

STICHTING NAB
THE HAGUE

Annual Report 2023

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FINANCIAL REPORT

MANAGEMENT REPORT 2023

Incorporation of the organization

The foundation (“Stichting”) Netherlands Advisory Board on impact investing (“NAB”) was established on November 26, 2020. The first financial year was an extended financial year from November 26, 2020 through to December 31, 2021. The financial year 2022 & 2023 were normal calendar years.

General

The NAB is an independent, non-profit organisation that aims to accelerate the growth and improve the effectiveness of the impact investing market. To help increase the scale and efficiency of the Dutch impact investing ecosystem, the NAB focuses its activities and working groups on three areas that help us in driving real impact: engage, inspire, and catalyse. Further details about the objectives of the NAB and how these were achieved in 2023 can be found in the 2023 Impact Report.

Governance

The Board is formed to be representative of the main stakeholders of the Dutch Impact investing ecosystem. The Board is the curator of the national impact investing agenda, determines the NAB strategy and exercises oversight.

In 2023, the Board of the NAB consisted of the following individuals:

- Yvonne Bakkum, Chair of the NAB Board, Managing Director of FMO Investment Management until 30th September 2023, then independent chairperson from 1st October 2023.
- Jack Julicher, Treasurer of the NAB Board, CIO of A.S.R. Insurances, and CEO of A.S.R. Asset Management until 30th April 2023, then independent NAB Board member and Treasurer from 1st May 2023.
- Marnix Mulder, Secretary of the NAB Board, director of market development at Triple Jump.
- Hadewych Kuiper, member of the NAB Board, Managing Director and member of the Management Board of Triodos Investment Management.
- Bjorn Vennema, member of the NAB Board (since December 2022), founder and managing partner at Social Finance NL.
- Willemijn Verloop, member of the NAB Board until 8th December 2023, founder and managing partner of Rubio Impact Ventures.
- Jaap Reinking, member of the NAB Board from 8th December 2023, director Private Equity at FMO.
- Marcel Andringa, member of the NAB Board from 8th December 2023, member of the Management Board at PME pension fund.

The NAB Board, team and community would like to thank Willemijn Verloop for her contributions as Board member of the NAB, and especially for her role as Inaugural Chairperson of the Board from 2019 and until 2021.

Our board members do not receive any remuneration for their work.

The team facilitates the preparation and execution of the agenda of the NAB, coordinating the various working groups and following-up on the action plans. At the end of 2023, 3 employees were employed full-time and 3 were interns. The permanent team is complemented with staff on a consultancy contract.

Activities in 2023

The activities are described in detail in the 2023 Impact report. With the current increase in momentum in the Netherlands, we could still see an acceleration of the adoption of impact investing as an investment strategy by a wider group of stakeholders.

Creating impact and supporting systemic change requires a strong organisation and in this respect 2023 has been a year of transition for the NAB. After receiving a grant for 4 years from the Dutch Ministry of Foreign Affairs, the NAB took several steps to set up policies and procedures, allowing the organisation to become more efficient, transparent and accountable. In addition, the team developed a Monitoring, Evaluation & Learning (MEL) and impact framework that will support the impact goals of our community.

The MoFA grant started from 1st July, later than what we had originally envisaged, resulting in a delay in the implementation of the new activities in 2023.

The NAB started with the development of the capacity of the organisation: the team was built, the NAB upgraded its processes and developed a set of policies to ensure optimal quality of delivery: Code of Conduct, Risk Management, Procurement, Human Resources, Whistle Blowing and Complaints policies were developed in the second half. In addition, a Monitoring Evaluation & Learning (MEL) framework was also developed and will be fine-tuned in subsequent years with the further definition of the Programs activities.

We continued our Ecosystem building work with ongoing events and communication throughout the year (further detailed in the 2023 Impact report): structured access to information (publications, inspiration breakfasts, communication and socials), responding to consultations from regulators and legislators and developing a Dutch public sector sensitization program.

In the second half of 2023, a NAB Advocacy group was formed. With increased collaboration on European policy and regulations, we formed this consultation group of NAB members in order to react or put forward Dutch initiatives more easily. This complements well our European coordination efforts that are very focused on harmonizing advocacy. In 2023, the group coordinated its responses to the European Commission's consultation concerning SFDR.

Finally we initiated our first Program: 10% Target Program, an influencing campaign towards institutional investors to issue a target to allocate 10% of their AuM to impact investments by 2025 and a 4% sub-target allocation to EM. The campaign targets: pension funds, insurance companies, asset managers and banks. On 6 December we officially launched the 10% Target Program with a Top Executives lunch. The lunch was an opportunity to gather representatives from the public and financial sectors on the topic of Effective public-private partnerships and drew a lot of positive reactions. In addition, the team initiated a stakeholders and field analysis to deepen the understanding of underlying barriers to scale up impact investments of this specific group.

In 2023 the community grew to 25 members and 7 ecosystem partners.

In terms of income, the NAB was supported by the members of the community (Eur 97,500) and received a grant from the Dutch Ministry of Foreign Affairs (first payment of Eur 300,000 received in 2023 which has been partially utilized as of 31 December 2023).

Expectations

For 2024, the NAB foresees to expand its operations in pursuit of its mission. The income is projected to keep growing from the members of the community and further payments under the grant from the Ministry of Foreign Affairs will be requested. The Board oversees the plans and activities of the NAB, making sure expenses are well monitored and adjusted to available budget.

War in Ukraine and in Gaza

Consequences of current crises: the board of the NAB does not expect any (negative) financial consequences nor threat to the continuity of the organisation related to the war in the Ukraine or to the war in Gaza.

FINANCIAL STATEMENTS

1 BALANCE SHEET AS AT DECEMBER 31, 2023

(after allocation of the financial result of the extended year)

		December 31, 2023		December 31, 2022	
		€	€	€	€
ASSETS					
Fixed assets					
Tangible fixed assets (1)					
Equipment			1,466		936
Current assets					
Receivables, prepayments and accrued income	(2)	1,264		1,431	
Cash and cash equivalents	(3)	173,079		40,989	
			<u>174,343</u>		<u>42,420</u>
			<u>175,809</u>		<u>43,356</u>

		December 31, 2023		December 31, 2022	
		€	€	€	€
EQUITY AND LIABILITIES.					
Reserves and funds (4)					
General reserve		862		18,915	
Earmarked reserve		135,321		-	
			136,183		18,915
Current liabilities (5)					
Trade creditors		7,006		1,192	
Taxes and social securities		8,519		7,677	
Accruals and deferred income		24,101		15,572	
			<u>39,626</u>		<u>24,441</u>
			<u>175,809</u>		<u>43,356</u>

2 PROFIT AND LOSS ACCOUNT OVER 2023

		Result 2023	Budget 2023	Result 2022
		€	€	€
Income				
Income	(6)	401,814	672,500	133,988
Expenses				
Management and administration				
Wages and salaries	(7)	170,866	299,525	169,774
Social charges and taxes	(8)	32,555	-	32,570
Other personnel costs	(9)	22,653	22,500	2,958
Amortisation and depreciation	(10)	248	-	230
Accommodation expenses	(11)	5,950	10,000	4,963
Office expenses	(12)	3,176	42,000	2,686
Marketing and communication expenses	(13)	30,759	81,000	13,789
General expenses	(14)	18,339	137,201	7,037
		<u>284,546</u>	<u>592,226</u>	<u>234,007</u>
Result		<u>117,268</u>	<u>80,274</u>	<u>-100,019</u>
Appropriation of the results				
General reserve		-18,053	80,274	-58,689
Earmarked reserve		135,321	-	-41,330
		<u>117,268</u>	<u>80,274</u>	<u>-100,019</u>

3 NOTES TO THE FINANCIAL STATEMENTS

General

Activities

The activities of Stichting NAB (CoC registration 81042582), with registered offices in The Hague, mainly consist of the following: Bringing together parties, markets, knowledge and networks so that more and more effective impact investments from the Netherlands contribute to the realization of the Sustainable Development Goals (SDGs).

The registered and current address of Stichting NAB is Saturnusstraat 95 in The Hague.

Estimates

In applying the principles and policies for drawing up the financial statements, the directors of Stichting NAB 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 FOR THE PREPARATION OF THE ANNUAL ACCOUNTS

The financial statements have been prepared in accordance with guideline C1 "Non-profit organizations" and are based on historical cost.

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. In the balance sheet, income statement and the cash flow statement, references are made to the notes.

Income and expenses are allocated to the year to which they relate. Profits are only included insofar as they have been realized on the balance sheet date. Liabilities and possible losses that originate before the end of the reporting year are taken into account if they have become known before the preparation of the annual accounts.

ACCOUNTING PRINCIPLES APPLIED TO THE VALUATION OF ASSETS AND LIABILITIES

Tangible fixed assets

A provision has been recognised for costs of periodical major maintenance. This provision is presented under the other provisions as a liability item.

Receivables

Upon initial recognition the receivables on and loans to participations and other receivables are valued at fair value and then valued at amortised cost, which equals the face value, after deduction of any provisions. The fair value and amortised cost equal the face value. Any provisions for the risk of doubtful debts are deducted. These provisions are determined based on individual assessment of the receivables.

Cash and cash equivalents

The cash is valued at face value. If cash equivalents are not freely disposable, then this has been taken into account in the valuation.

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 THE DETERMINATION OF THE RESULT

General

The result (balance) is determined as the difference between total income and total expenses. Income and expenditure are allocated in the statement of profit and loss to the period to which they relate. The allocation follows a consistent policy. This means that amounts attributable to one period that are received or paid in another period are taken into account.

Determination of the result

The result is determined based upon the difference between the net turnover and the costs and other expenses taking into account the aforementioned valuation principles.

Amortisation and depreciation

The depreciation on tangible fixed assets is calculated by using a fixed rate on the acquisition cost based on the expected life cycle. Gains and losses from the occasional sale of property, plant or equipment are included in depreciation.

4 NOTES TO THE BALANCE SHEET AS OF DECEMBER 31, 2023

ASSETS

FIXED ASSETS

1. Tangible fixed assets

	Equipment
	€
Carrying amount as of January 1, 2023	
Purchase price	1,198
Cumulative depreciation and impairment	-263
	<u>935</u>
Movement	
Investments	779
Depreciation	-248
	<u>531</u>
Carrying amount as of December 31, 2023	
Purchase price	1,977
Cumulative depreciation and impairment	-511
Carrying amount as of December 31, 2023	<u>1,466</u>
Depreciation rates	%
Equipment	20

CURRENT ASSETS

2. Receivables, prepayments and accrued income

	<u>12/31/2023</u>	<u>12/31/2022</u>
	€	€
Prepayments and accrued income		
Rent	493	-
Insurance	771	1,431
	<u>1,264</u>	<u>1,431</u>

3. Cash and cash equivalents

Bunq B.V.	1,866	2,484
Bunq B.V.	71,213	38,334
Bunq B.V.	100,000	-
Money in transit	-	171
	<u>173,079</u>	<u>40,989</u>

EQUITY AND LIABILITIES

	<u>12/31/2023</u>	<u>12/31/2022</u>
	€	€
4. Reserves and funds		
General reserve	862	18,915
Earmarked reserve	135,321	-
	<u>136,183</u>	<u>18,915</u>

	<u>2023</u>	<u>2022</u>
	€	€
General reserve		
Carrying amount as of January 1	18,915	77,604
Movement	-18,053	-58,689
Carrying amount as of December 31	<u>862</u>	<u>18,915</u>

The reserve is built thanks to allocation of the financial result.

Earmarked reserve

Earmarked reserve

Carrying amount as of January 1	-	41,330
Movement	135,321	-41,330
Carrying amount as of December 31	<u>135,321</u>	<u>-</u>

On 14 August 2023 the Ministry of Foreign Affairs awarded a grant of up to EUR 2,000,000 to finance eligible activities of the NAB for the period 1 July 2023 to 31 December 2026. A first payment of EUR 300,000 was received in 2023 of which EUR 164,490 was used to finance expenses incurred in the second half of the year.

5. Current liabilities

	12/31/2023	12/31/2022
	€	€
Trade creditors		
Creditors	7,006	1,192
Taxes and social securities		
Pay-roll tax	7,813	7,677
Pension premiums	706	-
	<u>8,519</u>	<u>7,677</u>
Accruals and deferred income		
Holiday bonus	1,942	2,803
Holiday accruals	612	612
Audit costs	8,620	-
Consultancy fees	5,943	-
Net income	2,580	57
Invoices to be received	4,404	12,100
	<u>24,101</u>	<u>15,572</u>

Contingent assets and liabilities

Long-term financial obligations

Rental commitments

The foundation has entered into a lease agreement for the rental of office space. The agreement started on December 15, 2020 for 6 months and was ended on April 30, 2024. The new rental agreement has been started on May 1, 2024 for a one-year initial period and can be cancelled with a three-month notice. The annual rent amounts to € 5,640, excluding service costs. The rent is indexed annually.

5 NOTES TO THE PROFIT AND LOSS ACCOUNT 2023

	Result 2023	Budget 2023	Difference 2023	Result 2022
	€	€	€	€
6. Income				
Income memberships	97,500	122,500	-25,000	94,500
Income City of The Hague + other public sector	-	50,000	-50,000	10,000
Income DA-Hub project	-	-	-	29,488
Income grants and subsidies	300,000	500,000	-200,000	-
Other income	4,314	-	4,314	-
	<u>401,814</u>	<u>672,500</u>	<u>-270,686</u>	<u>133,988</u>
Employee expenses				
7. Wages and salaries				
	<u>170,866</u>	<u>299,525</u>	<u>-128,659</u>	<u>169,774</u>
8. Social charges and taxes				
	<u>32,555</u>	<u>-</u>	<u>32,555</u>	<u>32,570</u>
9. Other personnel costs				
	<u>22,653</u>	<u>22,500</u>	<u>153</u>	<u>2,958</u>
Staff				
The NAB team grew in the last quarter of 2023. By the end of 2023, 2 employees were employed full-time and 3 were interns. The permanent team is complemented with staff on a consultancy contract.				
10. Amortisation and depreciation				
Tangible fixed assets	<u>248</u>	<u>-</u>	<u>248</u>	<u>230</u>

Other operating expenses

	Result 2023	Budget 2023	Difference 2023	Result 2022
	€	€	€	€
11. Accomodation expenses				
Rent buildings	5,950	10,000	-4,050	4,963
12. Office expenses				
Office supplies	116	7,000	-6,884	398
Website hosting	831	30,000	-29,169	52
ICT support	2,229	5,000	-2,771	2,236
	3,176	42,000	-38,824	2,686
13. Marketing and communication expenses				
Publicity and advertisement for projects	1,193	8,000	-6,807	4,721
Thank you gifts volunteers/interns	-	-	-	771
Event costs	22,363	43,000	-20,637	5,244
Travel expenses abroad	4,174	15,000	-10,826	537
Travel expenses in The Netherlands	2,103	5,000	-2,897	-
Representation	926	10,000	-9,074	2,516
	30,759	81,000	-50,241	13,789
14. General expenses				
Financial administration costs	7,679	7,000	679	4,860
Audit fees	8,620	-	8,620	-
Notarial charges	-	2,000	-2,000	-
Insurance	1,721	2,000	-279	1,551
Bank expenses	307	1,000	-693	341
Interest income	-72	-	-72	-
Unforeseen expenses	-	28,201	-28,201	-
Other general expenses	84	97,000	-96,916	285
	18,339	137,201	-118,862	7,037

Signature of board for agreement

The Hague, June 13, 2024

Y.L. Bakkum

H.C.E. Ruijs- Kuiper

J.T.M. Julicher

J.J. Reinking

M.N. Mulder

B. Vennema

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