EUROPEAN EVALUATION SOCIETY

2017 Financial Statements

For identification purposes.
Voor identificatiedoeleinden.

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Balance sheet as at December 31, 2017
(before appropriation of the result)

(amounts in EUR)	Note	31.12.2017		31.12.2016	
Assets					
Current assets					
Receivables	2.	26.632		1.044	
Other current assets		284		284	
			26.916		1.328
Cash and cash equivalents	3.		149.629		206.375
			176.545		**207.703**
Liabilities					
Equity	4.				
Unassigned reserves		82.229		83.632	
Unappropriated result		31.352		(1.403)	
			121.581		82.229
Current liabilities	5.		62.964		125.474
			176.545		**207.703**

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Profit and loss account 2017

(amounts in EUR)

	Note	2017	2016
Income			
Contributions members	1.	69.836	79.654
Net result Maastricht conference 2016	7.	-	1.174
UNDP Conference income	6.	18.669	-
Other Income		-	33
Gross result		**88.505**	**80.861**
Cost			
Costs Sage		10.073	18.193
Secretariat		26.620	26.620
Reimbursements		4.999	6.974
Audit		8.000	15.956
Website development		311	1.435
Hotel costs		-	3.600
Subscriptions/Contributions		2.000	2.000
Legal costs		2.554	2.363
Bank costs		935	1.651
Meals and dinners (Decl.)		-	531
Print costs		478	1.735
Exchange difference		421	7
Business related gifts		-	50
Other costs		762	1.149
Total costs (-)		**57.153**	**82.264**
Net profit/(loss)		**31.352**	**(1.403)**

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Notes to the 2017 financial statements

General

Principal activities

The European Evaluation Society ('EES' or the 'association'), having its legal address in Amsterdam, is an association under Dutch law. The objective of the European Evaluation Society is to stimulate and promote theory, practice, and utilization of high quality evaluation especially, but not exclusively, within Europe. This goal is obtained by bringing together academics and practitioners from all over Europe and from different professional sectors, thus creating a forum where all participants can benefit from the co-operation and bridge building opportunities of the EES. The main vehicle for this knowledge exchange is the biennial conference. Membership in the European Evaluation Society gives evaluators and organizations/institutions access to a body of knowledge and network of professionals, involved in evaluation in Europe and elsewhere. Membership fee includes subscription to Evaluation, The International Journal of Theory, Research, and Practice, as well as other benefits such as reduced fees for conferences, access to membership area, and events.

Financial reporting period

These financial statements cover the year 2017, which ended at the balance sheet date of December 31, 2017.

Basis of preparation

The financial statements have been prepared on October 29, 2019 in accordance with the association's accounting principles.

The accounting policies applied for measuring assets and liabilities and the determination of result are based on the historical cost convention, unless otherwise stated in further principles.

Going concern

These financial statements have been prepared on the basis of the going concern assumption.

Accounting policies for the measurement of assets and liabilities and the determination of the result

General

Assets and liabilities are measured at nominal value, unless otherwise stated in the further principles.

An asset is recognised in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. A liability is recognised in the balance sheet when it is expected to result in an outflow of resources embodying economic benefits and the amount of the obligation can be measured reliably.

An asset or liability that is recognised in the balance sheet, remains on the balance sheet if a transaction (with respect to the asset or liability) does not lead to a major change in the economic reality with respect to the asset or liability.

An asset or liability is no longer recognised in the balance sheet when a transaction results in all or substantially all rights to economic benefits and all or substantially all of the risks related to the asset or liability being transferred to a third party.

Income is recognised in the profit and loss account when an increase in future economic potential related to an increase in an asset or a decrease of a liability has arisen, the size of which can be measured reliably. Expenses are recognised when a decrease in the economic potential related to a decrease in an asset or an increase of a liability has arisen, the size of which can be measured with sufficient reliability.

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Revenues and expenses are allocated to the period to which they relate. Revenues are recognized when the association has transferred the significant risks and rewards of ownership of the goods to the buyer.

The financial statements are presented in euro's, the associations functional currency.

Use of estimates and judgements

The preparation of the financial statements requires the management to form opinions and to make estimates and assumptions that influence the application of principles and the reported values of assets and liabilities and of income and expenditure. Actual results may differ from these estimates. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are recognised in the period in which the estimate is revised and in future periods for which the revision has consequences.

Functional and reporting currency

Transactions in foreign currencies

Transactions denominated in foreign currency are translated into the relevant functional currency of the association at the exchange rate applying on the transaction date, being the euro.

Monetary assets and liabilities denominated in foreign currency are translated at the balance sheet date into to the functional currency at the exchange rate applying on that date. Exchange differences resulting from the settlement of monetary items, or resulting from the translation of monetary items denominated in foreign currency, are recognised in the profit and loss account in the period in which they arise.

The association used the exchange rate of EUR = 1,9980 USD as per year end 2017.

Financial instruments

General

Financial instruments include other receivables, cash items and other amounts payable. The association does not have any derivatives.

Financial instruments are initially stated at fair value, including discount or premium and directly attributable transaction costs. However, if financial instruments are subsequently measured at fair value through profit and loss, then directly attributable transaction costs are directly recognised in the profit and loss account at the initial recognition.

After initial recognition, financial instruments are valued in the manner described below.

Other receivables

Other receivables are carried at amortised cost on the basis of the effective interest method, less impairment losses.

Current liabilities and other financial commitments

Current liabilities and other financial commitments are stated after their initial recognition at amortised cost on the basis of the effective interest rate method.

Equity

Assigned or unassigned reserves have been presented as equity.

Provisions

Provisions are valued at the nominal value of the expenses expected to be incurred in settling the liabilities and losses. A provision is recognised if the association has a legal or constructive obligation, arising from a past event; and the amount can be estimated reliably; and it is probable that an outflow of economic benefits will be required to settle the obligation.

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Cash and cash equivalents

Cash and cash equivalents are stated at nominal value. If cash and cash equivalents are not readily available, this fact is taken into account in the measurement.

Cash and cash equivalents denominated in foreign currencies are translated at the balance sheet date in the functional currency at the exchange rate ruling at that date. Reference is made to the accounting policies for foreign currencies.

Equity

Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under equity. Payments to holders of these instruments are deducted from the equity as part of the profit distribution.

Financial instruments that are designated as a financial liability by virtue of the economic reality are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognised in the profit and loss as financial income or expense.

Current liabilities

The valuation of current liabilities is explained under the heading 'Financial instruments'.

Grants

Grants are initially recognised in the balance sheet as accrued liability when there is reasonable assurance that they will be received and the association will comply with the conditions associated with the grant. Grants that compensate the association for expenses incurred are recognized in the profit and loss on a systematic basis in the same period in which the expenses are recognised. Expenditures associated with projects that are not for the risk and rewards of EES are deducted from the accrued liability.

Income recognition

Income is measured at the fair value of the consideration received or receivable. Contribution fees are recognized over the membership period, and the recovery of the fee is probable. Conference related income is recognized when the service has been delivered, the associated costs can be estimated reliably, and the recovery of the consideration is probable.

Expenses

Expenses are recognized in the reporting year to which they relate.

Determination of fair value

The fair value of a financial instrument is the amount for which an asset can be sold or a liability settled, involving parties who are well informed regarding the matter, willing to enter into a transaction and are independent from each other.

The fair value of non-listed financial instruments is determined by discounting the expected cash flows to their present value, applying a discount rate that is equal to the current risk-free market interest rate for the remaining term, plus credit and liquidity surcharges.

Related parties

Transactions with related parties are disclosed if they have not been entered into at arm's length. Disclosed are the nature and amounts involved with such transactions, and other information that is deemed necessary for an insight into the transactions.

Subsequent events

Events that provide information on the actual situation at the balance sheet date and that appear before the financial statements are being prepared, are recognised in the financial statement.

Events that provide no information on the actual situation at the balance sheet date are not recognised in the financial statement. When those events are relevant for the economic decisions of users of the

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financial statements, the nature and the estimated financial effects of the events are disclosed in the financial statements.

1. Contribution fees

The annual contribution fees are received from three different sources.
There are the individual membership fees at EUR 150,00 per 12 months (including hardcopy subscription), individual membership fees at EUR 140,00 per 12 months (excluding hardcopy subscription), individual membership fees at EUR 250,00 per 24 months (including hardcopy subscription), individual membership fees at EUR 220,00 per 24 months (excluding hardcopy subscription), student membership fees at EUR 62,50 per 12 months and there are the Institutional membership fees at EUR 1 200,00 per annum.

There are in total 265 members at 31 December 2017:

- 241 individual members;
    - 31 individual members – 1-year fee
    - 51 individual members - 1-year fee including hardcopy subs.
    - 30 individual members – 2-year free
    - 129 individual members – 2-year fee including hardcopy subs.
- 7 student members, and
- 17 institutional members.

2. Receivables

The receivables contains mainly the receivable related to the UNDP Conference of EUR 18.669 and Czech-in related Grant Maastricht of EUR 6.943.

3. Cash and cash equivalents

Cash and cash equivalents are available free on demand.

4. Equity

Unassigned reserves

The unassigned reserves relate to accumulated results of the results of previous years.

Unappropriated result

Appropriation for result appropriation 2016

The financial statements for the reporting year 2016 have been adopted by the General Meeting on 13.12.2017 during a virtual meeting. The General Meeting has adopted the appropriation of loss as proposed by the Board of Management

Proposal for result appropriation 2017

The financial statements for the reporting year 2017 have been adopted by the General Meeting on 4.10.2018 in Thessaloniki, Greece. The General Meeting has adopted the appropriation of loss as proposed by the Board of Management. The 2017 net result is presented as unappropriated result in equity.

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5. Current liabilities
Other currents liabilities as per December 31, 2017 is as follows:

(amounts in EUR)	31.12.2017	31.12.2016
Contributions received related to future years	31.324	50.775
Grant IOCE liability	3.460	3.460
Czech-in related Grant Maastricht	-	43.057
Other and accrued liabilities	28.180	28.182
	62.964	125.474

Other and accrued liabilities primarily relate to services charges by Sage Publications Ltd.

IOCE grant
EES acts as a fiscal agent for projects that are sponsored by the International Organization for Cooperation in Evaluation ('IOCE'). These projects will be realized throughout the years 2013, 2014 and 2015, and relate to:

- IOCE P2P project – EUR 3.283 (USD 4.520)
- IOCE Innovation Challenge #03 – EUR 22.717 (USD 29.900)
- IOCE Innovation Challenge #18 – EUR 10.895 (USD 15.000)
- IOCE EFGR Grant – EUR 12.313 (USD 14.980)

Of the EUR 36.644 grants received, EUR 5.257 was spent in 2013. In 2014 additional 12.313 EUR were received and 30.609 EUR spent on the projects. In 2015 the grant was spent as following:
- IOCE Innovation Challenge #03 – EUR 973 (USD 1.088)
- IOCE Innovation Challenge #18 – EUR 10.418 (USD 11.405)
- IOCE EFGR Grant – EUR 3.505 (USD 3.800)

Any amounts that was not spent in 2015 was transferred to 2016 and 2017. Accordingly, the expenditures and received amounts are not recognized through the profit and loss account.

6. UNDP Conference income
The EES board members participating in the high-level advisory group and the technical working group for the NEC Conference 2017 were making a significant in-kind contribution to the Conference. In recognition of the EES inputed to the NEC Conference, the UNDP IEO contributed to the EES, in an amount corresponding to 50% of the workshop fees collected for the NEC Conference 2017, 16-20 October 2017, Istanbul: EUR 18.669 (USD 23.000).

7. Net result Maastricht conference 2016
The net result of the Maastricht conference 2016 is the revenue generated with the conference (including grants obtained) less the expenses associated with organising the conference.

8. Employees
The Society had no employees on their payroll in 2017 (2016: nil).

9. Transactions with related parties
Transactions with related parties occur when a relationship exists between the association, its affiliated group companies, and their directors and key management personnel.
There were no transactions with related parties that were not on a commercial basis.

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10. Subsequent events

There have been no subsequent events.

Prague, 29 October 2019

Bastiaan de Laat
EES President 2017-2019

Laura Fantini
EES Treasurer 2018

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A.S.

INDEPENDENT AUDITOR'S REPORT

To: the Board of the European Evaluation Society

A. Report on the audit of the financial statements 2017 included in the annual report

Our opinion
We have audited the financial statements 2017 of European Evaluation Society, based in 's-Gravenhage.

In our opinion the accompanying financial statements give a true and fair view of the financial position of European Evaluation Society as at 31 December 2017 and of its result for 2017 in accordance with the European Evaluation Society accounting policies.

The financial statements comprise:
4 the balance sheet as at 31 December 2017;
5 the profit and loss account for 2017; and
6 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 European Evaluation Society 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.

B. Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements
The board members are responsible for the preparation and fair presentation of the financial statements in accordance with the European Evaluation Society accounting policies. Furthermore, management is responsible for such internal control as management 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 members are responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board members 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 members 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 engagement 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 among others:

- 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 management;
- 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.

Werkhoven, 29 October 2019

NielenVanDeLaar accountants B.V.

Signed by G. van de Laar RA
partner