

2018 Financial Statements



NielenVanDeLaar Accountants B.V.
Document to which our report
(NLA2019186) dated 13 December 2020
also refers to.

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Balance sheet as at December 31, 2018

(before appropriation of the result)

	Note	31.12.2018	31.12.2017
(amounts in EUR)			
Assets			
Current assets			
Receivables	2.	33.714	26.632
Other current assets		-	284
		33.714	26.916
Cash and cash equivalents			
	3.	198.274	149.629
		231.988	176.545
Liabilities			
Equity			
Unassigned reserves	4.	113.581	82.229
Unappropriated result		36.809	31.352
		150.390	113.581
Current liabilities			
	5.	81.598	62.964
		231.988	176.545

Profit and loss account 2018

(amounts in EUR)

	Note	2018	2017
Income			
Contributions members	1.	64.937	69.836
Net result Thessaloniki conference 2018	6.	32.540	-
UNDP Conference income		-	18.669
Other Income		140	-
Gross result		97.617	88.505
Cost			
Costs Sage		10.112	10.073
Secretariat		26.620	26.620
Reimbursements		4.910	4.999
Audit		7.224	8.000
Website development		790	311
Hotel costs		760	-
Subscriptions/Contributions		2.000	2.000
Legal costs		1.452	2.554
Bank costs		1.289	935
Print costs		288	478
Exchange results		(1.511)	421
Telephone costs		1.811	-
Other costs		5.063	762
Total costs (-)		60.808	57.153
Net result - profit		36.809	31.352

Notes to the 2018 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 2018, which ended at the balance sheet date of December 31, 2018.

Basis of preparation

The financial statements have been prepared on 13 December 2020 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.

Although the impact on the results of COVID-19 is currently uncertain, the Board consider that there is no uncertainty regarding the association ability to continue as a going concern for at least twelve months after signing of these financial statements. The association has developed and continues to refine multiple scenarios to address varying levels of impact, to include financial impacts to the remainder of fiscal year 2020 and in planning for fiscal year 2021. This includes postponement of the EES Biennial Conference in 2020 to 2021.

Given the unprecedented nature of this outbreak and the fact that circumstances are changing rapidly, there is still uncertainty surrounding future developments. Based on these expectations the association has sufficient cash on hand to finance the operation for at least the next twelve months.

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.



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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.

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 = 1,1476 USD as per year end 2018.

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.



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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.

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 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 428 members at 31 December 2018:

- 381 individual members;
 - 102 individual members – 1-year fee
 - 92 individual members - 1-year fee including hardcopy subs.
 - 63 individual members – 2-year free
 - 122 individual members – 2-year fee including hardcopy subs.
 - 2 individual members – lifetime membership
- 25 student members, and
- 22 institutional members.

2. Receivables

The receivables contains mainly the receivable related to the Thessaloniki Conference result 2018 of EUR 32.540 and Czech-in related Grant Maastricht of EUR 1.174.

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 2017

The financial statements for the reporting year 2017 have been adopted by the General Meeting on 4.10.18 in Thessaloniki, Greece. The General Meeting has adopted the appropriation of the profit as proposed by the Board of Management.

Proposal for profit appropriation 2018

The Board of EES proposes to appropriate the profit as follows: the profit for the year 2018 in the amount of EUR 36.809 will be added to the other reserves. This proposal needs to be approved by the General Board Meeting. Awaiting for this proposition the profit is included under unappropriated result in equity.

5. Current liabilities

Other current liabilities as per December 31, 2018 is as follows:

(amounts in EUR)	31.12.2018	31.12.2017
Contributions received related to future years	38.848	31.324
Grant IOCE liability	3.460	3.460
Other and accrued liabilities	39.290	28.180
	81.598	62.964

Other and accrued liabilities primarily relate to services charges by Sage Publications Ltd and accrued secretary, IT and audit costs.

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 2016 was transferred to 2017 and 2018. Accordingly, the expenditures and received amounts are not recognized through the profit and loss account.

6. Net result Thessaloniki conference 2018

The net result of the Thessaloniki conference 2018 is the income generated with the conference (including grants obtained) less the expenses associated with organising the conference. The income of the conference amounts to EUR 425.145, and the expenses EUR 392.605 (consisting of the following categories: EUR 193.497 venue, EUR 165.510 direct conference expenses, EUR 19.233 general and communication expenses and EUR 14.365 finance expenses).

7. Employees

The Society had no employees on their payroll in 2018 (2017: nil).



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8. 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.

9. Subsequent events

The effects of COVID-19 on the associations business is that the association experienced is limited. The currently known impact of COVID-19 on the operations are the postponement of the EES Biennial Conference in 2020 to 2021.

There have been no other subsequent events.

Prague, 13 December 2020

D. Lamarque
EES President

Laura Fantini
EES Treasurer

INDEPENDENT AUDITOR'S REPORT

To: the Board of European Evaluation Society

A. Report on the audit of the financial statements 2018 included in the financial statements

Our disclaimer of opinion

We were engaged to audit the financial statements 2018 of European Evaluation Society, based in 's-Gravenhage.

We do not express an opinion on the accompanying financial statements of the Company. Due to the significance of the matters described in the 'Basis for our disclaimer of opinion' section, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the accompanying financial statements as a whole.

The financial statements comprise:

1. the balance sheet as at 31 December 2018;
2. the profit and loss account for 2018; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our disclaimer of opinion

We have not been able to obtain sufficient and appropriate audit evidence regarding to the net result of the Thessaloniki conference 2018 as included in note 6 in the financial statements. This related to the completeness of the conference income, and the existence of the general and communication and finance expenses. As a result of the aforementioned circumstances, we were unable to determine whether any corrections would be required with regard to the net result of the Thessaloniki conference 2018.

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, the board members are 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 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 the board members are 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 responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with Dutch law, including the Dutch Standards on Auditing. However, due to the

matters described in the 'Basis for our disclaimer of opinion' section, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

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).

Utrecht, 13 December 2020

NielenVanDeLaar Accountants B.V.

Signed by G. van de Laar RA