.495</u>		<u>2.594.021</u>		<u>1.019.769</u>
Financial expenditure and income		-		-		-
Balance of expenditure and income		<u>-123.495</u>		<u>-94.021</u>		<u>5.980.231</u>
Appropriation of balance expenditure and income						
Retraction from the other reserves		<u>-123.495</u>		<u>-94.021</u>		<u>5.980.231</u>
Balance expenditure and income		<u>-123.495</u>		<u>-94.021</u>		<u>5.980.231</u>

CASH FLOW STATEMENT FOR THE PERIOD ENDED DECEMBER 31, 2019

	2019		2018	
	€	€	€	€
CASH FLOW FROM OPERATING ACTIVITIES				
Operating result	-123.495		5.980.231	
Adjusted for: Depreciation and amortization	<u>700.470</u>		<u>200.999</u>	
		576.975		6.181.230
Changes in working capital				
Receivables	-301.956		-38.216	
Current liabilities	<u>-230.109</u>		<u>315.800</u>	
		-532.065		277.584
CASH FLOW FROM INVESTMENT ACTIVITIES				
Investments in fixed assets	<u>-289.023</u>		<u>-5.734.820</u>	
		-289.023		-5.734.820
Net Cash flow		<u>-244.113</u>		723.994
Cash and cash equivalents at the end of the financial year		723.994		-
Cash and cash equivalents at the beginning of the financial year		479.881		723.994
Change in cash during the period		<u>-244.113</u>		<u>723.994</u>

NOTES TO THE ANNUAL ACCOUNTS

ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with the Guidance for Annual Reporting 650 "Fundraising Institutions" published by the Dutch Accounting Standards Board.

Functional and presentation currency

These financial statements are presented in Euro, which is the foundation's functional currency.

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currencies at exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate of the transaction.

Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Assets and liabilities

All assets and liabilities are stated at nominal values, except when stated otherwise.

Fixed assets

Fixed assets are stated at historical cost less accumulative depreciation. Impairments are taken into consideration; this is relevant in the event that the carrying amount of the asset (or of the cash-generating unit to which the asset belongs) is higher than its realisable value. Depreciation is charged as a fixed percentage of cost, as specified in more detail in the notes to the balance sheet.

Assets in use for objectives or in use for the operations

There are no assets in use for objectives, all of the assets are used for the operations.

Receivables

Receivables are valued at historical cost, if necessary, less a provision for bad debts, which is determined by an assessment of individual items.

Income and expenditure

Income and expenditure are recognised in the period to which they relate on an accruals basis.

Taxation

There are no taxes calculated because the foundation is exempted for corporation tax and value added tax.

DIVISION OF EXPENDITURE FOR THE PERIOD ENDED 2019

	Spend on charitable objectives					Total 2019	Budgeted 2019	Total 2018
	Accommodation grants	Travel grants	Marketing, events and education expenditure	Cost of fundraising	Cost of management and administration			
Cost of charitable activities	116.972	21.493				138.466	57.250	33.940
Fundraising, publicity and communication			120.138			120.138	120.586	106.136
Personnel costs					578.809	578.809	581.774	247.874
Establishment costs					926.366	926.366	948.380	313.362
Administration costs					35.155	35.155	44.238	30.343
Depreciation and amortisation					700.470	700.470	700.000	200.999
Other					124.091	124.091	141.794	87.115
Total Expenditures	116.972	21.493	120.138	-	2.364.891	2.623.495	2.594.021	1.019.769

	Realised 2019	Budget 2019	Realised 2018
Total charitable expenditure in relation to total income (%)	5,5%	2,3%	0,5%
Cost of fundraising in relation to total expenditure (%)	0,0%	0,0%	0,0%

NOTES TO THE BALANCE SHEET**NON-CURRENT ASSETS**

I Fixed assets	December 31, 2019	December 31, 2018
Construction and building capex	4.173.972	4.634.567
Furniture and fixtures	500.015	338.379
Computer equipment	448.387	560.875
Book value at year-end	<u>5.122.374</u>	<u>5.533.821</u>

	Construction and building	Furniture and fixtures	Computer equipment	Total
Book value at December 31, 2018	4.634.567	338.379	560.875	5.533.821
Additions	15.782	262.089	11.152	289.023
Depreciation	-476.377	-100.453	-123.640	-700.470
Book value at December 31, 2019	<u>4.173.972</u>	<u>500.015</u>	<u>448.387</u>	<u>5.122.374</u>
Depreciation rate	10 years	5 years	5 years	

CURRENT ASSETS

II Receivables	December 31, 2019	December 31, 2018
Sofronie foundation funding	300.000	-
Prepayments	39.681	37.411
Net salaries	491	805
	<u>340.172</u>	<u>38.216</u>

III Cash at bank	December 31, 2019	December 31, 2018
Current account Rabobank	486.153	724.016
Rabobank Credit Card	-6.272	-22
Current accounts Rabobank	<u>479.881</u>	<u>723.994</u>

RESERVES AND FUNDS**IV Reserves and funds**

	Balance at December 31, 2018	Balance of expenditure and income	Balance at December 31, 2019
Reserves			
Other reserves	5.980.231	-123.495	5.856.736
Total Reserves and funds	<u>5.980.231</u>	<u>-123.495</u>	<u>5.856.736</u>

LIABILITIES**Current liabilities****V Other liabilities**

	December 31, 2019	December 31, 2018
Wage tax	21.333	9.900
Expense claims	-	51
	<u>21.333</u>	<u>9.951</u>

VI Accruals

	December 31, 2019	December 31, 2018
Accrued holiday allowance	19.377	11.992
Other accruals	18.774	5.572
	<u>38.151</u>	<u>17.564</u>

CONTINGENT LIABILITIES**Operating lease commitments***Plants*

Stichting Codam has a lease contract for plants for the period of June 20th 2019 until June 19th 2022. The annual fee including VAT is approximately € 5.450.

Coffee machines

Stichting Codam has a lease contract for coffee machines for the period of September 15th 2019 until September 14th 2024. The annual fee including VAT is approximately € 2.100.

NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE

INCOME

	<u>2019 Realised</u>	<u>2019 Budgeted</u>	<u>2018 Realised</u>
VII Gifts and donations from other not-for-profit organizations			
Sofronie foundation funding	2.500.000	2.500.000	6.100.000
Total gifts and donations	<u>2.500.000</u>	<u>2.500.000</u>	<u>6.100.000</u>

The funding from the Sofronie foundation is not on a structural basis. Each year the Sofronie foundation decides the size of grant to Codam.

EXPENDITURE

	<u>2019 Realised</u>	<u>2019 Budgeted</u>	<u>2018 Realised</u>
VIII Spend on objectives			
Accommodation grants	116.972	35.757	-
Travel grants	21.493	21.493	33.940
Marketing, events and education costs	120.138	120.586	106.136
Total spend on objectives	<u>258.604</u>	<u>177.836</u>	<u>140.076</u>

	<u>2019 Realised</u>	<u>2019 Budgeted</u>	<u>2018 Realised</u>
IX Cost of management and administration			
Staff costs	578.809	581.774	250.178
Premises costs	926.366	948.380	313.363
Depreciation	700.470	700.000	200.999
Other costs	159.246	186.032	115.153
	<u>2.364.891</u>	<u>2.416.186</u>	<u>879.693</u>

	<u>2019 Realised</u>	<u>2019 Budgeted</u>	<u>2018 Realised</u>
<u>Staff costs</u>			
Gross salaries	426.269	426.482	175.696
Holiday allowance	33.530	34.119	13.516
Social security	69.646	71.418	25.946
Employees benefits	13.296	4.500	22.627
Recruitment costs	5.471	5.445	3.308
Conference and training	8.641	6.050	2.938
Other staff costs	21.956	33.760	6.147
Total staff costs	<u>578.809</u>	<u>581.774</u>	<u>250.178</u>

Employees

The average number of employees during the year, converted to fulltime equivalents is: 9,1 (2018: 4,1).

	<u>2019 Realised</u>	<u>2019 Budgeted</u>	<u>2018 Realised</u>
<u>Premises costs</u>			
Rent	327.840	331.580	108.963
Security costs	379.277	389.728	137.210
Cleaning costs	194.087	184.040	60.730
Repairs and maintenance	20.010	35.627	3.252
Insurance costs	5.152	7.405	3.099
Energy costs	-	-	109
Total premises costs	<u>926.366</u>	<u>948.380</u>	<u>313.363</u>

	<u>2019 Realised</u>	<u>2019 Budgeted</u>	<u>2018 Realised</u>
<u>Other costs</u>			
Licence fees	46.350	46.736	18.000
IT expenditure	10.528	13.249	21.126
Internet costs	7.376	8.930	3.257
Legal and professional fees	10.104	11.495	13.029
Administration costs	9.242	9.075	9.277
Travel and accommodation costs	7.129	18.271	18.893
Entertainment costs	814	-	883
Student supplies	36.888	38.211	4.793
Rent of equipment	4.902	4.902	4.831
Small procurements	5.387	5.387	10.291
Office supplies	6.130	6.130	5.033
Printing and stationery	8.607	10.336	4.005
Subscriptions	4.870	6.050	971
Bank charges	439	1.210	440
Other general costs	480	6.050	324
Total other costs	<u>159.246</u>	<u>186.032</u>	<u>115.153</u>