

STICHTING CODAM

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

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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, 2020 and the statement of income and expenditure for the period ended December 31, 2020 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, June 29, 2021

Van Noort Gassler & Co
On behalf of,



R. van Dijck MSc RA

GENERAL INFORMATION

General information

Codam was incorporated on 26th September 2017 in the municipality of Amsterdam, the Netherlands, as a result of our founder's mission to provide free computer programming education to train those without work for meaningful work in the future.

As a franchise with exclusivity in the Netherlands Codam is part of the 42 family, which provides the curriculum and processes for a worldwide computer programming education.

Advancements in technology are creating new jobs but also a lack of skilled staff ready to seize these opportunities. Upskilling talent will ensure further technical progress, but importantly even more people can develop and benefit from the current technical need and be well placed for the needs of the future.

Codam does not require diplomas or degrees only the motivation and tenacity to complete the assessment "Piscine". The application is open to anyone over 18 who is looking to acquire a new skill to improve their chances of finding work.

Stichting Codam is managed by a Board of Trustees responsible for the management and financial matters.

Codam Board

Corinne Vigreux (Chair & Founder)
 Harold Goddijn (Trustee)
 Janneke Niesson (Trustee, Secretary)
 Ruben Nieuwenhuis (resigned 25th September 2020)
 Daniel Roos (Trustee, Treasurer)
 Paul Zevenbergen (Trustee)

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

Stichting Codam is fully funded currently by the Sofronie Foundation which is founded and funded by Corinne Vigreux. All funding is considered and approved by the Sofronie Board members and formally provided by an annual grant. This grant will include Capital and Operating cost in managing the Codam building, equipment, staff and students.

Budget and Plan for 2021

Codam was challenged by the impact of Covid-19 and the preventative and safety measures put in place to safeguard students and staff. Remote working was implemented, and a system of reduced access operated to ensure students could continue with their course. The new student intake was affected by these changes due to the reduction of assessment "Piscine's" available and slightly less students able to participate in the process.

However, encouraging signs for 2021 and particularly with improvements in the gender balance. Of the cohort that passed the assessment "Piscine" in 2020, 41% were female.

Work has been developed to the programme and Codam can now offer a Core syllabus extending to an Advanced module, similar to the academic BA (Bachelor of Arts) and MA (Master of Arts).

A recent study rated the student body as, highly satisfied and the Business partners reported that Codam interns were highly motivated and skilled.

The Codam team are working towards reaching potential students who are not located in Amsterdam and are working on a model that could be managed by Codam Amsterdam but delivered through satellite hubs. Plans are in early stages as we seek collaboration with partners who share the same vision.

FINANCIAL STATEMENTS 2020

BALANCE SHEET AS AT DECEMBER 31, 2020

	DECEMBER 31, 2020		DECEMBER 31, 2019	
	€	€	€	€
ASSETS				
Non current assets				
Fixed assets	I	4,549,590		5,122,374
Current assets				
Receivables	II	37,188	340,172	
Cash at bank	III	<u>789,529</u>	<u>479,881</u>	
		826,716		820,053
Total assets		<u><u>5,376,306</u></u>		<u><u>5,942,427</u></u>

	DECEMBER 31, 2020		DECEMBER 31, 2019	
	€	€	€	€
RESERVES AND FUNDS AND LIABILITIES				
Reserves and funds				
Reserves				
Other reserves	IV	5,304,315		5,856,736
Current liabilities				
Accounts payable		17,081	26,207	
Other liabilities	V	27,065	21,333	
Accruals	VI	<u>27,846</u>	<u>38,151</u>	
		71,992		85,691
Total reserves and funds and liabilities		<u><u>5,376,306</u></u>		<u><u>5,942,427</u></u>

STATEMENT OF INCOME AND EXPENDITURE FOR THE PERIOD ENDED DECEMBER 31, 2020

INCOME	2020 Realised		2020 Budget		2019 Realised	
	€	€	€	€	€	€
Income from fundraising						
Gifts & Donations from other not-for-profit organisations	VII	2,000,000		2,000,000		2,500,000
Gifts and donations from private persons		-		-		-
		<u>2,000,000</u>		<u>2,000,000</u>		<u>2,500,000</u>
Other income		3,448		-		-
Total of income		<u>2,003,448</u>		<u>2,000,000</u>		<u>2,500,000</u>
EXPENDITURE						
Spend on objectives						
Subsidised students' expenditure	VIII	85,706		86,000		138,466
Education and marketing		<u>30,626</u>		<u>33,275</u>		<u>120,138</u>
		116,332		119,275		258,604
Cost of fundraising		-		-		-
Cost of management and administration	IX	2,439,538		2,480,313		2,364,891
Total of expenditure		<u>2,555,869</u>		<u>2,599,588</u>		<u>2,623,495</u>
Financial expenditure and income		-		-		-
Balance of expenditure and income		<u>-552,421</u>		<u>-599,588</u>		<u>-123,495</u>
Appropriation of balance expenditure and income						
Retraction from the other reserves		<u>-552,421</u>		<u>-599,588</u>		<u>-123,495</u>
Balance expenditure and income		<u>-552,421</u>		<u>-599,588</u>		<u>-123,495</u>

CASH FLOW STATEMENT FOR THE PERIOD ENDED DECEMBER 31, 2020

	2020		2019	
	€	€	€	€
CASH FLOW FROM OPERATING ACTIVITIES				
Operating result	-552,421		-123,495	
Adjusted for: Depreciation and amortization	<u>735,502</u>		<u>700,470</u>	
		183,081		576,975
Changes in working capital				
Receivables	302,985		-301,956	
Current liabilities	<u>-13,699</u>		<u>-230,109</u>	
		289,285		-532,065
CASH FLOW FROM INVESTMENT ACTIVITIES				
Investments in fixed assets	<u>-162,719</u>		<u>-289,023</u>	
		-162,719		-289,023
Net Cash flow		<u>309,647</u>		<u>-244,113</u>
Cash and cash equivalents at the end of the financial year		789,529		723,994
Cash and cash equivalents at the beginning of the financial year		479,881		479,881
Change in cash during the period		<u>-309,648</u>		<u>-244,113</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 2020

	Spend on charitable objectives				Cost of fundraising	Cost of management and administration	Total 2020	Budgeted 2020	Total 2019
	Accommodation grants	Travel grants	Health insurance	Marketing, events and education expenditure					
Cost of charitable activities	65,835	17,605	2,266			85,706	86,000	138,466	
Fundraising, publicity and communication				30,626		30,626	33,275	120,138	
Personnel costs					677,050	677,050	695,469	578,809	
Establishment costs					839,435	839,435	859,770	926,366	
Administration costs					26,797	26,797	43,764	35,155	
Depreciation and amortisation					735,502	735,502	700,000	700,470	
Other					160,753	160,753	181,311	124,091	
Total Expenditures	65,835	17,605	2,266	30,626	-	2,439,538	2,555,869	2,599,588	2,623,495
					Realised 2020	Budget 2020	Realised 2019		
Total charitable expenditure in relation to total income (%)					4.3%	4.3%	5.5%		
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	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Construction and building capex	3,834,352	4,173,972
Furniture and fixtures	388,025	500,015
Computer equipment	327,213	448,387
Book value at year-end	<u><u>4,549,590</u></u>	<u><u>5,122,374</u></u>

	Construction and building capex	Furniture and fixtures	Computer equipment	Total
Book value at December 31, 2019	4,173,972	500,015	448,387	5,122,374
Additions	144,247	14,966	3,506	162,719
Depreciation	-483,866	-126,956	-124,680	-735,502
Book value at December 31, 2019	<u><u>3,834,352</u></u>	<u><u>388,025</u></u>	<u><u>327,213</u></u>	<u><u>4,549,590</u></u>
Depreciation rate	10 years	5 years	5 years	

CURRENT ASSETS

II Receivables	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Sofronie foundation funding	-	300,000
Prepayments	37,188	39,681
Net salaries	-	491
	<u><u>37,188</u></u>	<u><u>340,172</u></u>

III Cash at bank	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Current account Rabobank	789,864	486,153
Rabobank Credit Card	-335	-6,272
Current accounts Rabobank	<u><u>789,529</u></u>	<u><u>479,881</u></u>

CAPITAL AND LIABILITIES**IV Capital**

	Balance at December 31, 2020	Balance at December 31, 2019
Capital		
Capital and reserves	5,856,736	5,980,231
Result for the year	-552,421	-123,495
Total capital and reserves	<u>5,304,315</u>	<u>5,856,736</u>

LIABILITIES**Current liabilities**

V Other liabilities	December 31, 2020	December 31, 2019
Wage tax	26,086	21,333
Expense claims	979	-
	<u>27,065</u>	<u>21,333</u>

VI Accruals	December 31, 2020	December 31, 2019
Accrued holiday allowance	17,233	19,377
Net salaries	3,705	-
Other accruals	6,908	18,774
	<u>27,846</u>	<u>38,151</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 2021. 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 10th 2018 until September 9th 2023. The annual fee including VAT is approximately € 2.100.

NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE**INCOME**

	<u>2020 Realised</u>	<u>2020 Budgeted</u>	<u>2019 Realised</u>
VII Gifts and donations from other not-for-profit organizations			
Sofronie foundation funding	2,000,000	2,000,000	2,500,000
Total gifts and donations	<u><u>2,000,000</u></u>	<u><u>2,000,000</u></u>	<u><u>2,500,000</u></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>2020 Realised</u>	<u>2020 Budgeted</u>	<u>2019 Realised</u>
VIII Spend on objectives			
Accommodation grants	65,835	66,000	116,972
Travel grants	17,605	18,500	21,493
Health insurance	2,266	1,500	-
Marketing, events and education costs	30,626	33,275	120,138
Total spend on objectives	<u><u>116,332</u></u>	<u><u>119,275</u></u>	<u><u>258,604</u></u>
IX Cost of management and administration			
Staff costs	677,050	695,469	578,809
Premises costs	839,435	859,770	926,366
Depreciation	735,502	700,000	700,470
Other costs	187,550	225,074	159,246
	<u><u>2,439,538</u></u>	<u><u>2,480,313</u></u>	<u><u>2,364,891</u></u>

	<u>2020 Realised</u>	<u>2020 Budgeted</u>	<u>2019 Realised</u>
<u>Staff costs</u>			
Gross salaries	514,591	515,585	426,269
Holiday allowance	37,294	41,247	33,530
Social security	89,222	91,095	69,646
Employees benefits	3,272	5,166	13,296
Recruitment costs	497	-	5,471
Conference and training	979	6,050	8,641
Student conseler	10,855	12,514	9,828
Other staff costs	20,340	23,812	12,128
Total staff costs	<u>677,050</u>	<u>695,469</u>	<u>578,809</u>

Employees

The average number of employees during the year, converted to fulltime equivalents is: 11,8 (2019: 9,1).

	<u>2020 Realised</u>	<u>2020 Budgeted</u>	<u>2019 Realised</u>
<u>Premises costs</u>			
Rent	334,994	334,993	327,840
Security costs	289,334	302,954	379,277
Cleaning costs	182,481	187,951	194,087
Repairs and maintenance	24,678	26,320	20,010
Insurance costs	7,948	7,553	5,152
Energy costs	-	-	-
Total premises costs	<u>839,435</u>	<u>859,770</u>	<u>926,366</u>

	<u>2020 Realised</u>	<u>2020 Budgeted</u>	<u>2019 Realised</u>
<u>Other costs</u>			
Licence fees	103,497	117,600	46,350
IT expenditure	12,724	12,100	10,528
Internet costs	8,314	8,930	7,376
Legal and professional fees	9,990	17,545	10,104
Administration costs	7,699	9,075	9,242
Travel and accommodation costs	595	1,742	7,129
Entertainment costs	199	-	814
Student supplies	16,720	16,638	36,888
Rent of equipment	4,624	5,546	4,902
Small procurements	3,393	5,546	5,387
Office supplies	1,946	5,546	6,130
Printing and stationery	2,974	4,840	8,607
Subscriptions	9,037	12,100	4,870
Charity donations	3,025	-	-
Bank charges	519	605	439
Postage and courier	1,065	1,210	-
Other general costs	1,229	6,052	480
Total other costs	<u>187,550</u>	<u>225,074</u>	<u>159,246</u>